

PHD IN URBAN AND TERRITORIAL PLANNING • UNIVERSITY OF NAPLES "FEDERICO II" • COORDINATOR: PROF. ATTILIO BELLÌ



LIMINAL SPACE

THE CONTROL OF TERRITORY BETWEEN FORMAL AND INFORMAL

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«Knowing is not enough; we must apply. Willing is not enough; we must do.»
Johann Wolfgang von Goethe

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Acknowledgements

Foreword

The research analyzes how the dominant groups in society can influence the territorial choices by moving in the *liminal space* between formal and informal.

The ultimate aim is to assess the effectiveness of urban planning practice in relation to the theme of the government of the territory. For this reason we chose to compare two models of planning (Italian and American) very different among themselves in relation to learning from and managing informal practices.

The control of territory and the control of land use are different categories, but they have strong ties to each other. The control of the territory is linked to social classes and their relationships, while the control of land use is a subcategory of the former, and it's related more closely to the practice of urban planning.

We can define the control as an exercise of power. We don't refer to "control applied to the space" but to the "spatial characteristics of the control." The physical space is the most

evident manifestation of control, therefore control itself has "spatial characteristics."

Indeed, according to Foucault we need "to write a history of space that would be also a history of power." Control is manifested mainly "in the distribution of social classes in a space."

The planning choices are themselves an expression of power because they determine the actions on the physical space.

Currently, the power is increasingly shifted from *states* to *firms*, transnational corporations, holding companies, and many other different 'special influence groups' such as non-governmental organizations or, in many cases, illegal or criminal groups.

This system, which has marked consequences in architectural, economical, and social terms, gives rise to the contemporary city. Although these special influence groups have very different purposes, what is important for this research is to demonstrate that they act in very similar manners in order to influence the decision of local governments.

The location (the 'land') is a determining factor of the groups' investments. In many cases these groups are involved in official urban plans (formally or informally) as stakeholders.

Do these groups represent a risky shift of power toward special vested interests? Or do they represent a move towards the new 'civil society'? What are the benefits and what are the costs for the people who live in the city?

About the title

What's *liminal space*?

The research points to interplay between formal and informal practices. It argues that there is a decisional space in which formal and informal are hardly distinguishable.

The planning activities are the results of the interaction between institutional and non-institutional actors (often public and private actors) who are directly involved in planning processes. Institutional actors are those who hold the formal power to decide. The non-institutional actors, meanwhile, do not hold that power, but are directly or indirectly involved in the planning process and contribute to the final decision through their influence on the government. The ability to control the space appears as a specific technique in the practices of power. These practices pursue defined territorial outcomes.

The term “government of territory” is defined as a set of actions taken by various social forces, institutions, and

economic agents that interact and determine a way to use and organize the territory.

Therefore, the *liminal space* is an indeterminate space, a pronounced paradox for city planning and urban politics.

The comparative dimension allows for a subsequent discussion focusing on elaborating the conditions of management of informal actors in urban development processes. The predominant point of this research is to explain how these forms of urbanism have taken a place in city planning, and the role of the latter.

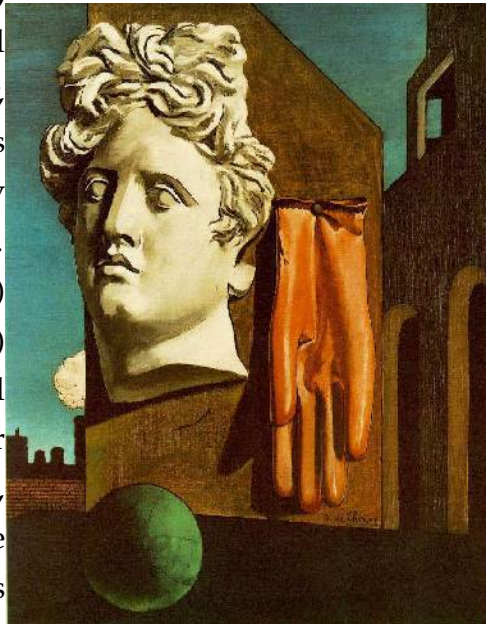
Control of territory

Paragraph I

About *control*

Spatial characteristics of the control

The physical objects that make up the urban space, even when they're viewed in their entirety, are difficult to be interpreted through a unique clue. Although it may seem inherent and enduring, that which is veiled behind their externality, function and location is something extremely volatile and controversial. How (by what processes) and why (by what logic) these objects "land" and transform the space is, for the proposed research, more significant than the physical configurations



and the relationships they establish with each other and with the context (i.e. outcomes produced).

In essence, the question is not "What's the configuration that the physical space assumes?" or "How are the various components related to each other?", but it's rather "What are the processes that generate that?" .

In English 'exercising power' cannot be expressed with a verb; the verb 'to power' means indeed "to supply with electricity; to make powerful; to spur, while 'exercising power' is commonly replaced by the verb 'to control' or 'to influence', in different contexts and meanings.", consistent with what happens in Italian in which the verb 'to power' (*potere*) means "to have the opportunity; to have the permit; to have the force."

De Chirico's painting lends itself as an effective tool to clarify the concept, yet it is not clear the meaning of objects in the painting are apparently matched meaningless as the title "Song of Love" which seems to have no association with this that is represented. What leaves reflect, however, is the train that runs behind this kind of scenic backdrop and that is perhaps the real subject of the painting, the only thing moving on the question before it as "fade". De Chirico

probably pushes us to look at "what's behind."

For the purposes of this research, rather than talk about 'control applied on a space' is probably more useful to refer to spatial characteristics that control takes. The control is, in fact, by its nature linked to physical space (and not *applied* on this), itself has «spatial characteristics». According to Foucault, in fact, power is always applied to a space-related matters so much that Foucault himself argues the need to «write a history that would be both a history of space and power.»

Adjusting, regulating, subdividing, educating are forms of control which are manifested primarily «in the distribution of individuals in a space». The division serves precisely to appreciate and measure the individual parts: «the discipline organize an analytic space» [M. Foucault, 1975].

«A spatial concept will act as a political concept every time the two will be separated, and every time that their interplay will remain unknown, a specifically biopolitical condition will operate and a typical form of subjectification will act» [A. Cavalletti]. According to Cavalletti's interpretation, Foucault argues that the 'space-policy' concept is indissoluble, and each time it's not interpreted in that sense,

it gives more chances to the purely biopolitical processes to act.

The survey regarding the concept of control and it is not limited to an interpretation in the merely *repressive* sense; the control may be also, if properly directed, highly *propulsive*, as a development engine [L. Mazza, 2004].

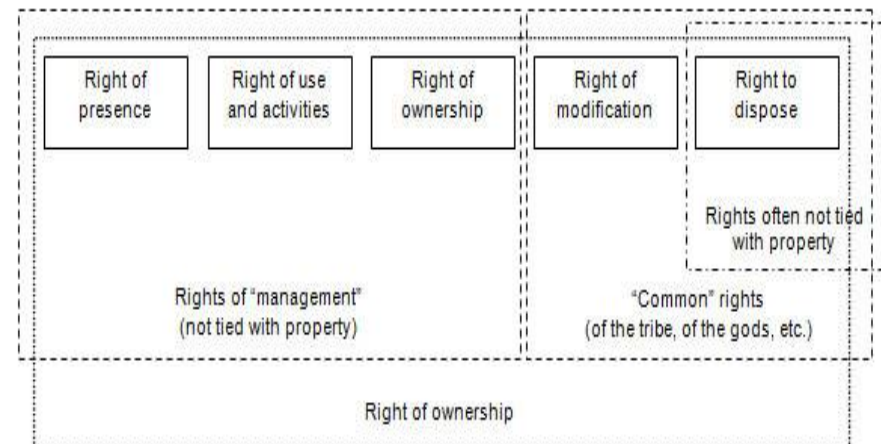
This character can be reduced leverage, in part, to its use planning repeatedly invoked theories already known planning. In particular, K. Lynch includes its control between the *dimentions of performance*; it can be «explicit or encoded, or implicit, informal and illegal as well. It can be efficient or inefficient, continuous, temporary or recurring» [K. Lynch, 1981]. As we know, Lynch's research go towards the study of the space quality, which is not particularly significant as the "purpose" of this research, but it's certainly helpful in order to understand the concept of control and to consider how the control have influenced the interpretation and design of urban space into more specific areas of planning theory.

Space, and the behaviors associated with it, need rules. The human being is an animal connect to its territory: he use the

space to handle the interpersonal exchange and he claims some rights on the territory to take resources from it. The spatial controls produce strong psychological consequences: sense of anxiety, satisfaction, pride, or submission. The welfare state is strengthened, or at least expressed, by the dominance of space. One of the main causes of conflict has always been the struggle for territory, and the governments themselves are units based on territorial divisions. We are used to a particular form of space control: the property, legally defined, an area with sharp boundaries. The property is a convention which gives a momentary control, it is neither permanent nor absolute. It seems odd that other cultures may have different views. Even among us, in addition, informal control is superimposed on these statutory controls.

Lynch defines various forms of control, identifying five different rights on the space [1]:

- 1) right of presence;
- 2) right of use and activities;
- 3) right of ownership;
- 4) right of modification;
- 5) right to dispose.



[1] The graph is derived from Lynch's research about human space in different cultures. The author points out how these rights are commonly associated with the right of ownership, they are in fact inseparable from it and cannot be individually analyzed.
LYNCH K. 1990 (1981), *A theory of good city form*, Op. cit.

The important element in the distinction among these rights is their spatial separability from the right of ownership: in fact, they are not necessarily linked to this latter.

Lynch's analysis is also focused on how the control affects the quality of space, in particular on the parameter of congruence between use and control, namely the extent to which real users and residents controlling the space where they live (exercising rights space above).

More often, especially in reference to the design practice, the discourse about urban development flattens in a rhetoric about security, even in this case, Lynch's thought is a proper pattern to clarify the various relationships that control establishes, from time to time, with other concepts such as *security*, *accessibility*, etc., but they remain distinct and in no way interchangeable.

To assess the various forms of control, Lynch uses the valid definition of "territorial basis", that is the place controlled by different entities which are in every type of society, «individuals, families, associations, religious group, groups which are auto identified by class or ethnic groups» [K. Lynch, 1981], distinguishing between cases in which the users are unable to exercise effective control (by their nature

or type of situation) and cases in which they might become one, thus defining more clearly the limits of the criterion of congruence, which is not always applicable, and certainly not in a slavish way.

Dystopic visions of the controlled space:
between imaginary and real

Dystopic consequences of control of urban space are symbolically delineated by M. Davis in the description of modern "fortress" in which the desire for security seems to have supplanted inescapably all hopes of social integration. «This obsession for physical security systems and, simultaneously, for the control of the social boundaries, has become the *Zeitgeist* of urban restructuring, the central theme of the new urban environment in the 90s» [M. Davis, 1990]. The consequence of this crusade to defend the city is, according to Davis, the destruction of public space.

It seems logical to invoke the George Orwell's vision - topical and prophetic - in "1984". In the effective interpretation of T. Scalmani, Orwell describes a city which is «just a distorted projection of the metropolis of the twentieth century» in which there is a sharp division of the binomial 'city-civitas' and a lack of the social and political meanings of citizenship» [T. Scalmani, 1987]. But perhaps the most interesting observation for reading the control of urban space is the contrast between the rationalist idea of totalitarian control through forms and clear intelligible

spaces, and Orwellian idea of control through physical chaos, mental disorientation and urban disorder ("Chaos is order" Big Brother).

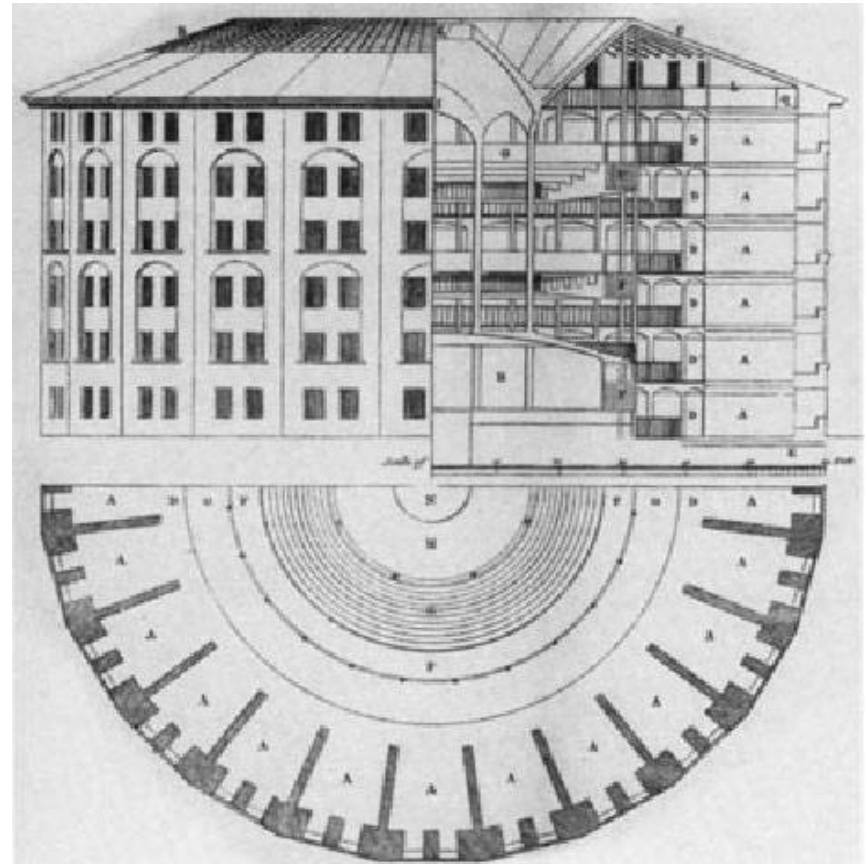
Orwell's dystopic vision of control dates from fifty years ago; in that same time Huxley, another dystopic and apocalyptic visionary, wrote *Brave New World*. There was a genuine dispute that fully embodied the fears of the time about the future of the society; the dispute was due to the fact that the two worlds seemed diametrically opposite: Orwell's vision was dark, sad and poor, while Huxley's vision was opulent, awesome and prodigious. What unites the two views was the gloomy prediction of a rigidly controlled world, a reduced individual freedom, a people accustomed to obey, a small elite who supervises and directs, a world divided into administrators and administered, with the formers always careful to hide their own projects and the latter totally uninterested or incapable of understanding the meaning of what really happens. «Orwell and Huxley don't disagreed at all about the final destination of the world, but simply about the different way that would take us to that future, if we had remained fairly ignorant, obtuse, placid or indolent to let things take their natural course. [...] Both authors felt that the tragedy of the world was in its placid and uncontrollable

race to the rift between the increasingly powerful and unattainable controllers and the most people increasingly impoverished and tightly controlled» [Z. Bauman, 2000].

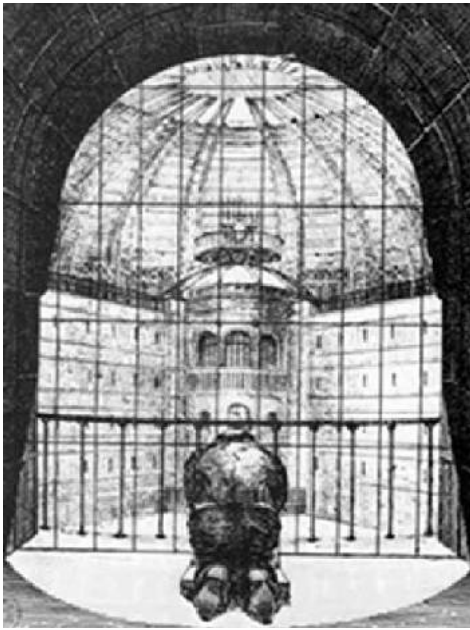
Just as Aristotle and Plato could not conceive of a society without slaves, equally Orwell and Huxley could not conceive of a society without monitors, without control towers and headquarters.

Both views, though in a different way, recall the Foucault's theory of panopticism, extended to the entire social structure, in which controllers and controlled, are part of the same mechanism.

The Bentham's Panopticon is an abstract model, exemplary, rather than a mere structure for internment and formal architectural control. In that model is particularly evident the argument that the power "exists" independently of who exercise it: In the Panopticon the behavior of individuals is influenced by the idea that someone "can" control, someone who cannot see and who might be anybody (or might be nobody), turning each one in keeper of himself. The power is so scattered that is spontaneously internalized, those individuals subject themselves to the power «of which themselves are bearers» [M. Foucault, 1975].



Even before Foucault's theory about the microphysics of power, Schmitt distinguishes the essence of power *itself* over to its owner, declaring the independence of the first from the second, defining the power like «independent measure [...] which is not always benefit of its owners. [...] Objective



measure, independent from any human individual, who, from time to time, holds it in his hands». More accurately, he defines that as a surplus value, because its value is higher than the sum of all the consents obtained, and even more than the following results. The autonomy of power takes the same holder of power in the «inherent dialectic between power and weakness» [C. Schmitt, 1954].

The political and social finalities of the practices of occupation and division of the space (in this case, we mean territorial and geographic space) are particularly evident in the colonial States which appear, in their most extreme form, the most obvious realization of some dystopic vision about control previously discussed. European colonialism denied the right of ownership of

urban land and to reside permanently for colonized peoples, in particular the British, fearing that urban life would have favored the anti-colonial solidarity in the African communities, fully apply the ideology of *divide et impera* ('divide and rule'), dividing the land according to a strict "racial zoning" and controlling the inflows (temporary need for labors) in the urban areas, through the *pass laws* (laws that regulate the migration of the indigenous, considered temporary residents from rural areas) [M. Davis, 2006].

The Apartheid has brought this model to its logical extreme, the postwar law of South Africa followed the ideal "white cities, black country". The same model, based on segregation and police control, is recognized in the colonial India, in the Asian Stalinism, and in the South American dictatorships. In fact, in all these cases the "right to the city" was denied to indigenous peoples.

Perhaps we can attempt to reread all these visions (imagined or real), the rationalist and totalitarian and the chaotic and confusing, through the contrast between order and disorder, between rule and exception, in particular we can start from Thrift's theoretical formulations. Thrift distinguishes the "Joshua discourse" from the "Genesis discourse", whereas in

the first "order is the rule and disorder is an exception", in a second "disorder is the rule and order is an exception" [Z. Bauman, 2000].

«Discourses are metalanguages that instruct people how to live as people. They are best represented as great rivers of communication, performances, propelled into movement by talk and text, enflamed by technologies like books, visual images, and other 'media', guided by procedures like rules and styles, and crowned by significant effects like particular subject position or emotional states which establish the cultural importance of a discourse at gut level, and allow in to kick in. [...].

One of the prevalent discourses in western intellectual cultures of the last two thousand years, a discourse which has waxed and waned and which has adjusted to historical custom but which still holds to a series of central tenets, has been what Jowitt (1992) calls "Joshua discourse". That is a discourse that is founded on the idea of transcendental rationality, on the notion of a single, correct, God's-eye view of reason which transcends (goes beyond) the way

human beings (or indeed any other kinds of things) think, and which imparts the idea of a world that is 'centrally organized, rigidly bounded, and hysterically concerned with impenetrable boundaries» [N. Thrift, 2005].

After 1940s and 1950s, the Joshua discourse began to be retreat and a new discourse has began to take hold, which challenges the idea of a God's-eye view of reason.

«These tenets lead to a view of the world that is very different from the purified Joshua discourse, which we might call [...] the Genesis discourse. It is a view of the world in which borders are no longer of fundamental importance; territorial, ideological and issue boundaries are attenuated, unclear, and confusing. [...]. It is a view of the world in which knowledge has become an archipelago of islands of epistemic stability in a sea of disorder, individual is replaced by the notion of the socially constructed 'dividual', constantly spooling production taking place on many different time scales words, the world

has to be constantly brought into being through the hard and sustained work of constructing networks of translation and affinity» [N. Thrift, 2005].

product of social interactions, influenced by the context in which it develops [R. Boudon, 1984].

The capitalistic vision of the world is attributable to the first model in which the rigidly hierarchical Fordist factory could be seen as a symbolic prototype of social engineering oriented to the order, while currently the speech moves increasingly to the second model where the disorder become a common rule.

«*Order* [...] means monotony, regularity, repetition and predictability, we define a specific scenario if and only if the occurrence of certain events is considered more likely than their opposites, and the occurrence of other events is considered highly unlikely or completely excluded. Conversely, this means that someone outside (a supreme creature, personal or impersonal) must interfere with the probabilities, manipulate the dices, so that events don't occur in random» [Z. Bauman, 2000].

In this regard, it's perhaps useful to recall Boudon's thesis, according to which the disorder as an integral part and

Control of urban and territorial transformations

Urban planning is technically, above all, the regulation of land uses, where regulation means state intervention in private spheres of activity in pursuit of the objectives of general interest, or decide by force of law what are the uses that an owner public or private, can make the soil available. Rule, therefore, personal behavior and social adjustment with the geometry of urban and territorial transformation, so that adjustment through the techniques of organization and control of space activities in pursuing political goals and strategies of social control and environmental.

Therefore, we define forms of territorial control to operate through forms of social control. The desire for social control «is exercised both through the distribution of assets in space, both through the symbolic representation of relations, political and economic considerations involved in social groups» [L. Mazza, 2004].

Planners do not work on a “neutral” liberal scenario, where any interest receive the same space: «the economic structures lead to autonomy and independence for some, while for others they determine lack of power and subordination.» [J.

Friedmann, 1993]

When we talk about city government we mean both the public institution which has the authority to govern a certain area and the activities carried out to implement the decisions of that institution. In every state there are decentralized institutions which enable local communities to govern themselves, with several degrees of autonomy from central government. With the definition of “local government” we mean the government as an institution, while with the definition of “governance” we mean the activity that this institution gives rise to.

«Governance is the exercise of political, economic and administrative authorities in the affairs management of a country at every level. Governance includes several mechanisms, processes and institutions through which citizens and groups articulate their interests, mediate their differences and exercise their legal rights and obligations [...]. Governance includes the state, but transcends it by including the private sector and civil society.» [United Nations, Research Institute for Social Development (<http://www.unrisd.org>)]

Territoriality, control, decision

For the purposes of this research, we consider useful to specify and implement a relationship between three terms which, while retaining distinct meanings, are strongly linked each other: *territoriality, control, decision*.

The *file rouge* that binds them is certainly the theme about the relationship between space and power.

Territoriality is defined as «the relationship between an individual or a group and a particular physical environment, characterized by a feeling of ownership and by attempts to control form and use of space» [S.N. Browser, 1980]. Therefore the *control* is itself an exercise of power, applied to a territorial space. In this sense the decision-making process, which in fact produces a *decision*, is a direct exercise of power[2].

The concept of territoriality was first developed in the field of ethology and it refers to the relationship between animal species and the place where they are located in relation to

[2] Dahl, in his studies on power in the community, analyzes the existence of ruling elites, assessing their capabilities to influence in different ways the political choices. DAHL R.A., 1961.

the biological roots of appropriation of the space. Human Territoriality is manifested within social relationships, in the exercise of spatial exclusivity. The sense of ownership of a territory is expressed in the control on access, retention and release by the local community.

In the wide literature on this topic, we can identify two dominant interpretations:

- First interpretation: it assigns a negative value to the territoriality, which is referring to the border as a edge of exclusion, the creation of otherness and conflict.
- Second interpretation: it attaches a positive value to the territoriality in relation to the creation of identity, mediation and relationship with the outside.

Territoriality is defined by Raffestin as «the set of relationships that a society, and therefore also the individuals who are part of it, have with the exterior to meet their needs with the help of mediators (*médiateurs*) in prospect of obtaining the greatest possible autonomy, evaluating the resources of the system» [C. Raffestin, 1984].

According to Dematteis, from this definition we can understand the territoriality as a «means to have fruitful

relationships with the others»: a set of social relationships which, through interaction with the surrounding reality and its transformations, can become a source of innovation, of creation of value and development. These things, in fact, are always the result of territorialization processes. This concept has been transposed in the definition of “active territoriality”.

It is particularly important, in territoriality active, to define the role of *mediators* (cited by Raffestin), «one could say that territoriality itself is a mediator: symbolic, cognitive and practical, among the materiality of things and the social behavior». However, it is not realistically conceivable a development that doesn't involve physical changes. The social relationships, in any sphere they belong to, always go through some things and some transformations of things [M. Zàrate, 2004].

Territoriality is, basically, a dynamic behavioral phenomenon. Human territoriality must be viewed primarily in relation to a cultural matrix, respect to which the need to space control is derived from the socio-political context in which it occurs: it's both a need and an institutional product. The power is exercised through the

control of the space. Human territoriality, away from the biological principles of spatial behavior (belonging to the animal kingdom), is closely related to "the political space". In regard to this topic, E. Soja correlates the terms 'territoriality' and 'regionalism':

«Nodality, regionalization and power are also involved in another contextualizing feature of social being, the creation of bounded enclosures which demarcate what Giddens terms the 'presence availability' (presence/absence) of human interaction. Here to additional and closely related terms, 'territoriality' and 'regionalism', need to be included in the theory of structuration. Both work, in many different ways, to segregate and compartmentalize human interaction by controlling presence/absence and inclusion/exclusion. Like the centre/periphery distinction, with which they are closely related, territoriality and regionalism express the allocative and authorizative power that operates in locales. To borrow from Foucault, they are products of the instrumentality of space/power/knowledge and provide the basis for making the operation of power both spatial and

temporal» [E. Soja, 1989].

The desire of the human being to define their "own" space expresses a need to protect themselves from the "others", the need to define their otherness which appears just when a line is drawn.

In reality, the boundaries of a certain territorial area are so physically intangible as much as they are tangible in the mind and in common language, helping us to define our own idea of space and time.

Limiting means "to restrict by or as if by establishing limits" but also "to confine or keep within limits".

The relationship between division of territory, social control and political management has been widely discussed in various historical moments and with different keys for reading. In regard to it, already Aristotle defines Hippodamus of Miletus "the first of those who, while not involved in politics, tried to say something about the best (right) division of the territory. Hippodamus expected, in fact, the division of territory into several sections, corresponding to particular social classes [L. Mazza, 2006].

The interrelationships between the processes of spatial organization and social processes (including social conflict, the mechanisms of integration or exclusion) is a vivid platform of debate for urban studies derived from sociological or geographical studies (e.g. Harvey, Soja). In this conceptual framework, 'territoriality' is precisely described as a behavioral phenomenon associated with the organization of space [E. Soja, 1989].

Consequently, any choice of location or any change in the urban structure involves a change of *proximity* and *accessibility* to resources, creating a new social balance (or imbalance).

Paragraph II
Liminal decisional fields and government of territory

Decision and conviction

In his speech on rhetoric, already Socrates ponders on how to take a political decision, depending on which belief and how to convince the others. Therefore, according to him, the *decision* arises from a *conviction*.

The ability to persuade, influence and ultimately make decisions is manifested in social relationships[3] between individuals or different groups of individuals, highlighting the existence of *dominant formations* [this definition is effectively analyzed by A. Ballarini, 2002]. Ideally, both access to decision-making and the ability to influence decisions should be distributed equitably among the people. But, as we know, the historical terms of inequality are numerous.

The strength of offense and exposure to the offense together determine essentially what we call basically "sociality". It

cannot be totally ignored the existence of the concern, of fear, or fear of the others as a way to be a *social being* [H. Popitz, 2001].

Within a decision-making process, individuals who have greater capacity (cognitive, economic, coercive, etc..) hold (effectively or potentially) the ability to domination and influence.

The domain is always implemented by a person who computes, rationalization, arrangement (formal logic); we dominate by rationalization.

[3] Social relationships are the raw material used for the construction of different models of social structures. LEVI-STRAUSS C., 1958.

Decision making on urban space

How the political and economic power are closely linked to urban space and capable of influencing the choices of use and location, are topics which have been called previously. The production of the city, considered this time as a result of an economy process, has been the subject of different interests which may be consistent or conflicting. These interests are not always understandable, in contemporary societies, as much as the economic role played by the numerous social figures who can be often overlapping.

In regard to that, take a certain importance the question about the relationship between collective and individual interests; this relationship is often mistakenly replaced by public-private relationship, the two issues are closely related, but hardly interchangeable.

In the novel by G. Di Benedetto, centered on an imaginary city called *Izdik*, the author reinterprets the theme of the play of interests (and the urban income) within an ideal reality which comes to be an alternative to the current situation:

«Well, there is a deeply difference between the urban

spaces planning here, in the city of Izdik, and the narrowness in which the urban planning is forced to act into other cities”.

“Sometimes there are correct planning decisions, indeed the only good ones, which the administrations have not the courage to take, because they would give a clear advantage to a certain subject that should not (you understand) to be favored. And conversely, there are deleterious planning decisions which are taken because they give an advantage to those who should (you follow me, right?) be supported. Not to mention, and here is the paradox, about the choices that are negative for the city but which take the sole purpose of causing a penalty to a person who must be politically fought”.

“All this doesn’t exist in Izdik. A choice is taken just if the its effects are positive for the city, and it’s not taken, when its effects are negative. That’s it. Nobody cares to know who owned the land involved in the transformation, whoever he is, no one will get richer, no one will become poorer! The action will be done from those who have the resources and entrepreneurial spirit to win the auction”.

“So the choices are just urban planning choices, and it’s not through them that you change the arena of economic competition”

“Excuse me, the last question will seem under the lines, but, that being so, in Izdik what kind of interest the politicians can have on urban planning?» [G. Di Benedetto, 1997]

The urban planning choices are (again) an expression of an exercise of power because they determine concrete actions on the physical space. What is shown through their act, through the effect, the final result, what we can see as a concrete representation of a choice, all this expresses the *reality principle* that Nietzsche called *phenomenal*.^[4]

The ability to influence decision making will not be analyzed in its inherent nature as the indicator of a social hierarchy, but as a specific technique in the processes of power, which seeks to pursue outcomes tactically defined.

Planning activities are the result of the interaction between

[4] Nietzsche argue that the being is thus understood by us as that which has effect on us, as that which is shown through its act. The only way that things have to assert itself, is to show themselves in the reality. To be real.

institutional and non-institutional actors, public and private actors; with the name 'actors' are defined all persons directly involved in planning processes [L. Mazza, 2003] Institutional actors are those who hold the formal power to decide, while non-institutional actors are those who are directly or indirectly in the planning process, however, contributing to the construction of the decision.

Any direct power is subject to indirect influences. In front of each room of the direct power there is a sort of antechamber of indirect influence and control. There is no power without this chamber. The fight for control in this antechamber mentioned by Schmitt is equally cruel and inevitable as much as the struggle for direct power itself: this latter is "a necessary stage in the inevitable dialectical development of human power [C. Schmitt, 1954].

Facing the limits of traditional public action, we wonder what institutional innovation, legislative and management, may be adequate to meet more convincingly the problems of urban living.

Can indeed the planners work to realize possibilities of the cities? They surely «can publicize issues that threaten or may

benefit the people of the city. They can resist public giveaways. They can work effectively, if always within limits, in the face of power. Their work can produce tangible benefits for their clientele. Yet planners alone, even with the best of efforts, will not be able to alter the structure of political economy» [N. Krumholz, J. Forester, 1990].

Power in the choices on government of territory

Balandier and Ballarini talk about relationships of order, dependence, domination, and power. Basically relationships of order (rules, hierarchy, etc..) and dependence (due to inequality of power in a system) occur "if" there are relationships of domination (performed by groups belong to higher-order in the social structure) [C. Baladier, 1997; A. Ballarini, 2002].

Therefore, if some groups (like organized crime, as well as large holding company or other subjects) establish some kind of domination over other groups who have less decision-making power, they do it through the establishment of an order and using the inequality of power (order and dependence). All these different groups should not be confused, they definitely have different purposes, what is important for this research is to analyze just their ability to influence decisions on the urban space.

Foucault distinguished the different relationship of power: they are transformed into domain when they become "petrified", that is when the hierarchies don't change or

when the involved groups use all possible means to maintain they position within the system. When this doesn't happen, the relationship of power are more 'mobile': they allow to that groups (or individuals) to imprint the strategies that constantly change, as commonly happen in every type of human relationship.

As regards social interaction, at a sufficiently broad level of analysis, we can find many well described images, particularly effective is the definition of "society of minorities", which takes into account the changing system of social stratification, no longer unique, top-down and hierarchical (in both economic and political terms), in which the distribution of power is not attributable to a specific class or social stratum, in a fixed order and mutually interdependent, but rather it act diagonally across the social topography.

In this perspective, premising that a 'society of minorities' is not devoid of rules, what needs to be analyzed are «the relationships between *rule* and *chance*, between *necessary* and *contingent*» [B. Secchi, 1987].

In terms of territorial control this definition is particularly fertile: in a society of minority groups those who has more power can exploit the economic political and cultural circumstances. They usually tend to "occupy" a significant part of territory, ousting the others, avoiding to inform the others about themselves and their targets.

Paragraph III
The *nomos* as object

Land. Transactions, economic rent, capital gains

In the beginning of the history there is always, in different form, the constitutive process of occupation of land (*Land-nahm*). This also applies to the beginning of each historical epoch. The occupation of land is 'to take root' in the history. Through the occupation of land, the human beings are 'historically collocated', in the act of founding a city, colonize an area, or misappropriation of a defined geographical area. The occupation of land is an act that establishes the primordial history and law, and it was also the archetype of all social, political and economic orders, preceding the distinction between public and private property.

In summary, that's what Schmitt argued. Thus, according to him, the origin of any historical process came from an 'spatial act': «world history is a history of conquest of land» [C. Schmitt, 1950].

The greek term *nomos*, commonly translated as 'law',

actually derives from the greek verb *nemein* which originally possessed different meanings, all eminently 'spatial': 'conquer' (meaning primarily 'to conquer a territory', 'to possess'), 'divide' (to fraction the land through the establishment of boundaries and the subsequent activation of property rights), 'cultivate' (the value derived from portion of land, after division).

This primordial act of acquisition and division of land involves localization in a space (*Ortung*) and creation of an order (*Ordnung*): from this primordial act all the institutions are subsequently derived, as much as regulation and law systems. At the base of each new period, and each new era of coexistence between peoples, between the empires and countries, between power holders and any kind of power, there are new subdivisions of space, new boundaries and new spatial orders of land [C. Schmitt, 1950].

As for a correct reading of the historical dynamics is necessary to relate them to their primary substrate, thus, also to understand the contemporary urban dynamics, we cannot avoid to consider the relationship between these dynamics and their primitive and fundamental element: 'the land'.

Using the peculiar features of the Schmitt's theory, the intent is to consider every phenomenon in its existential

concreteness in order to discover the underlying 'elementary dynamics'.

More precisely, the transformation of the government of the territory can be interpreted (like the historical transformations for Schmitt) through the changes of the *nomos*, that is the way in which the men took possession, dividing and cultivating (this time, also in terms of production of income) the land.

Somehow Schmitt's reflection can be placed at a 'primitive level', compared to the reflections on the production and operation of the space itself, as they are mostly detailed by Lefebvre, who worked out a more clearly evolved analysis (of course, not so much in a qualitative sense, but in an analytic one) on the relationship between space and political/economic power.

We can find the most obvious contrast between the theoretical formulations also in the reflection about the nature of the space itself. According to Schmitt, it is a given element (basic, primitive), existing in any institution or social regulation, instead, for Lefebvre it is a product of the society, and therefore it cannot seem to be antecedent to the social formation, but resulting from this latter.

Soja examines the triplicity of the approach of Lefebvre, claiming that the title of the famous French author's book could have been «the production of the space, the making of the history, and the composition of social relations or society» [E.W. Soja, 1996].

One very interesting and little known fact of the colonial period is that land speculators played a very important part in attracting population to North America. One hears a great deal about the Puritan, Quaker, and other religious movements as important factors in bringing cohesive groups of settlers to America. Also the idea of "cavaliers" coming to Virginia also gets a fair amount of mention, although more often in honor theories of the antebellum South than in writing about the colonial period.

As stated previously, human territoriality[5], understood as an exercise of power on the space, is deeply different from the original ethological meaning, because it is constrained not just by political power but also by economic power.

The role of economic power within the processes of

[5] in Three key words: *Territoriality, control, decision*.

territorialization refers to a theme already well-known to 'traditional' urban planning: both the organization of land and social regulation are conditioned by economic interests represented, first, by *land rent*[6].

We may define the economic rent as “the income come that the owner of certain goods receives as a result of the fact that these goods are, or are made, available in small (determined) quantities”[7].

If we focus on the 'urban land tenure' (where the rent is not derived from the agricultural use, but from building use) we will see that the scarcity of this good is not due to natural factors, but rather stems from the fact that a limited portion of land is intended for building/urban use. It is therefore a

[6] Camagni analyzed the concept of rent starting from the eighteenth century Physiocratic theories until to Adam Smith, Stuart Mill and Karl Marx. The concept varies mainly on the relationship established with the profits. In Marx the land tenure become a purely economic fact (monetary income) related to production of goods. The land tenure engender the transformation of profit in economic rent (differential rent) or the land tenure itself produces economic rent (absolute rent). [CAMAGNI R., 1993]

[7] This shortage should be understood in these following ways: 1) the goods in question belong to the category of natural elements, which are available in limited quantities and lower than needed; 2) these goods are made available to those who possess them in sufficient quantities to satisfy demand. NAPOLEONI C., 1956.

maneuverable shortage and since that the degree of scarcity also influence the level of economic rent, even these latter will be maneuverable.

The land is still the raw material needed for the construction of the city. In French the term *foncier* means both 'land tenure' and 'fundamental', or 'essential' and in this sense the land is the 'primitive element', we might say, referring again to the Schmittian formulations.

The 'urban land rent', understood as the exchange value of the land use, 'cannot be eliminated': indeed, in short, it is the value of location advantages offered by each parcel of urban land. As a result, it is independent of the ownership of land, though in different systems of ownership, the modalities of appropriation are different. [R. Camagni, 2008].

The issue of the land is a vintage issue for the discipline of urban planning, putting into play issues of distributive justice. The uncertainty which governs the relationship between owners and plan, risks often to slide in arbitrariness and corruption.

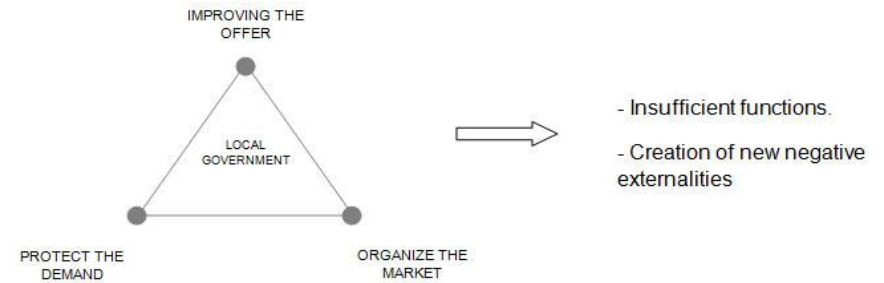
In Italy, in the last century, the local governments (local and regional councils) was forced to intervene in the control of

the transformations of urban land, through three main functions [L. Mazza, 1990]:

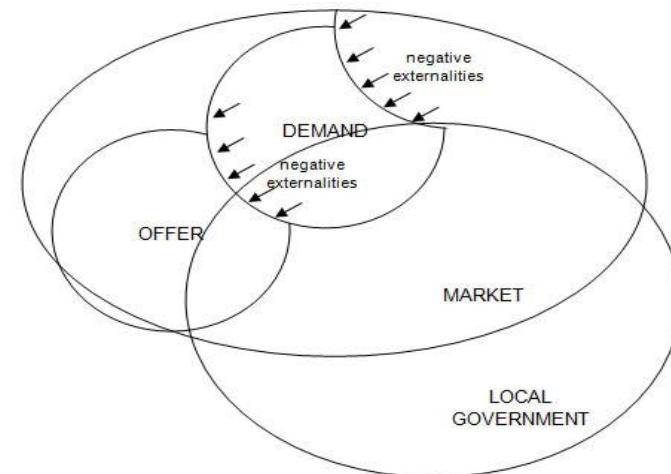
- 1) improving the offer: to defend the interests of owners, both public and private, against the negative externalities;
- 2) protect the demand: to defend the interests of non-owners against the formation of monopolies by the owners;
- 3) organize the market: to defend the collective interests of owners and non-owners, assigning public uses to certain parcel of land, in order to facilitate the exchange.

Local governments and control of land in Italy[8]:

Traditional old model



Current model

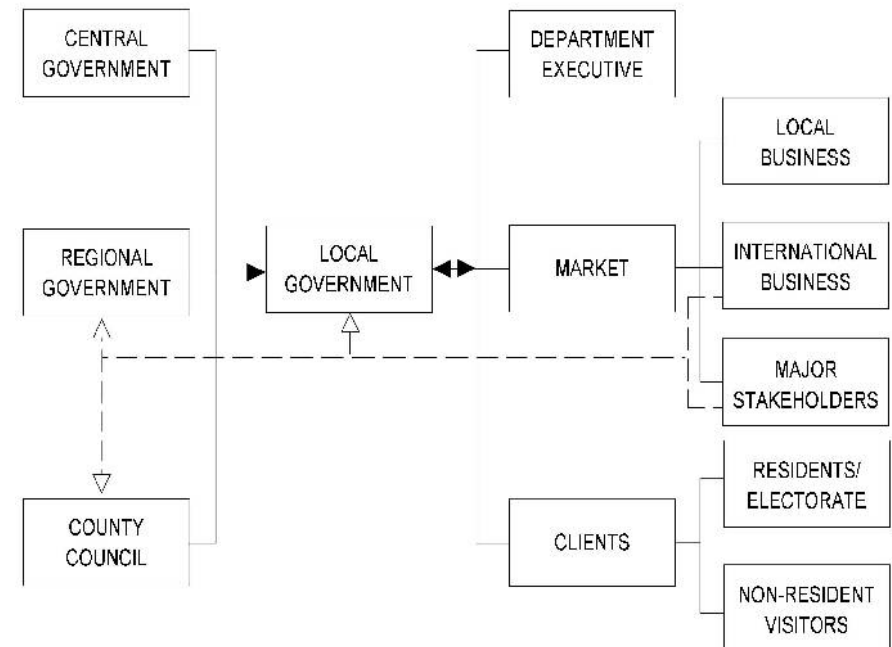


[8] The two patterns are inspired by some ideas taken from MAZZA L., 1990.

In the traditional model, the three main functions have over time proved inadequate; also the location of public goods has inevitably generated more negative externalities. The government has thus taken a new fourth function with a highly redistributive nature: to define the rules of land use and construction. A service of this logic they have used tools such as zoning and multi-scale urban plan.

In the traditional urban planning, public administration assumes full responsibility about the project proposals, without taking into formally account the interests involved, except recording them in the comments to the adopted project. As it is easy to assume, this procedure has given rise to informal negotiations at the expense of transparency in decision-making process and in the pursuit of public interest.

Local governments and control of land in the United States:



Land speculation. The ‘invisible hand’

Therefore, the concept of land is truly multifaced. In an economic sense land is a space within economic activity can occur. In urban areas location (which translates in accessibility to markets, amenity services, and business establishments), determines the desirability of a parcel for a specific use.

The price fluctuations of urban land promote real estate speculation, the purchase of real estate with the hope that land values will appreciate due to the spread, redistribution or intensification of economic activities. If real estate speculators are to do more than guess, they must try to forecast spatial patterns to change. They use different conceptual model to anticipate the redistribution of economic activities in an urban space, and their patterns of speculative behavior can have different impacts on the future growth and development of the city.

In reality, the housing market is a fake market, closely related to policy, in which the entrepreneurial achievements, which is almost exclusively linked to the possibility of obtaining higher capital gains from the land uses established by the plan. To establish some rules within which to develop

a minimum of competing projects could be a first step to move from a mediation based on a hidden and paternalistic model to a more open and pluralistic one.

A condition without any regulatory system is bound to crash sooner or later, that appears very clear in America now, after subprime mortgage crisis. The focus of these regulatory panels should always be to enforce at least some fixed fundamentals.

The subprime mortgage crisis was never a surprise for those who were looking at the fundamentals. The highest corporate profits were based on a fake housing market bubble and flawed by fractional reserve banking. Several scholars like L. Uchitelle[9] warned the public of the eminent danger ahead, but in the same time, powerful elite in the media/Wall Street and ruling class tried to understate the inconvenient analysis.

The biggest American corporations invested in the housing market with very high expectation of urban spread. That kind of investments caused evident changes in urban areas, but especially in rural or in desert areas. Between California and Nevada, there are now a hundreds of small ‘villages’

[9] Uchitelle starts from Mynsky's theories. Hyman Minsky is a Keynesian economist, perhaps the most famous pioneer on this topics.

consisting of empty buildings for which there are no buyers, ghost towns in the middle of nowhere.

Speculative borrowing in residential 'real estate'[10] has been cited as an important contributing factor to the

[10] Real estate is a legal term (in some jurisdictions, such as the USA, United Kingdom, Canada, Australia and The Bahamas) that encompasses land along with improvements to the land, such as buildings, fences, wells and other site improvements that are fixed in location – immovable. Real estate law is the body of regulations and legal codes which pertain to such matters under a particular jurisdiction and include things such as commercial and residential real property transactions. Real estate is often considered synonymous with real property (sometimes called realty), in contrast with personal property (sometimes called chattel or personalty under chattel law or personal property law).

However, in some situations the term 'real estate' refers to the land and fixtures together, as distinguished from "real property," referring to ownership of land and appurtenances, including anything of a permanent nature such as structures, trees, minerals, and the interest, benefits, and inherent rights thereof. Real property is typically considered to be immovable property. The terms 'real estate' and 'real property' are used primarily in common law, while civil law jurisdictions refer instead to immovable property [<http://www.realestateabc.com/>].

[11] «During 2006, 22% of homes purchased (1.65 million units) were for investment purposes, with an additional 14% (1.07 million units) purchased as vacation homes. During 2005, these figures were 28% and 12%, respectively. In other words, a record level of nearly 40% of homes purchases were not intended as primary residences. David Lereah, NAR's chief economist at the time, stated that the 2006 decline in investment buying was expected: "Speculators left the market in 2006, which caused investment sales to fall much faster than the primary market», Source: CNNmoney.com.

subprime mortgage crisis[11]. [L. Uchitelle, New York Times, Oct 1996].

The public land was the favorite object of speculation in America before the era of big business. Investors could buy that land in large quantities cheaply and keep in check it from market, if they had sufficient capital to carry it, until rising prices brought profits. Land speculation began with the first settlements in America.

We can identify three different land speculation periods after the creation of the public domain: 1817–1819, 1834–1837, and 1853–1857 [S.W. Wisenbaker, 1971].

Easterners companies such as Daniel Webster, Caleb Cushing, Edward Everett, Amos Lawrence, Moses and John Carter Brown, and James S. Wadsworth and southerners companies such as John C. Breckinridge, John Slidell, Eli Shorter, and William Grayson bought large quantities of western lands. These speculators organized land companies, and they entered tracts embracing entire town-ships. The New York and Boston Illinois Land Company acquired 900,000 acres in the Military Tract of Illinois; the American Land Company had estates in Indiana, Illinois, Michigan, Wisconsin, Mississippi, and Arkansas; and the Boston and

Western Land Company owned 60,000 acres in Illinois and Wisconsin.

Even after the ‘Homestead Act’ of 1862 the land speculation didn’t end. William S. Chapman alone bought over 1 million acres of land in California and Nevada; Henry W. Sage, John McGraw, and Jeremiah Dwight, benefactors of Cornell University, entered 352,000 acres of timberland in the Northwest and the South; and Francis Palms and Frederick E. Driggs bought 486,000 acres of timberland in Wisconsin and Michigan [P.W. Gates, 1968].

Just after 1889 the American federal governments took effective steps to end speculative purchases.

In a fiction by Italo Calvino titled “*Property Speculation*” [or. tit. “*La speculazione edilizia*”] the author explain a no-named imaginary city (which he use to call ***).

This is an Italian city which is seeing a fast development, linked to deep social changes in the ‘50s, when the lifestyle in Italy is going to change and the “middle class” is going to come out, just after the Second World War.

This new class is composed of free lances, investors, owners, entrepreneurs, brokers, traders, bankers, managers. The new “consumeristic lifestyle” began soon the most important

target to reach also for the lower classes; in fact, these classes tried to imitate the behavior of the upper classes.

The property speculation is strictly linked to social structure and to the relationships between different classes.

For any planner, the speculative effect is an important component to analyze the ‘invisible hand’ which somehow gives order to changing and growing both urban and rural areas.

We can distinguish, at least initially, two different forms of land speculation: the ‘raw land speculation’ and ‘urban land speculation’. To purpose of this study, we’ll focus above all on the latter, but the former is very important to understand the ‘process’ through which this phenomenon is manifested[12]. To begin with, in the ‘urban land speculation’ there are much more ‘distracting factors’ to analyze, instead the ‘raw land speculation’ may be seen as a more homogenous market.

[12] Furthermore, to understand this model of speculation is useful, at least in part, to analyze the case studies which we’ll expose further. It can be applied to the analysis of speculation in the Los Angeles County, as well as in the Naples metropolitan area. [About ‘raw land speculation’ in Los Angeles County: Steven Wille Wisenbaker, 1971; about ‘urban land speculation’ in Los Angeles City: Yuko Aoyama, 1990].

This process is usually motivated by the expectation of urban spread, and defined in terms of a behavioral model of market participant's actions and the resulting pattern of changes.

Once the changes induced by the speculative process are isolated, the implications for future development of the region may be drawn.

In this process, the first role is played, of course, by the 'buyer' who takes a chance to 'gamble' for an unearned profit.

Another important role has played by the 'subdivider' (literally, who subdivide and parcel out the land) which is familiar with the appreciation of land values as a result of the physical spread of urban development, and, along with the small investor, he wants a part of the unearned profit. However, as we know, urban spread is a complex process, difficult to forecast. In short, the subdivider is also familiar with the involved 'costs' and 'risks'.

The subdivider's strategy is quite simple: he buys large section of land at low rural prices and then subdivides and merchandises the land as unimproved speculative property at a considerable price increase. If he can do it, he can realize

a large unearned profit. Of course, the 'shady' side of his strategy is advertising and selling an unquantifiable 'chance' for profit. He must take into account the 'demand constraints' which require that his subdivision should be located in a 'popular speculative area'.

Legal , policy and financial constrains

The legal system as it pertains to raw land subdivision is a second mayor constraint for the subdivider. The applicable state legislation may be found in section 11,000 of the State of California Business and Professions Code. This section contains the subdivided Lands Act is essentially concerned with the full disclosure of information relating to a subdivision of land into five or more parcels. This state legislation is administered by the Real Estate Commissioner and requires that he be notified in writing of the following information [LA County Dept. of Regional Planning]:

1. The name and address of the owner and subdivider;
2. A legal description of the land;
3. A description of the condition of title;
4. A description and copies of proposed sales agreements or contracts;
5. A description of completed improvements made on the property, or cost estimates of improvements necessary for use;

6. A description of soil conditions;
7. Disclosure of any liens as a result of debt incurred to make any completed improvements;
8. Estimates of any special assessments.

The Real Estate Commissioner is then required to investigate the subdivision, verify all facts, and issue a public report of facts, authorizing the sale or lease of the land in question. There are also legal grounds upon which the commissioner can refuse to issue a report.

The most salient effect of this legislations is to impose a minimal cost on the subdivider in terms of the time and money required to comply with the regulations. This cost is then simply passed on to buyer.

«To purpose and effect of this ordinance is to assure future access to each new parcel created by any subdivision or lot split, to limit the minimum size of the new parcels located outside existing urban areas to two and one half acres, to control lot design, and to require that water be brought to areas where fire hazards exist. To meet county access requirements, a

raw land subdivider must provide, at his own expense, a two lane county approved roads up to the subdivision, a perimeter road graded to engineering specifications, and privately maintained interior 'brush graded' street. For a lot split, a division property into four or less parcels, the county simply requires that access to all newly created parcel be provided by easements[13]. [...]. Although these regulations apply to all new parcels created by subdivision or lot splits, some raw land subdividers have managed to circumvent the law entirely. These subdividers sell newly created parcels by contract without county approval. There is no evidence of these illegal subdivisions until the parcel is fully paid for and the new owner requests that his deed be recorded»
[LA County Dept. of Regional Planning].

In short, the subdivider is constrained by the legal system in many manner. He must secure from the Real Estate Commissioner a public report fully disclosing relevant facts pertaining to his proposed subdivision. The commissioner's report must be shown to every buyer, or sales contracts are voidable at the buyer's option. The subdivider must also

comply the Los Angeles County Subdivision Ordinance as authorized by the state Map Act.

The county regulations for raw land subdivisions are minimal and easily met, but also widely ignored. In reality, these regulations are not important at all to determinate the subdivider's strategy.

Much more than the legal constrains, what plays an important role on a speculation process are policy and financial constraints[14].

Therefore the public administration attempt to play in the same time in three different fields: 1) legal constrains; 2) policy constrains; 3) financial constrains, in order to induce the legal subdivision of land.

[13] *Easement* is a right held by one property owner to make use of the land of another for a limited purpose, as right of passage.

[14] From an interview with Bill Rosendahl, Councilman of Los Angeles, District 11.

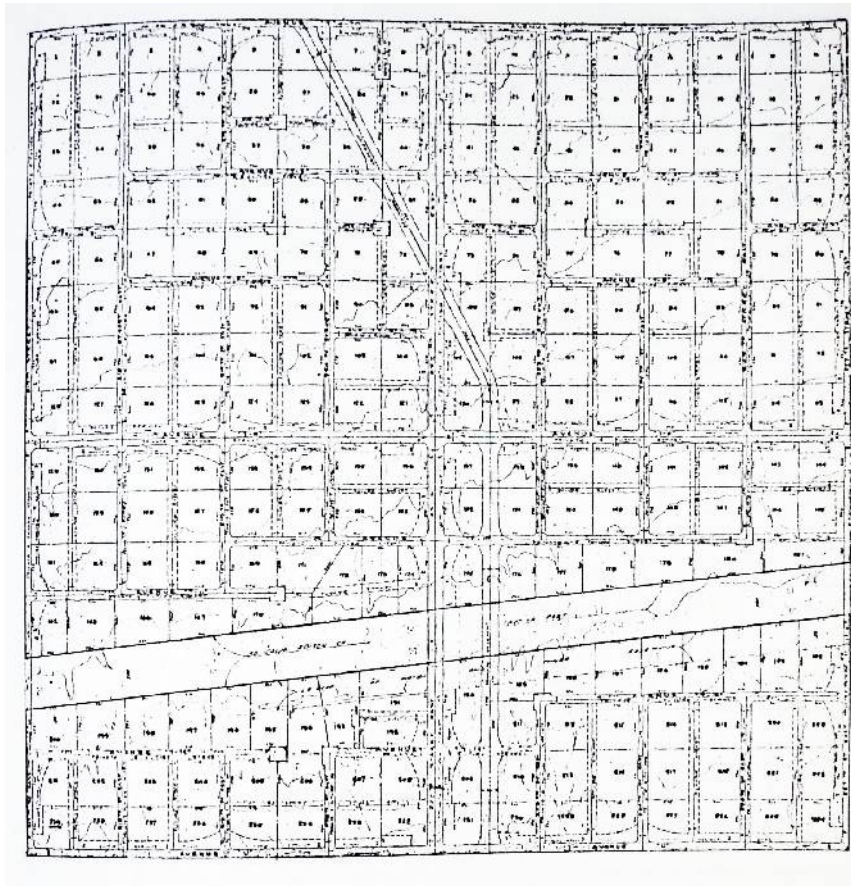


Fig 1. An example of Legally subdivided land in Los Angeles County

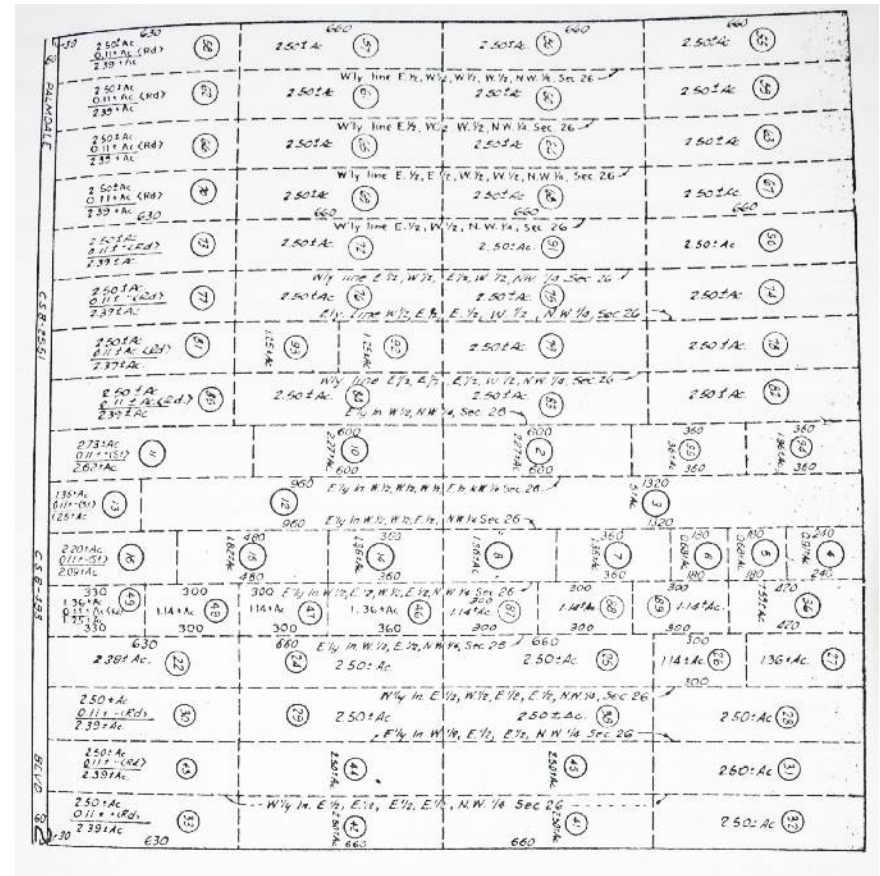


Fig 2. An example of Illegally subdivided land in Los Angeles County

Source:
Los Angeles County Dept. of Regional Planning - Archive

The speculative process causes the characteristics of raw land to change in several aspects. First, title to raw land is fragmented. Large parcel of land are subdivided legally or illegally, and single ownership is chopped up and delivered to many geographically dispersed owners. In the process a new and rigid pattern of lot design and land ownership is created. Also a new pattern of private 'paper streets' and easements for access are established.

These changes are evident in the Figures 1 and 2. Figure 1 is an example of a legally approved subdivision with typical county approved lot design and street pattern. Figure 2 illustrates an instance of illegally subdivided land resulting in irregular land locked parcels, some of which are less than the two and one half acre minimum [LA County Dept. of Regional Planning].

Distributive justice in economical and political analysis

The problems of distributive justice have been differently and widely treated in the history of economic thought, even long before that economics - or better still, political economy - became an autonomous discipline.

Ancient societies had, in fact, an economic perspective independent of social substratum: economic facts (production, distribution, consumption) were somehow made traced to the culture which produced them, especially in reference to other fields such as ethics, religion or politics. The first who examined (not yet in strictly economic field, but in political and ethical one) questions of distributive and commutative justice is Aristotle. He leads the economic facts to the relationships between polis and citizens and between citizens themselves and those in power. The role of politics as 'architectural science' is to assign to every sphere of human activity an adequate space in the relation to specific purposes [M. Alacevich, D. Parisi, 2009].

Even during the Middle Ages, in the analysis of economic issues, we find the problem of distributive justice, and at that time the debate focuses primarily on the legitimacy of private property, but in an eminently theological

perspective, based on the synthesis between Christian tradition and Aristotelian thought.

During the Fifteenth Century in many European Country there was a significant growth of agricultural properties and an inevitable process of production specialization. The lands for public use of the different communities became gradually part of private property of large landowners. There was at this time what is called 'process of economic secularization', within which there is no more attention about justice of land transactions and sales or about the 'fair' price for the community.

Landowner assume increasingly importance in economic treatises of later centuries. In XXVIII Century, Cantillon argued that «all live at the expense of landlords, which directly fed the business activity, which in turn supports the production». Circulation and distribution of wealth largely depends on the choices of land use. According to Cantillon, therefore, the economic system is based primarily on landowners, the actual value of the property lies in the land, which constitutes its 'intrinsic value.

In the 'spatial economics' the of location of production has a

long history, although it is somehow meagre.

A level of income in a certain country or region as well as their structure of production (size, scope and variety of firms and industries) both depend on at least two factors. The first regard the endowment of primary and derived stock of factors such as land, labour, capital, infrastructure, technology, as well as production, organization and control skills and competences. The second element regard how the region (or the country) interacts with the external environment and with the international market for goods, services, capital and knowledge.

«The presence of transnational corporations (TNCs) increases the mobility of capital, expands the availability of information and new products, changes competition structure and alters substitution of labour for capital» [L. Yee, 2005]. The issue of location is very important for firms; there are many different theories that explain the main aspects of why firms engage in trans-border business activities and become TNCs. We can find one of the first, and in part still valid, important explanation in the Max Weber's theory. He offered two basic reasons about why firms «go to produce abroad». The first is the achievement of labour and transport costs, while the second reason is the benefit of

large-scale production [M. Weber, 1909].

There were about 65,000 parent firms with around 850,000 foreign affiliates in 2002 [UNCTAD, 2002]: to become a TNC, a firm need to be a monopolist or an oligopolist at its place and then try to exercise its power abroad.

«Liberalization in the national and international economy is a policy choice of governments [...] linked with privatization and downsizing of the activities of the public sector and the expansion of the activities of the private sector.

Globalization of the economy and production is [instead] a fact. It is the outcome of the behavior of firms (TNCs)» [L. Yee, 2005].

Consequently, the power is shifted from *states* to *firms* more and more.

In most cities, according to the United Nations Human Settlements Program (UN-Habitat), “the worsening state of access to shelter and security of tenure results in severe overcrowding, homelessness, and environmental health problems”. In this condition the urban poverty rise in a

context of accelerated globalization and structural adjustment policies combining:

- deregulation measures;
- massive disengagement of local government on the urban and housing sector;
- attempts to integrate informal markets — including land and housing markets — within the sphere of the formal market economy, especially through large-scale land ownership registration.

Consequently, the urban poor and a large part of low-income groups have no choice in the formal field, thus they resort to informal field to get land and shelter. This situation encourage the expansion of irregular settlements in the cities, which are evident above all in the suburbs.

Informal field and the control of housing delivery systems often seem the only realistic alternative for meeting the needs of low-income social groups.

Tools. Methods of formalization of informal interest

In the European planning systems, the pressures for change response to the economic development have necessitated an understanding of the meaning of the economic structure local development and have imposed a redefinition of the attitudes of local government institutions.

System planning is now seen as important aspects of institutional capacity to produce local development through the dynamic combination of relations at European level with the local level. Then the functions of local governments make a difference, case to case. local and municipal governments show tendency to hold functions of promoting local development and they continue to be, in part, the service providers for citizens.

A basic distinction is discernible between the formal and informal channels of participation in government decisions in the area. The wide range of channels available to the informal interests can make us understand that they need to participate in a formal way, so we can distinguish between a primary and a secondary level of influence on the formulation of urban policies.

The primary level is largely informal, pervasive and foreclosure against those who hold power. The secondary level is, however, formal, controlled and only able to adapt, rather than formulating urban policy. This condition expresses the existence of an indisputable basis of planning policies that emerge from the first level (informally) and reflect the acceptance of the legitimacy of requests for processing by privileged subjects. Consequently, questions are raised about the role of tools in a planning system.

Formal and informal sectors in the cities

«The informal economy is the unrecorded sector where few, if any, taxes are paid. This sector is just as complex as the formal sector» [J.R. Short, 1996].

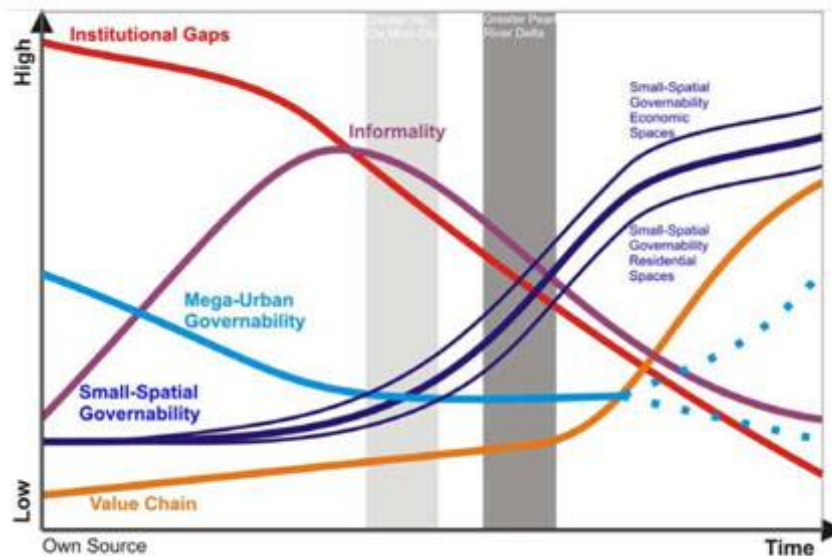
A great deal has been written about the informal sector by several scholars. Ray Bromley (1988), for example, on his work on Latin American cities, identifies nine different sectors of the informal economy:

- 1) retail distribution;
- 2) small-scale transport;
- 3) personal services;
- 4) security services
- 5) gambling services;
- 6) recycling enterprises;
- 7) prostitution;
- 8) begging;
- 9) property crimes involving illegal appropriation.

Moreover, Cheng and Gereffi (1994) identify three different approaches to this sector in the last 25 years.

THREE APPROACHES TO THE INFORMAL ECONOMY [Cheng and Gereffi, 1994]			
	Social marginality	State regulation	Small firms
Chronology	1970s	1980s	Late 1980s and 1990s
Disciplinary approach	Economic demography	Political economy	Social economy
Analytical focus	Urban poverty	Legality of economic activities	Social <u>embeddedness</u> of economic activities
Level of analysis	Demographic shifts, uneven industrialization, and their consequences for social marginality	Legal regularization of production with reference to class politics and economic restructuring	Interaction between local social networks and the resource environment of small firms
Key concepts	Social reproduction imperative; job creation; demographic mobility; income opportunities; <u>Overurbanization</u> ; collective consumption	Bureaucratization class politics; labor control; industrial structure; <u>sectoral</u> linkages; capital movement; economic restructuring	Entrepreneurship; domestic subcontracting; social reciprocity; resource mobilization; opportunity structure
Terminological preference	"Informal sector"	"Informal economy"	" <u>Informalization</u> "

The informal sector can be seen as a sophisticated response to the lack of formal employment opportunities, indeed the division between these two sectors fluctuate according to circumstance. In the most cases, the informal sector is highly organized.



Typical Development Patterns of Factors Influencing Local and Mega-Urban Governability in Successful Transitional Countries under Authoritarian Rule [WAIBEL M., 1990].

Chapter II
Territories of control
Metropolitan areas of Naples and Los Angeles

Paragraph I
 Two emblematic cases

«If the city were to recount its experience, the ensuing babble would be the talk of everytime and everywhere, of persecution and disaster, of success and misfortune.»

Penelope Lively, *City of the mind*.

Reasons of a study of two emblematic cases

The history of the city and territory can be told in different ways, starting from its architectures or settlement forms, or from the standpoint of social conflicts, or we may choose to tell - as in this case - the conditions and techniques which have influenced the construction and transformation of territory, through the use of formal legal devices that result in physical devices of spatial order.

Often we refer to this subject in general terms, without inquiring precisely what are the real powers involved in the

territorial transformations.

The basic thesis of the proposed research is that the informal devices of power, working in a "state of exception" of the legal system, depending on the legal structure status of different countries, adapt and shape itself to the institutional forms of control of territory. For this reason we chose to take as example two emblematic cases:

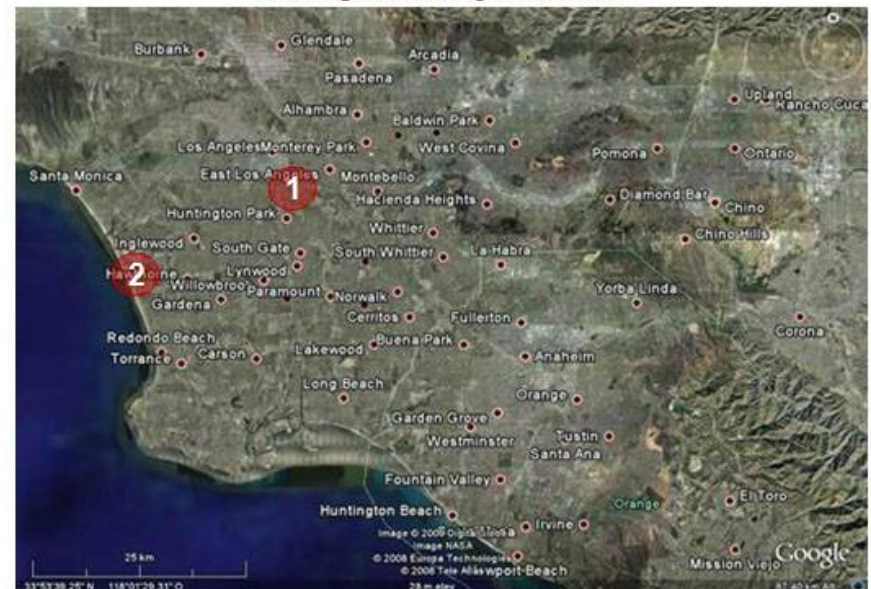
The first case is Naples: it is taken as example of a city in the South of the world, where the formal powers are conducted apparently through closer mesh and where systems of mutual adaptation of informal powers are therefore more complex and less transparent. The second case is Los Angeles: a city that is already a symbol of extreme capitalism in the United States of America, where the informal powers are certainly very different, and adapt itself to a legal system with wider mesh, which allows at least, an easier reconstruction of the processes.

Naples Metropolitan Area



- 1) *Villaggio Coppola*
- 2) - 3) Shopping malls: Campania (2) and Jumbo (3)

Los Angeles Metropolitan Area



- 1) Downtown L.A.
- 2) Marina del Rey

About the methodology

The analysis of case studies is not strictly comparative; from a scientific perspective, the focus of the study are the processes of informal choice and their application in the government of territory.

For the purposes of research, we have been analyzed:

- The various stakeholders in the two metropolitan areas;
- The two different structures of planning systems.
- The different kind of informal arise from these systems.

In order to define the different *liminal spaces* of interaction between formal and informal, in the American case, we identified the Los Angeles Metropolitan Area as an emblematic example of a *flexible* planning system, which is considered highly *deregulated*, also in the rest of the USA.

The other representation of an "extreme" liminal space was derived from the case studies identified in the Naples Metropolitan Area, taken as an emblematic example of a *rigid* planning system, highly *dysregulated*.

The analysis of the two planning systems allows to deduce general considerations about the possible interactions established between the formal and informal in relation to the characteristics of planning systems, effective use of existing planning tools and how the land rent is handled. The analysis allows, thus, to reconsider the *adequacy* of the different systems analyzed, compared to a set of performance targets, with respect to the interests involved and the fairness of the distribution policies.

Paragraph II Naples. Images of metropolitan nightmare

Between slums and advanced capitalism

«I come from a city, Naples, who searches and frisks everywhere with its eyes. Under the appearance of indifference, the most capillary system of control acts. Rome is the opposite; a place for a walk where nobody controls, nobody shadows with his eyes. Rome allows permanent home to the stranger that remains 'stranger' until the last day» [Erri De Luca]

«The metropolitan area of Naples, much more than the cities network of Milan-Brianza or the linear city of Via Emilia, is the first truly global Italian city of the twenty-first century, somewhere between the slums of the Third World and the urban planning of advanced capitalism. If I was Robert Venturi, I would be pleased. Onto 'Asse Mediano' (a sort of big web of extra-urban roads) it seems to be in Las Vegas rather than in Italy. "Learning from Las Vegas," Venturi wrote, in fact, in his famous essay. Town planning is useless,

he said, the city grows, regardless of planning, according to the economic dynamics that define the territory and the built environment. Naples, in this, has perfectly learned the lesson, the Naples metropolitan area is truly the most American of our cities. It generously accepted the myth of the frontier; it was freed of the burden of a collective project, which required the attention on the rights of many and not on the interests of the individual.

The brave stand it anymore. The best win. But what I can see before my eyes is not the vaunted urban complexity which rules itself. All that I can see is misery. City of advanced capitalism, pure liberalism, which consider the rules the unnecessary straps to free enterprise: the anti-solidarity city is not a victory» [G. Biondillo, 2008].

The main causes of the degradation process of the city, at least in major part, is privately owned land and the speculation that this ownership allows both inside and outside the limits permitted by law, through direct ownership or also through acquisition of public land through the use of public power administrations.

«Emergencies spark behavior unique to their circumstances, actions that would not be tolerated otherwise». The Depression, the Second War, and the perpetual housing crisis from the thirties through the fifties each demanded catastrophic response. Although, according to C. Bauer, the greatest progress in public policy had always been shaped out of crisis.

«[...] a crisis that affects the conditions of living and social-economic organization is likely to do two things that have great potential significance for those who are concerned with improving the civic environment. It forces change, whether for better or worse, and often requires unprecedented action. And it may dramatize certain basic, long-standing problems in a way that clarifies them in the public mind and gives them here-and-now urgency» [C. Bauer, 1953].

She made several examples such as Paris after the Revolution, Chicago after the fire, Delhi after British colonization, and Mexico City after the Mexican Revolution. Each urban transformation was temporary marked by an overwhelming event, sparked from crisis and characterized

by the prevailing ideology and technology of urban building.

The *permanent state of emergency* has been studied by several authors (in particular, we refer to the studies of Agamben, who start by some Schmitt's theoretical formulations) as an essential element of the contemporary system of government.

The *permanent state of emergency* is commonly used by states (even – and especially - by democratic states), even though it's not stated in the technical sense, in order to use extraordinary powers, which are not foreseen by the 'classic' judicial order.

In the study of the Neapolitan area, the use of this '*state of exception*' is particularly evident in the government of the territory, also in the management of common urban issues (an important example is the waste disposal, even if it is not the only sector affected). The stakeholders involved act in this emblematic context.

Endogenous decision-making power:
big enterprises and organized crime

Before proceeding with the identified distinction between *endogenous* and *exogenous* power, it is necessary to explain that this distinction is important to clarify the relationship between different places and powers and the different strategies of domination of space implemented by some subjects on the territory to achieve their interests (legal or not).

The major development of the suburbs of Naples and Caserta began in the 60s and 70s and it had considerably intensified after the 1980 earthquake, the deindustrialization of the late 70s and a steady reduction of government intervention. This is evident in fact gradually replaced by small and medium local enterprises.

Numerous investigations document the birth of a new and dynamic economic and social context in which the illegal powers are no longer driven to extortion, usury, or smuggling, but to establishment of great and dynamic enterprises.

Above all outside of center city of Naples, besides the difficulty of understanding the real stakeholders involved in the processes of transformation of the territory, most of 'illegal' companies are involved are formally legal if we except the source of capital and the control of markets and contracts.

The *control of land*, alternative to the state control, and the control of some other resources related to building construction (as a monopoly in the production of aggregates and concrete) are some key elements underlying the illegal powers, which can in this way to 'networking', to project itself into higher-level trafficking and enter in the global market. This is possible just from a local 'safe' space of social proliferation, which provides them political support and protection.

Even though in order to the purpose of this proposed research, the study cannot intend to is limited on the observation of illegal economies (this topic would request itself a specific research), nor it can ignore the particular socio-economic conditions in which the study is conducted, in which more than one third of the economy, in terms of economical income, moving into the illicit market, with

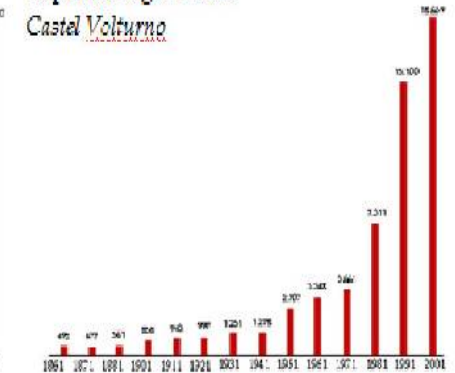
implications and investments crossing national borders. The illegality is, moreover, a particular segment of informality, with which, in this territory, the formal powers are intertwined.

The growth of the urban suburbs of Naples in the last thirty years has also been helped by the significant increase of the access network, also related to highway traffic, as shown by the censuses of 1981, 1991 and 2001 (an increase of population and of operators in the local industries). Indeed, the portion of land at issue is now characterized by a massive presence of transport infrastructures.

Population growth in
Ciuchano in Campania



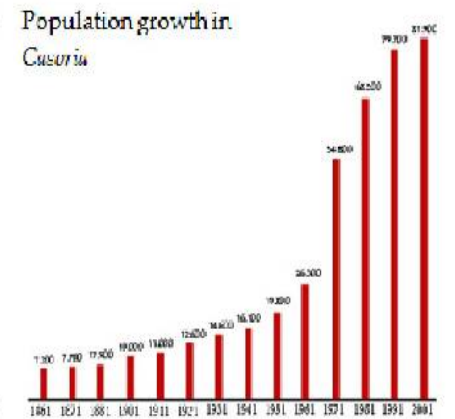
Population growth in
Castel Volturno



Population growth in
Marcianise



Population growth in
Casoria



Source: ISTAT

The condition of widespread disorder that characterizes the evolution of Region of Campania, has favored the emergence of criminal organizations, mainly thanks to their ability to become flexible structures of power, which are inserted in the market of illegal building, between the small and great lawlessness.

The characteristics of the market and its imperfect condition of regularization in Campania, with the prevalence of illegal and clandestine economy, have accordingly left a vacant broad area of power, of which a significant portion is occupied by crime [G. Gribaudo, 2009].

This discourse takes us back to Schmitt and his theory about the existence of an antichamber of power.

Neapolitan crime is organized as a horizontal structure, rooted from time to time in specific areas linked to global market. This dual local-global nature is, in fact, the element that is repeatedly mentioned by different authors, as key factor of post-Fordism.

The Camorra is in fact, paradoxically, 'glocal' (as it is understood by Z. Bauman, 2001) in the criminal network; 'global' and 'local' are seen as two sides of same coin. There is, in fact, a mutual influence and reinforcement between

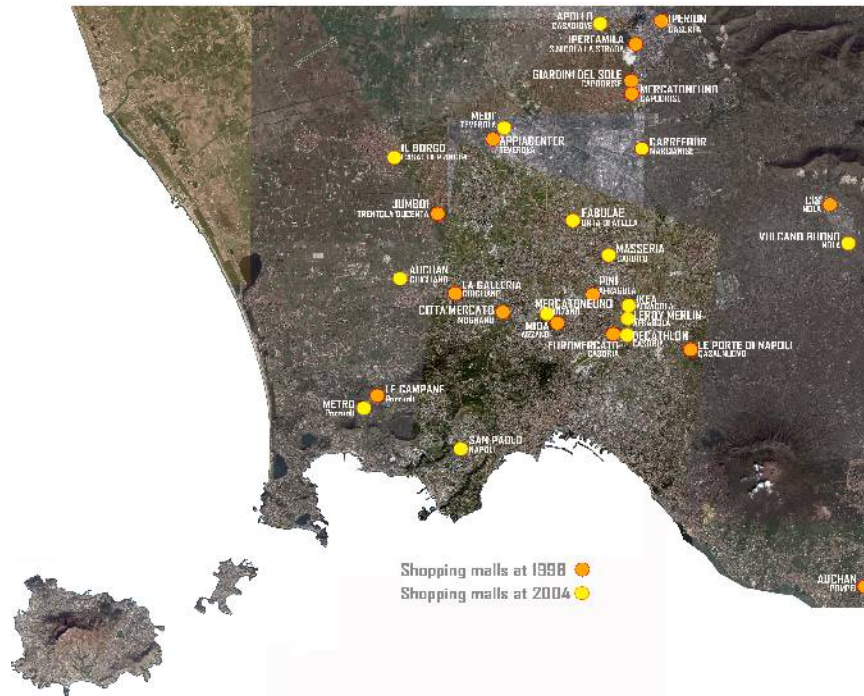
globalization and territoriality.

Currently in Naples, a large share of recycled capital is reinvested abroad: in finance, real estate operations, tourism. This international dimension, as such, could lead to the belief that Neapolitan criminal groups are loosening their grip on the local area to devote themselves exclusively to planetary trade. On the contrary, together with the international dimension also the local dimension seems to increase, they continue to put down roots, and to have the complete control on the territory.

Control of land also means any act, to make symbolic gestures to allude to recognized hegemony. In addition to violence, we can see street festivals, concerts of local singers, lavish weddings and funerals, the ostentation of wealth, armored cars, large motorcycles. All this is the most striking and fearful representation of the Neapolitan Camorra, a sort of feudal system with the ruling families in the struggle for control of space and vassals, yeoman who compete to get into ruling families's good books, at the same time they claim more autonomy, and they fight with their neighbors to extend their domination and their strength. The clans try to impose on their area of competence a sort of political power,

explicit functions of traditional state sovereignty: control of violence, taxes on economic activities, judicial functions. They create a sort of political-criminal elite who is often strengthened through alliances formed and consolidated through marriages or battles [G. Gribaudi, 2009].

The big shopping mall



Shopping malls (more than 50 shops)
in Naples Metropolitan Area



Shopping malls (more than 50 shops)
in Los Angeles Metropolitan Area

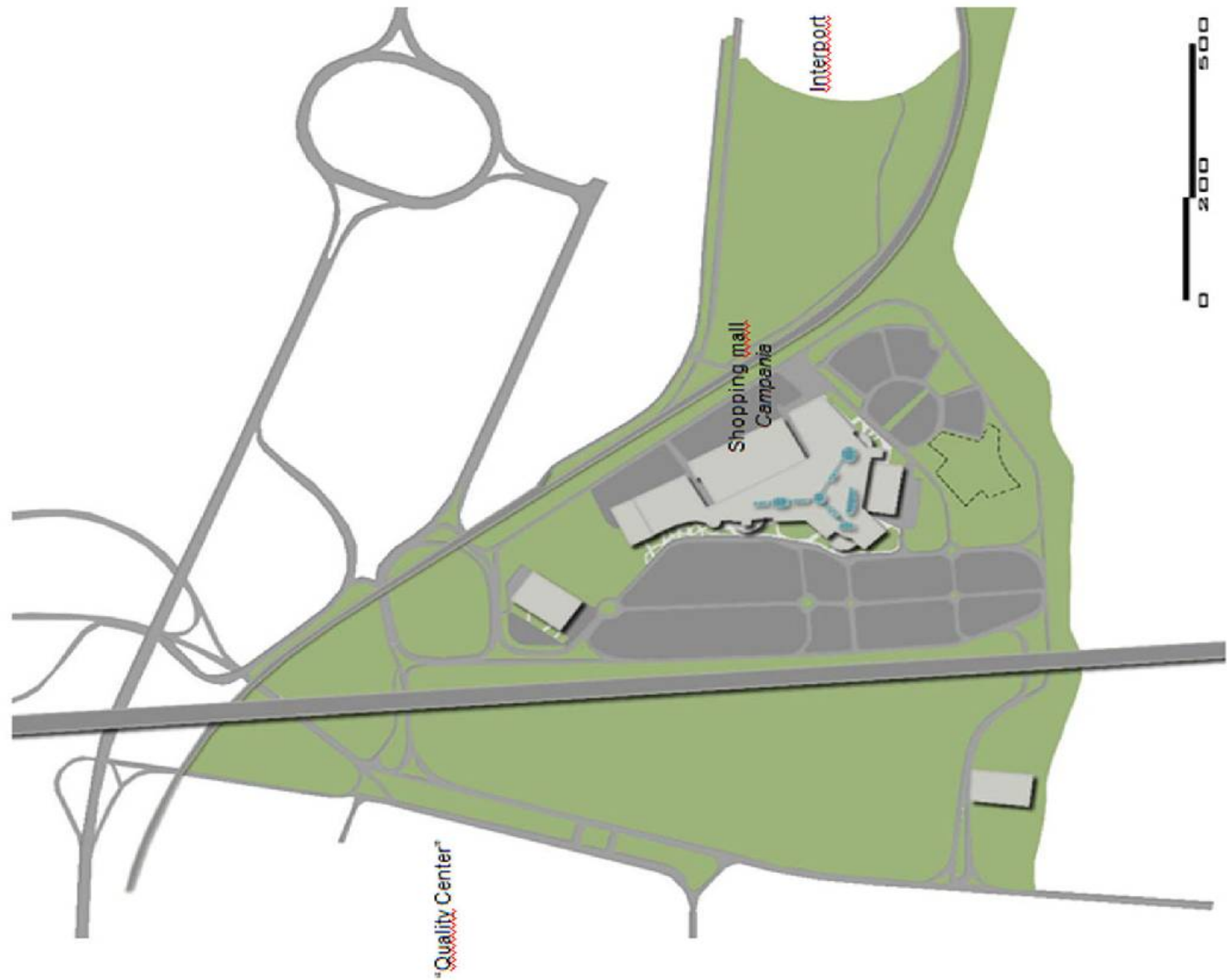
The metropolitan area of Naples is characterized by an enormous amount of shopping malls.

In Naples metropolitan area there is 1 shopping mall each 140,000 people, while in Los Angeles metropolitan area there is 1 shopping mall each 300,000 people.

In the Naples metropolitan area, the case studies chosen are illustrative of two different conditions: in the first case the majority investment is carried out by local actors, while in the second case it is carried out from international companies.

Shopping mall “*Campania*”, Marcianise

– 60 –



In the 1996 was published the DPRC (*Decree of the President of Campania Region*) n. 14555 (3/10/96) on the BURC (*Official Bulletin of Campania Region*) n. 65, approving the Program Agreement[15] signed by the Campania Region, the Province of Caserta, the City of Maddaloni and the City of Marcianise, for the construction of an interport between Maddaloni and Marcianise.

A company named *So.pro.ser*, then *ISE*, intervenes in the Agreement to know the contents of the Program and to comply with all obligations of that act. With the Program Agreement it was also approved the project planning of the “Interport Maddaloni-Marcianise”, and the Variations to the Municipal Plans of Maddaloni and Marcianise.

The Program Agreement is ratified, finally, from the Municipal Councils of Maddaloni and Marcianise and the Provincial Council of Caserta, in the 1996.

The project involves the division of the entire territory in 5

[15] The Program Agreement was introduced by art. 27 of L. no 142/1990 and is now regulated by art. 34 of Legislative Decree no. 267/2000 (*Consolidation bill on the local authorities*). Through the Program Agreement shall approve public projects included in the municipalities’ management programs for which the funds could be immediately used. In this case the approval of this Act involves the declaration of public utility and urgency of the project.

macro-areas (4 million square meters are equally distributed between Maddaloni and Marcianise):

- 1) Logistics Center;
- 2) Industrial Center;
- 3) Specialist goods Center;
- 4) Commercial Center;
- 5) Directional Center.

With the Program Agreement is set out the commitment of the implementing companies to realize the entire project within ten years from the date of publication on BURC of the DPRC. Declaring the “Public Utilities” for the creation of Interport with the procedures of land expropriation.

The program agreement expired in October 2006. Very little of the projects in the act was achieved. Or rather, were realized only the buildings which allow large gains to private companies. In short, in ten years, some are built warehouses for logistics in Maddaloni and a massive shopping mall in Marcianise (planning permission in February 2000), sold to private companies for about 300

million euro. The interport itself was not realized at all, except the train rails realized by Trenitalia and some warehouses, while the big shopping mall (one of the bigger in Campania) was already finished. Meanwhile, the municipalities found in the years to cope with a massive dispute with the citizens, arising from attitudes of *Ise* and *Barlettas*. Subsequently, the *Southern Europe Interport* asked for an extension of Program Agreement but it was denied from the Public Authorities because of the stakeholders' glaring deficiencies.

In November 2006, the Company *Southern Europe Interport* notified to the Public Authorities a measure of access to arbitration and appointed an legal arbitrator, but the City of Maddaloni didn't accept this resolution and a few months later, adopted a PUA in the same area urbanistically varied by Program Agreement in the 1996.

The city of Maddaloni try in this way to make the private company to continue the construction, despite the damage and failures attributed to the latter. In fact, the entire area become property of the *ISE* after the decrees of land expropriation for "Public Utility".

Of course, the current PUA has nothing to do with the detailed plan in the 1996's Act and none of the commitments made in 1996 by ISE has been honored. The other municipalities continued according to the Act, against the adoption of the PUA in Maddaloni.

But after few years, under a new City Council, also the city of Marcianise acted in the same way of Maddaloni.

Villaggio Coppola. Histories of a 'futuristic' village

The area of the village covers approximately 86 hectares in the area of *Pinetamare*, in *Castel Volturno*.

It was built in the sixties, with the aim to create a seaside resort, the design of *Villaggio Coppola* was inspired by an urbanistic model of tourist residential resort, with the purpose to enhance the tourism supply of the coast of Campania.

As documented from some IGM's maps, urban sprawl on the Domitian coast begins just after the 1954 (from the district named "*Scamozza*"), the date on which the new important street named *Via Domitiana* and the new bridge over the River *Volturno* are both accomplished. However, the fastest growing of urban area was from 1970 to 1985, as documented by the IGM's maps and some complaints from the WWF for building resorts along the coast.

In the mid-60s began the construction of the eight great towers called "West Towers", of the villas on the sea, of the shopping center and of the access roads to the Village, as well as the creation of the only existing water treatment plant at the time, throughout the north coast of Campania. Although the village has been often taken as an example as

an emblem of unauthorized building, all structures and building accomplished there, including the famous eight "West Towers", were duly approved with building permits in the '60s, before the landscape restrictions (L. 431/1985).



The eight *Western Towers* (1960)

In the mid-'60s already there was a heated controversy on the actual ownership of some areas. In these years many building licenses are reversed by the mayor of *Castel Volturno*, for lack of procedure, and also the licenses for the eight West Towers at that time already under construction.

On appeal of the construction company “*Coppola Pinetamare S.p.A.*” to the TAR, the Council of State annulled the act of the municipal administration [M. LUISE, 2001].

Therefore the construction of eight towers, each one with about 80 apartments, was completed and the same were rented out for about 20 years to the Navy of the United States of America to house the families of the soldiers of NATO in Naples. Tertiary infrastructures are completed, the elementary school and middle school, police stations, churches, banks, shops, convention centers, cinemas and nightclubs.

The area involved in the court case was about 54 on the 86 hectares of the village. According to a ruling by the Supreme Court in 1984, 11 hectares would be established state-owned, while 11 would be owned by the Coppola family, and another 30 hectares are still the subject of.

«The lack of any register reference and any certainty has allowed the Coppola’s company to build and sell residential units, that notaries register, with subsequent transfer of ownership to third, fourth or even fifth stakeholders:

therefore today there are about 1,800 people who bought the apartments and about 300 businesses acquired. [...] Even the two buildings subjects of litigation have been sold to the State of Turkey, with the permission of the Ministry of Foreign Affairs.» [G. Trevisone, prefect of Massa Carrara, 2002]

In the late '70s the village reaches a population of about 15,000 people.

After the seismic movements of 1978 and 1983, interrupted by the earthquake of 1980, the lack of real estate in the region *Campania* make the *Villaggio Coppola* to be used as temporary accommodation: the national government confiscates much of the private housing units to give an accommodation to house quake victims. From 1978 to 1988, the structures of the village housing more than 5,000 people. But by this time rapidly begin land degradation. The house owners selling off their property within a few years and infrastructure maintenance is substantially interrupted.

In the 1998 was appointed a Special Commissioner for the establishment of an agreement which brought in the 2001 to the Program Agreement between the Consortium called “Rebirth” and Campania Region, the Province of *Caserta*,

and the towns of *Castel Volturno* and *Villa Literno*.

With the agreement is approved "The Redevelopment Plan for the Renewal echo-environmental and socio-economic revival of *Pinetamare* in *Castel Volturno* and adjacent areas."

In 2003 the eight great towers were pulled down; this event was publicized by authorities and accepted by the public as a turning point for the redevelopment of the whole area. In fact, the pulling down was possible just after the purchase of a part of the land by the State in order to get fully established the property of the land.

The pending tries relating to the area were about 180 in the 2002, interested by all the courts, criminal, civil, administrative, and the State Council.

The *Rebirth Consortium*, formed by the same local entrepreneurs who had built the village 30 years earlier, had been formed just eight days before the proposal and signing of the first Program Agreement (signed on May 13, 2001).

Today the area is under partial renovation under the guidance of the *Rebirth Consortium*.

Under the conditions just outlined, is very complex to redraw a map of land proprieties and real estate of the area to understand what actually were the property rights on the

land.

Moreover, as just said, the case is difficult to dismiss as an emblem of unauthorized building in Campania, it is rather much more interesting - for the purpose of this research - as an example of speculative building by local entrepreneurship; as authorized speculation, realized, if not in a completely regular way, in an indeterminate space (liminal) between rule and exception.

Far from being the result of an unauthorized agglomeration or the illegal product of a large scale single project, it should not be even read - in line with the discussion so far - as the product of an institutional chaos and territorial powers (even if it seems so). It is rather a sort of business and political project of spatial order, where the powers are shifted to private stakeholders.

In this sense, the 'transition' of power is perhaps comparable to what happened with the lordships - as it is described by Schmitt - during the Middle Ages, which will not replace the emperor, and they did not deny the sovereignty, paying taxes and supporting political-military actions of the sovereign, enjoying a special legal status, a privileged one compare to common subjects.

Tourist buildings	
4 stars Hotels	
Acacie Hotel	
Pinetanare Grand Hotel	
Holiday Inn Resort	
Le Dune II	
3 stars Hotels	
Vassallo Park Hotel	
Gli Eucalipti	
Al Boschetto	
Boomerang	
Brazil	
La Bruschetta	
La Perla	
La Torre	
Scalzone	
Saraceno	
Sporting	
Colibri	
La Millennium	
Marina di Castello	
Nuova Vittoria	
2 stars Hotels	
Al Piccolo Mondo	
Lomoriello	
Nuova Vittoria	
Tirreno	
Tuna	
1 star Hotels	
Primatux Hotel	
Il Timone	
Bed & Breakfast	
Dream House B&B	
4 stars Tourist Villages	
Hippo kampos	
Villaggio Stella Maris	





Paragraph III

Los Angeles. Between agony and opulence

*«Tip the world over on its side and everything loose will
land in Los Angeles.»*

Frank Lloyd Wright

Exogenous decision-making powers:
holding companies, and multinationals.
The new urban pioneers?

As noted by André Corboz, European descriptions of American cities are generally invalidated by certain defects: they concern an presumed object, they apply inappropriate criterias, they are apologetic. Perhaps this is due to the little consideration of the peculiar social and economic factors that determine the urban space. There is not an "American city" as well as there is not one Asian, nor an European city, there are only conventional representations, in order to liquidate them.

In the first half of the century the "American city" par excellence was New York that now seems eclipsed, in the literature of many disciplines involved in the study of urban

issues, because of Los Angeles, above all in Europe.

If Los Angeles is truly representative of the 'American City' is not the subject of this proposed study, but certainly in it we can find some features which remind the "American model" of urban settlement. First, and most well known, is the absence of a center-city, understood in European sense. Whatever is the cause of the lack of center, what is crucial a psychological fact: almost all Americans hate the city center, which opposes to the idea of a 'garden city', with its Howardian structure, purified and widespread. Downtown Los Angeles is built between 1880 and 1914 and it is very similar - albeit less extensive - to what existed at that time in New York or Chicago.

Curiously at that time, the center of the city of Los Angeles (Downtown) was censored on postcards, as if it was something shameful, abandoned to the Mexican immigrants. The primary reason is that it is not degraded or out of fashion, but that it didn't match to the admitted image of "LA", sprawled town, 'immersed in the green'. [A. Corboz, 1988]

Actually, the Corboz's article is more than twenty years old,

during which the city of Los Angeles has undergone profound changes. Over time, Downtown has gained importance, perhaps unexpected, becoming the centerpiece of a new urban identity. In particular, in recent years, the major urban interventions which have invested the "vertical city" of Los Angeles, express the change of the concept of "center" in the American urban culture.

Consequently, this area was the subject of substantial investment, bringing into play different interests and important manipulations of real estate: «[...] the new centralization of Los Angeles could be described more accurately as a series of battles between various interest groups, classes and communities» [M. Davis, 2002].

«The terrible beauty that struggle to come to light in Downtown is usually called Growth, but it is not an entirely natural metabolism (like the market for the neoliberals) or an enlightened choice (as politicians and planners like to argue). It could be described more accurately as a huge game, an endless game between privileged players (or coalitions of players) in which the state intervenes mainly as a croupier. Urban planning, embodied in various plans and projects,

provides flexible rules for the players, plus a set of limitations to avoid the misbehavior. But unlike almost every games, here you will never see the final move or the checkmate. The development of the center city is an infinite game, which unravels not to a conclusion but to a relentless pursuit. The fairytale image of Downtown that offered us by the Central City Association, that is a bunch of "urban villages" that have the same lifestyle and entertainment of Manhattan, is only a foolish thing. The only real ideal of Downtown is the same of any Casino: continue to spin the roulette.» [M. Davis, 2002].

The decentralization of offices and services from Downtown began in the '30s and is easily attributable to the rapid spread of the cars and the consequent expansion of the suburbs. Even at that time many major companies opposed the decentration trend, waging a real "accentrante" battle, which has continued over the years, especially through the manipulation of urban land rent. Companies such as the Los Angeles Times, Business Central District Association, the Automobile Club of Southern California have succeeded in channeling significant funding from the California

Department of Transportation to maintain the concentration of the main downtown traffic flow of the entire metropolitan region, and today Downtown is crossed by eight major arteries.

In the late '50s the *Community Redevelopment Agency* (CRA), which was originally intended as a public housing agency, actually became the largest constructor of Downtown and the most effective of all the major speculators; "like many regulatory agencies, was taken hostage by the same interests that it had to rule."

The master plan of 1964, entitled *Centropolis*, which aimed to "promote the rebirth of Central City, was wanted by the CRA just exactly when the same agency bought the land in Bunker Hill, in anticipation of selling real estate.

In the 1965, the metropolitan riots arrived just a few blocks south of Downtown and the police warned traders of Central City about an "imminent invasion by young-blacks gangs, armed and very dangerous" [Los Angeles Times, May 1965].

In 1967 just the major oil companies retained a high concentration of headquarters in Downtown, while large banks were struggling to maintain the centralization of financial power seats. As a result, landlords and financiers

railed against the Centropoli's project and soon after, succeeded in diverting substantial funds from municipalities and ministries, and they commissioned a new urban project for Downtown to an important group of urban planners. The ambitious new project, called *Central City, LA, 1972-1990*, became known as *Silverbook* for its glittering metal cover. It was, actually, «a disguised corporate bailout, using tax funds diverted on purpose. The crucial role of the CRA was the recycling of land value from old to new, and discounts on green lots (as well as with the rapid increase the price after the concreting) compensate the shareholders for the depreciation of obsolete property in the old center.» [M. Davis, 2002].

Beyond the apocalyptic M. Davis's vision of Los Angeles, E. Soja's vision is a gigantic agglomeration of theme parks, a lifespace composed of Disneyland that are «divided into showcases of global village cultures and mimetic American landscapes, all-embracing shopping malls and crafty Main Streets, corporation-sponsored magic kingdoms, high-technology-based experimental prototype communities of tomorrow, attractively packaged places for rest and recreation all cleverly hiding the buzzing workstations and

labor processes which help keep it together».

Thus, Los Angeles appears as the archetype of an emergent postmodern urbanism. Somehow, the 'primitive' land use planning discourse, which was based on «*unity, control and expert skills*», is progressively erode, with the preeminence of *urban acstraction*, «plan as empty vessels» [E.W. Soja, 1989]

To Afghani horsemen, the great game is buzkashi, a ferocious sport using a goat's carcass for a ball, in big cities the game is played without horses, and the carcass is land. On the high Asian plains the winner is the one who grabs the carrion, slings and trophy over his saddle, and rides away. In the city, score is kept and figured in square feet: who owns the most buildings; who brokers, manages, or leases the most usable floor area; who makes the most money. These are just some of the ways buzkashi was played in town during the last boom. Alexander Burnes, an English visitor to Kabul, remarked "The rapidity with which the goat sometimes changes masters is very laughable, but the poor animal occasionally torn to pieces in the scuffle". Sir Alex took the calling the odd spectacle in which the contested object was destroyed in the playing, the laughable game. This ancient sport is relatively new to Los Angeles.

Until recently, land was rarely traded, much less bandied about. Real property was kept for centuries in the same family, leased out long term, and it was thought bad form to treat land simply as one more commodity.

The subject of this chapter is the central activity of our society, the accumulation of capital, the creation of value. The story concentrates on fewer than ten actors and less than three acres. The action takes place over almost four decades during which millions and millions of dollars were squandered.

This is the perfect lens through which to expose the deals by which American moneymakers and powerbrokers operate, to examine in its gigantic intricacy the great American moneymaking machine about which most Americans, strangely enough, know nothing.

Less than 40 years ago the first Starbucks opened in Downtown Seattle (1971), not long after a Starbucks opened in Chicago, a few blocks from Cabrini-Green (Chicago Housing Authority), becoming the pivot of large public housing project in Downtown Chicago. At the same time, between 70s and 80s in New Orleans a supermarket Wal-

Mart is at the center of an economic development project and center of the entire city. That plan provoked intense local opposition because of (un)predictable consequences that it would have involve in the 'real estate' market.

In New York the situation, during the same period is even more complex: the dislocation of most businesses and art galleries from SoHo to the Village of Loho (on the Lower East Side) entails significant changes and a gradual abandonment of those areas.

From that time on, the American gentrification takes on a new face, new urban pioneers (Starbucks, Wal-Mart, and a host of other Corporation) keep pushing the "renewal" of entire neighborhoods by financing the cancellation of the old '60s *welfare-state landscape*.

Can we recognize in them and in entrepreneurs like David Walentas, the new Haussmann or the new Robert Moses?

Almost four decades of changes have given to the gentrification an enduring, but dynamic, aspect in the urban landscapes of America.

Beyond the specific physical form, the gentrification is fundamentally linked to the reconstruction of inner-city and

mainly serve the middle-and upper-class interests. Even when this process avoids displacement, it involve the urban market.

Many authors have described, analyzed, classified several American neighborhoods subject to phenomenon of gentrification.

Privatized Urban Growth vs Formal Planning

We could think about private investment as a series of decision.

The first decision is whether to invest in property or in something else. Investment in the land and building of the city are dependent on a variety of factors. The most important is to relative rate of return. There are some provisos. Crude rates of return have to be assessed against risk. High rates of return with a substantial risk may be less attractive to some investors then lower rates with lower risk. Property provides returns in the medium to long term that are attractive to institutions seeking a balanced portfolio.

The second decision is what type of property to invest in: houses, hotels, offices, convention centers, and so on. The changing pattern of demand will influence this decision.

The third decision is where to invest. In a global economy and with an international banking system, saving generated in Chicago, London o Brussels can be invested in hotel construction in Miami, office development in Paris, or housing development in Arizona. Investment in property is volatile, and investors disinvest in a declining sector and reinvest elsewhere [J.R. Short, 1996].

Much of the larger-scale private investment in the city is of a speculative nature. When someone builds an office block or constructs new houses on the edge of the city for a general perceived demand rather than for a specific client they are making a speculative investment.

They are betting on their ability to read the market. Much of the look, structure, and orientation of the city reflects patterns of speculative activity. Central London, for example, contains many remnants of speculative measures, from the neoclassical elegance of Bedford Square (construction started in 1775) to the town planning experiment of Hampstead Garden Suburb where building first started in 1907. David Cannadine [D. Cannadine, 1980] shows the social as well as the economic importance of urban development by examining the connection between the British aristocracy and speculative developments in British cities.

The more successful speculators both read and control the market. «In many cities in the United States, the classic form of urban land speculation was the wealthy speculators who assembled rural land cheaply and then constructed streetcars and other forms of urban transit» [J.R. Short, 1996]. The brought the demand to the supply and in the

process created fortunes for themselves as well as structuring the orientation of the city.

The idea of economist Henry George [16] were shaped by such process. His experience as a newspaper man in San Francisco alerted him to the avarice of land speculation. In his most famous book, *Progress and Poverty*, he argued that the land-value increases in cities should not be privately appropriated.

They were a result of collective forces and thus should belong to the community. He argued for a single tax on land to meet the costs of government. His ideas were very influential at the time and have percolated through the years to become part of such specific programs as the British New Movement and more general programs of government taxation of land and of land-value increases.

Land speculation is fueled by the big profits to be made from getting a chance of use in the land. Buying land at rural

prices then selling the same land for residential development is a source of great profit. To purchase residential land and then be able to turn the land in the office development is another source of profit. In capitalist cities getting a change of use has been a powerful dynamic: legally and illegally, above-board or riven with corruption, the possibility of reaping the rewards has fueled and continues to fuel many of the major land-use changes in the city.

Indeed, speculation, understood as a “excessive and fictitious prices for raw land” was the most important factor of urban changes and landscape crisis.

«It costs so much in the long run to adapt rough mountain lands satisfactorily to ordinary intensive private uses that their real net value as raw materials for such use is generally far less than their value for watershed protection and for public recreation. Unfortunately in the local speculative land market this fact is often ignored and subdivision sales are made which commit the community to extravagant wasteful private and public expenditures for converting a good thing of one kind into a poor thing of another kind.» [J. Scott, E.W. Soja, 1996]

[16] Henry George was the most influential proponent of the *Land value taxation* (LVT), also known as the “single tax” on land, which is an ad valorem tax on the value of land. This ignores buildings, improvements, and personal property. Because of this, LVT is different from other property taxes on real estate (the combination of land, buildings, and improvements to land). Every jurisdiction that has a real estate property tax has an element of land value tax, because land value contributes to overall property value.

Consider the case of office development in London. Since 1945 there have been three major office booms. The first occurred after the buildup of demand and the restrictions on office supply in the 1950s. the result was a boom described by Oliver Marriott in his book *The Property Boom* (1967). The second occurred in the early 1970s and was fueled by easy credit. It forms to backdrop to the classic study by Peter Ambrose and Bob Colenutt entitled *The Property Machine* (1975). The third boom occurred in the mid- to late 1980s and was caused by increasing demand for financial services and the ability of developers to obtain planning permission in areas beyond the traditional office sector. In each of the three periods the boom was fueled by increasing demand, easy or cheap lines of credit, and a responsive planning system that allowed change of use. The booms were halted by a downturn in demand, increasing interest rates, or a combination of the two. While the exact nature of the office boom has varied over the years and underlying dynamic has remained the same: the enormous profits to be made from turning residential or industrial land use into much more profitable office development.

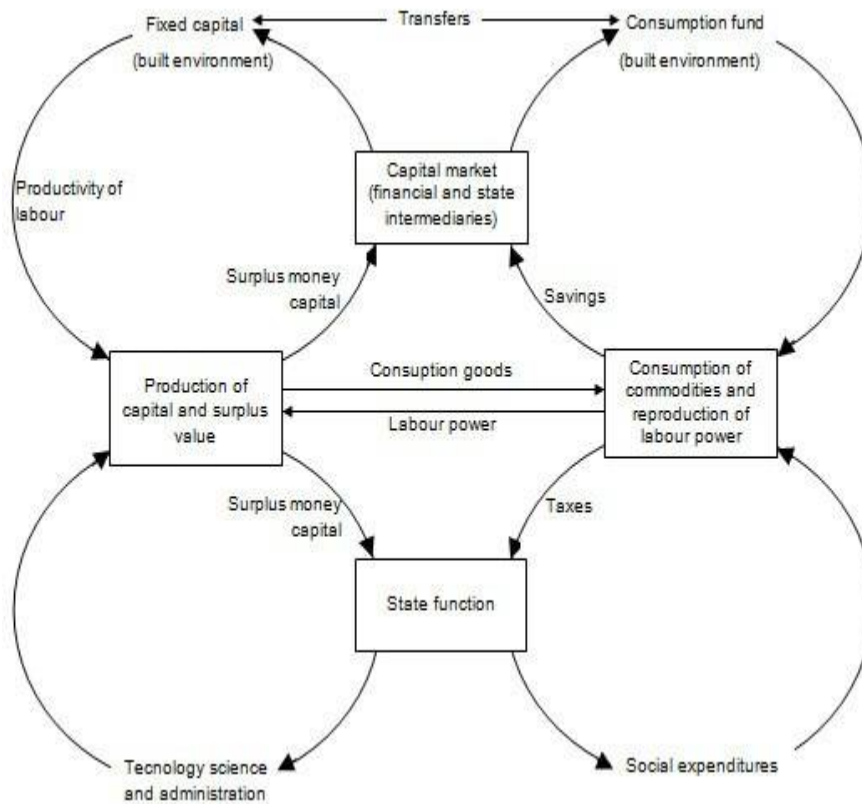
Pattern of investment have also been tied to broader theories

of society. We will consider three different important pattern.

First pattern:

David Harvey has extended the work of Henry Lefebvre to suggest that secondary circuit of capital can be identified which is used to soak up surplus funds.

We should consider «location as a fundamental material attribute of human activity but recognize that location is socially produced. The production of spatial configurations can then be treated as an ‘active moment’ within the overall temporal dynamic of accumulation and social reproduction».



deduced from D. Harvey (1982)

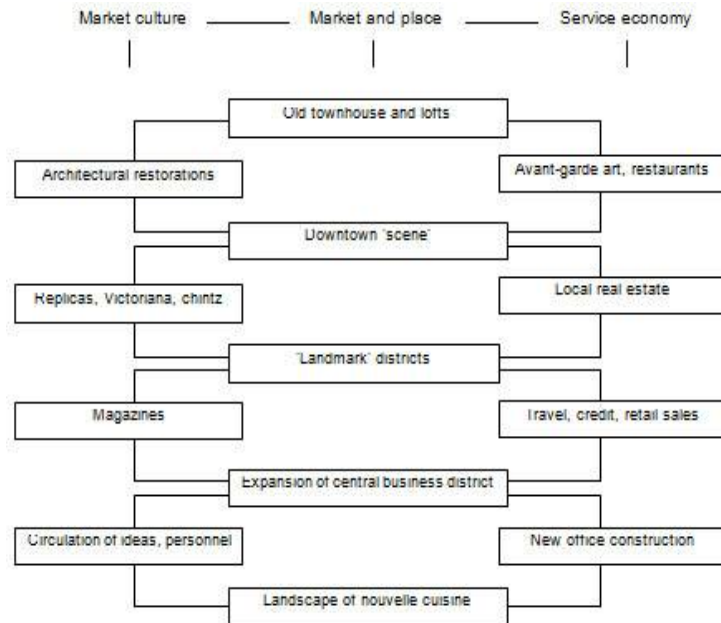
«Crises have no existence outside the matrix of spatio-temporalities that capitalism itself creates. Crises are as much about reconfiguring the spatio-temporal form of class relations (through all manner of stressful adjustments) as

about the internal class contradictions of capitalism specified in some absolute and immutable space and time».

Relevant spatial factors in these frameworks or matrices mentioned in Limits include place-based social relations, the built environment, land markets, the rural-urban division of labour, urban hierarchies, locational policies, the inevitable territorialization of political power, and attempts to manage uneven geographical development [B. Jessop, 2003].

Second pattern:

David Cadman has identified what he called 'the mode of investment' [D. Cadman, G. Payne, 1989]. His theory is based on the growing importance of investing institutions; many people in Britain and North America have passed their savings to financial institutions, which use professional fund managers. Urban property is particularly attractive to these fund managers because large projects take up big chunks of money in relatively safe and secure investment. In according with this theory, the mode of investment stresses size of project and security of return. In effect, Cadman is pointing to the power of finance capital over and above its role in financing production and consumption.



Third pattern:

Sharon Zukin's theory is based on the wider connections of property investment. She identifies what she called 'the interacting circuits of economic and cultural capital. She points to the cultural connections of capital investment and several cases studies involved in construction and reconstruction. (p. 379).

«[...] instantly, Los Angeles presents us with paradox. On one hand, L.A. appears as an intensely privatized anarchic vision of urban growth; on the other, the city has a long history of formal planning (including the nation's earliest experiments with zoning and regional planning). L.A. landscapes are obviously a direct consequence of the constant interplay between the former and the latter – between the intentionalities of the private realm and those of the public sphere» [A.J. Scott, E.W. Soja, 1996].

As we know, in the early cities, the *urban empires* became knowledge-based societies where information and the conscious, regular and systematic collection of data became an integral part of maintaining the control.

In his studies, Short identifies three important elements of the postmodern American city [J. R. Short, 1996]:

- the new look;
- the new enclose movement;
- the new civic culture.

For my research is crucial to analyse, above all, the second

point.

Enclosure movement means the privatizing of open common lands and the appropriation of public spaces.

There has been the creation of what the author calls "bunker architecture": more and more buildings seek to regulate or to hide access. The results is the closing off from public space. There has also been the rise of "gated communities".

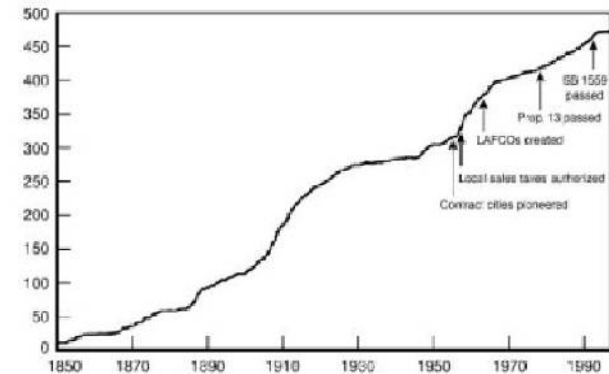
Notes on the local government structure in California

«In California, as in all American states, the *local government* should be treated as a plural, not a singular noun. Political Authority in California is divided among thousands of local jurisdiction. Los Angeles County alone has 88 cities, for instance, and advocates of secession in the San Fernando Valley seek to create another» [P.G. Lewis, 1998].

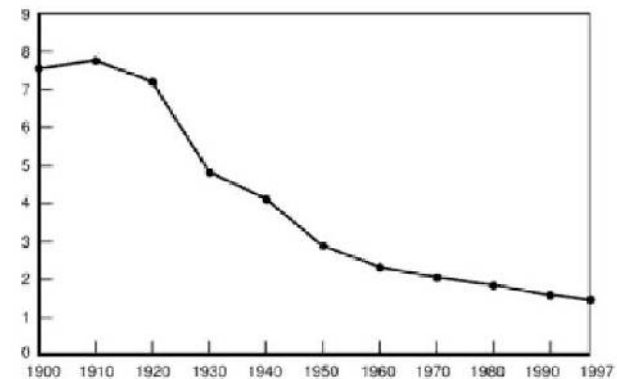
The concern for local political structure is connected to concerns about efficiency and equity of government policy and services. Moreover, in this chapter, I briefly highlight how this distinguishing *political fragmentation* has important effects on the regulation of land use.

The State of California has 58 counties. The population continues to grow since the mid-sixties and cities continue to transform themselves due to the rapid development of the suburbs.

Feinbaum (1987) viewed the reason for this incorporations as primarily involving dissatisfaction with county land use decisions.



Number of Cities in California (1850-1997)



Number of Cities per 100,000 Population in California (1900-1997)

Source: P.G. Lewis, 1998

Counties and cities regulate land use, though the so-called “police power”; they have the power to making rules for subdividing land and to create zoning ordinance, general plans and building regulations.

Obviously, the land-use patterns may be affected by building growth-supportive infrastructure.

The growth and the regulation of land use have become two dominant issues at the late 1980s and early 1990s. Indeed, in 1989 the Assembly Office of Research released that concluded that

«the structure of local government clings to the ideal of self-governing, locally-controlled communities, reinforces the divisive effects of the state’s fiscal structure and creates a mismatch between the fiscal

resources and organizational means devoted to problem-solving and the increasing scale of growth-related problem» [Assembly Office of Research, 1989]

«Real estate speculation played an important role in the development of Los Angeles. By 1930 Los Angeles was home to more than 6 percent of the nation real estate agents and one-seventh of the city’s work force was directly involved in construction of real estate activities. Real estate men were more important in the city planning activities in Los Angeles than in any other Pacific Coast center. Relying first on voluntary measure, they soon turned to zoning ordinance to try to control the shape of their city’s growth. In zoning they saw a *precise form of planning that was more effective in protecting residential developments than was comprehensive planning, which involved civic centers, parks and streets*»[M.G. Blackford, 1993].

[17] According to the 2008 U.S. Census, Bureau of the Census, Washington D.C.

[18] Or Los Angeles/Long Beach/Riverside *Combined Statistical Area* (CSA), or the *Southland*, is the agglomeration of urbanized area around the county of Los Angeles which includes the Los Angeles Metropolitan Area (Los Angeles and Orange counties) as well as the Riverside, San Bernardino, Ontario Metropolitan Area, and the Oxnard, Thousand Oaks, Ventura Metro Area.

[19] of \$831 billion at 2008, Bureau of Economic Analysis (BEA), Washington D.C. GMP or GRP (Gross Regional Product) is one of several measures of the size of the economy of a metropolitan area and it’s defined as the market value of all final goods and services produced within a metropolitan area in a given period of time

«City Planning begins in Los Angeles»
[M.G. Blackford, 1993]

The City of Los Angeles encompasses 464 square miles and has a population of 3.8 million[17]; in population it's the second largest city in the United States, trailing New York City.

In the last thirty years, Los Angeles has been characterized by tremendous growth, both in population and in the development taking place in the manufacturing and service sectors of the business community.

The *Greater Los Angeles Area*[18] has a *Gross Metropolitan Product*[19] (GMP), making it the third largest economic center in the world, after the Greater Tokyo Area and the New York/Newark/Bridgeport CSA.

The *Los Angeles County General Plan* was adopted on November 25th, 1980. It consists of those countywide chapters and elements mandated by the California Government Code, as well as a series of communitywide plans which set forth more detailed growth and development policies for specific unincorporated communities.

Before 1980, in absence of planning, they just let things happen. Developers and builders seek maximum profit and public agencies function independently of each other.

«[...] in contrast to San Francisco, Los Angeles was a residential city of private homes: and the preservation and furtherance of the “rururban” characteristic of the city was one of aims of many planners» [Department of City Planning, 1967].

In the 1950's, growth in Los Angeles was sprawled throughout the suburbs, without a central core. But the changes which have taken place downtown in the following thirty years, including the increase in population and the high cost of fuel, have served to make the Central City the commercial center of Los Angeles and the West Coast.

Currently it has the second highest rate for office space in the United States, trailing New York City.

The Department of City Planning in the 1967, twenty years before the General Plan, wrote the first guide lines of systematic planning and it defines four strengths:

1. Determine a goals of the people;
2. Determine what the possibilities are – alternative concepts of what the city might be;

3. Select the concept which best fulfills the goals;
4. Develop detailed plans and policies to carry out the concept and achieve the goals.

«It would be impossible to validly plan the city apart from its surroundings communities, so the study area includes the major adjacent parts of the metropolis, with a current population of about 5.7 million (at 1967)» [Department of City Planning, 1967].

For the City of Los Angeles the first step in this process was a discussion paper titled “Goals for the Los Angeles Metropolis”. The second step was the report titled “Concept for Los Angeles”; it discusses four alternative concepts for the future metropolis – what might happen under different sets of development policies.

Many public discussions of these goals and concepts was programmed in the following twenty years. These discussion formed the basis for selecting a concept and for making recommendation to the Mayor and the City Council.

Development policies to carry out the concepts were presented step by step for public discussions and official actions.

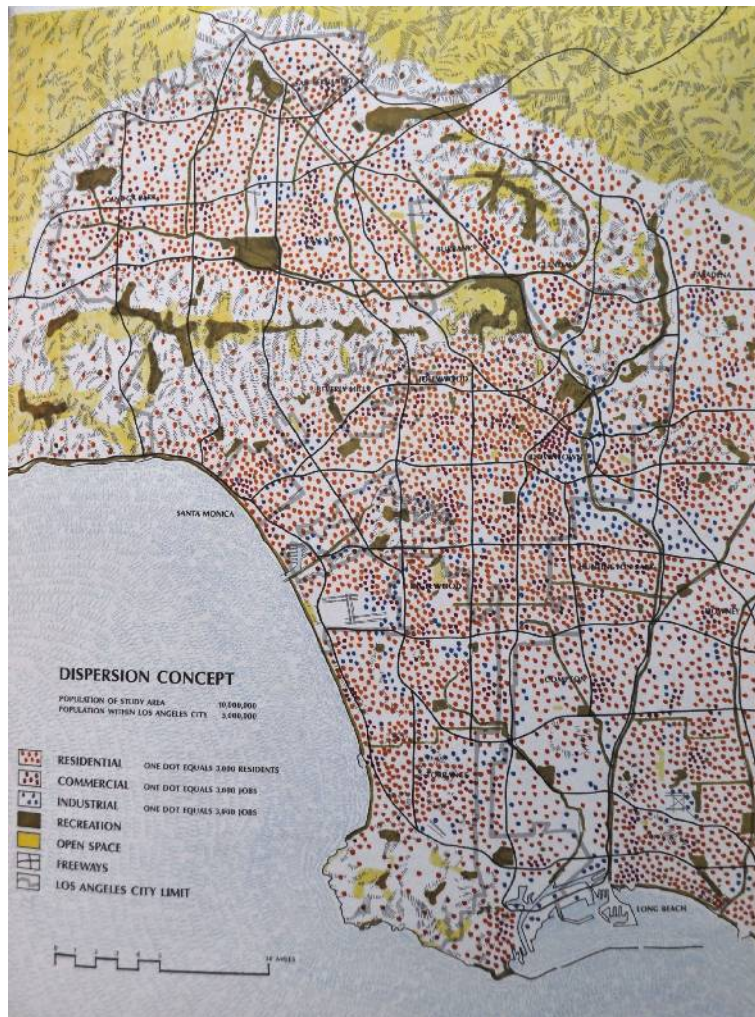
The four concepts in 1967:



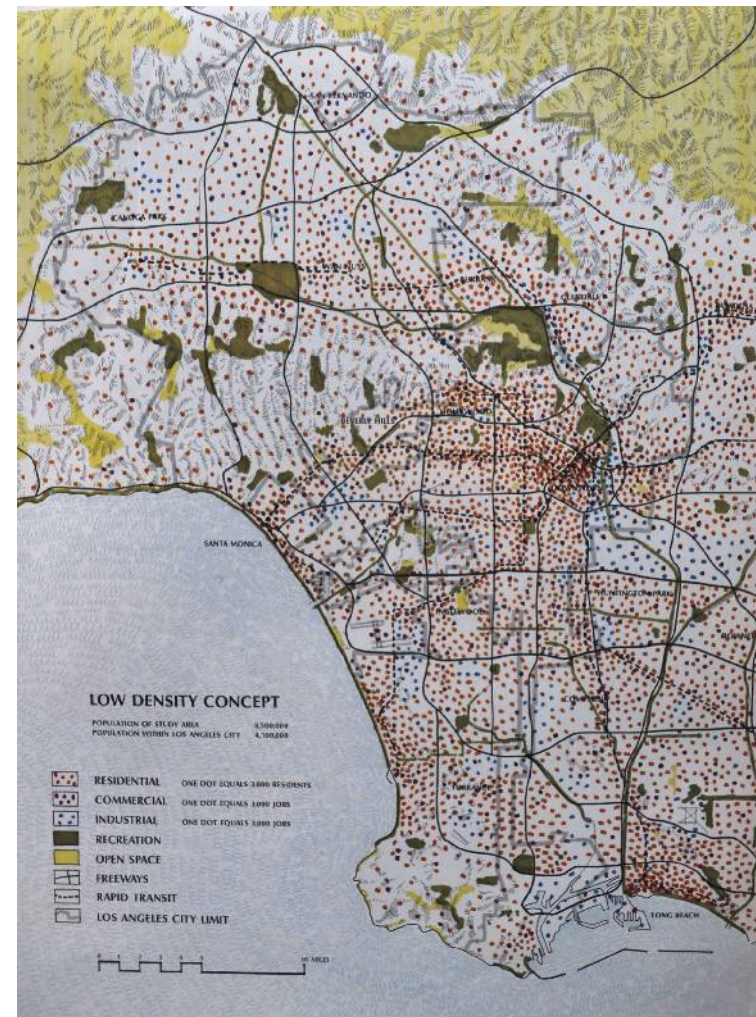
Concept # 1: Centers Concept



Concept # 2: Corridors Concept



Concept # 3: Dispersion Concept



Concept # 4: Low Density Concept

1: Center Concepts



This concept envisions large regional concentrations of residence and employment, which would be the focal points for solidifying new growth in the metropolitan study area. It proposes a city of a highly urban character, while preserving single-

family residential areas and natural amenities. It attempts to minimize travel distances between home and places of daily occupation.

The centers would number about 30, distributed in a fairly uniform pattern except for closer spacing in the Downtown – Hollywood – Wilshire area.

Most centers would grow from existing major business districts or regional shopping centers. New ones would be created to fill existing voids and simulate rebuilding of economically deprived areas.

The centers would contain a wide range of work, shopping, service, educational, cultural, and recreational activities. They would accommodate a very high proportion of retail, service and office employment and a substantial proportion of industrial employment. In smaller centers there would be some specialization of employment but larger centers should contain a comprehensive range of job opportunities. Rapid access to the various centers would be provided by a rapid transit system.

Outside the centers, employment would be provided by industrial plants located in the districts now zoned or planned for industry, and in neighborhood shopping and service facilities. Access would be mainly by motor vehicle.

The choice in housing would be more or less evenly balanced between high density apartments in the centers and single family dwellings in the suburbs. Apartments in towers would be located near the core of each center, a relatively small number of middle density apartments would located around the centers and at appropriate nodes in the suburbs. Family privacy would still be an important element in dwelling unit design.

2: Corridor Concepts



This concept proposes a highly urbanized metropolis, with concentration of employment, commercial services, recreational facilities and high density apartments located in corridors extending outward from

the Downtown-Hollywood-Wilshire metropolitan core. This concept would require a mass rapid transit system along the lines generally proposed by the Southern California Rapid Transit District.

The metropolitan core would continue to increase in population and employment. Its access of jobs over resident workers would require much commuting from other parts of the city.

Corridors would extend along rapid transit routes, with nucleations of commerce and residence near the stations.

The core and the centers in the corridors would have high employee densities, with office employment predominating.

Restricted industry would locate in core and corridors, but most manufacturing employment would be in outlying districts now zoned or planned for industry.

Residential densities would be balanced, giving a wide choice of dwelling types and offering more opportunity to live at middle and high densities in all sections of the city. High rise apartments would locate near transit stations. Medium density apartments and low-medium density town-houses would extend beyond stations in a concentric pattern. Outside the core and corridors, single family housing would extend beyond stations in a concentric pattern. Outside the core and corridors, single family housing would be emphasized but about half the units near local activities and amenities – commercial centers, beaches and parks.

3: Dispersion Concepts



This concept seeks an even distribution of activities, which would accommodate growth while preserving the characteristics that make Los Angeles unique among major cities: decentralization, owner occupied homes, and

automobile with its flexibility of movement. This concept attempts to keep travel distance from home to work and other daily activities at a minimum, by having jobs, consumer services, recreation and public facilities located close to the resident population.

Townhouses at low-medium density would be the predominant housing type.

Slightly over half of the present single-family areas would be converted to townhouses, at about double present densities.

However, large areas would remain in single-family residential use, and detached single dwellings would extend into the hills and mountains. The concept seeks to perpetuate life style rather than dwelling type – it features owner occupied dwellings, not single detached houses.

Apartments in the medium and high densities would be located near commercial or services centers. Housing at both low and high density would be limited in number of units, location, and range of price. Maximum choice would be in the middle densities.

4: Low Density Concepts



This concept seeks to preserve the present residential patterns and lifestyles of Los Angeles. It emphasizes the single-family detached house, with low rise apartments in about the same proportions as now. The automobile would be continue as the

predominant means of transportation. Under this concepts, the city and the metropolis could not accept growth beyond the populations shown below. Adoption of this concept would require a limit on population growth.

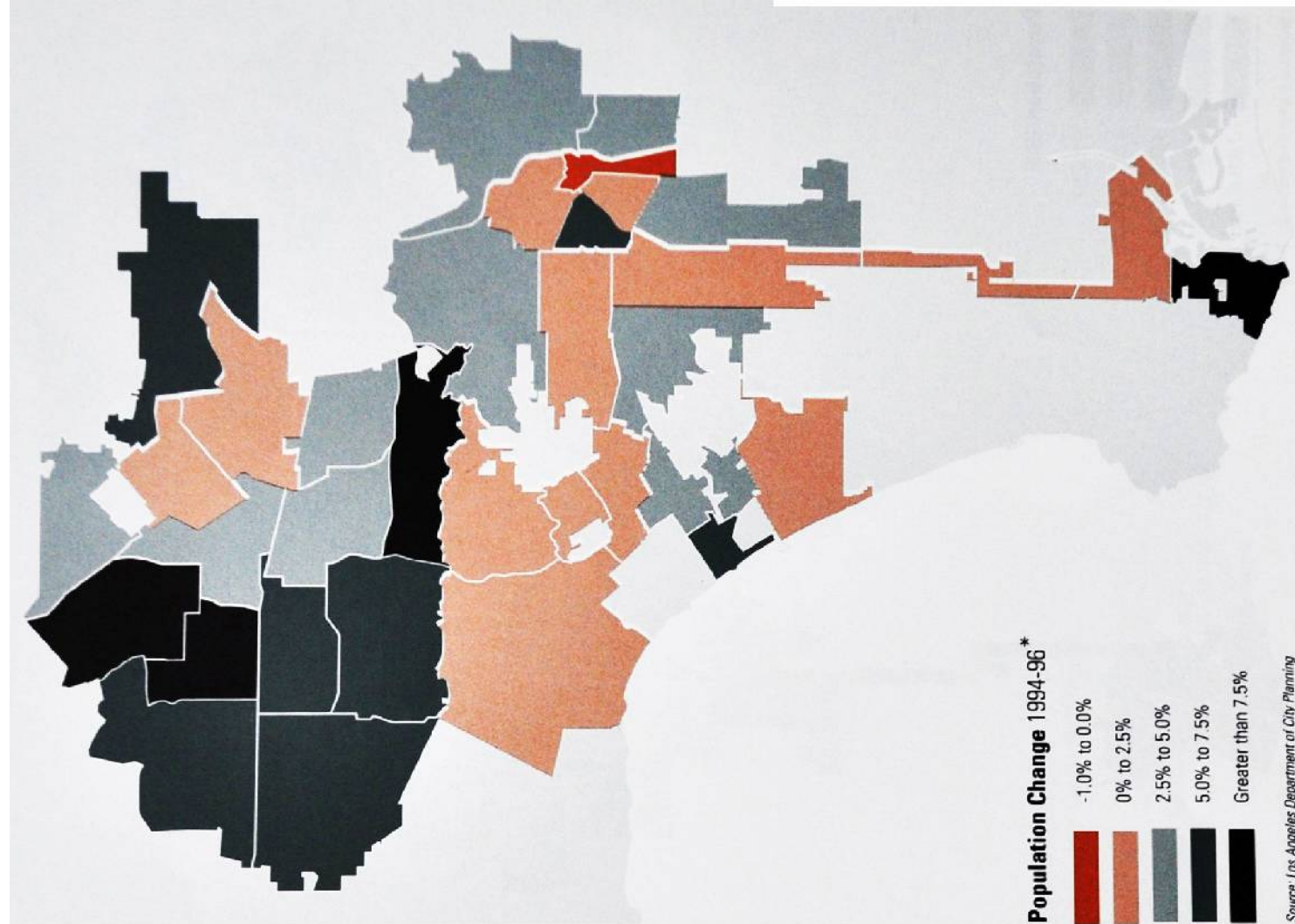
Office employment in the Downtown-Hollywood-Wilshire core would continue to increase, requiring many people to commute into the core.

The completed freeway network is not expected to meet peak hour demands, so this concept includes a minimum

investment rapid transit system utilizing, in part, existing railroad lines. It would serve primarily the core, community business districts and entertainment centers.

By 1970 the *Goals*, the *Concept Plan*, together with more detailed plans for public facility and transportation system and the various communities of the city, have been integrated into the *Los Angeles County General Plan*.

Population Trends by CPAs 1994-1996



Control of land use in Downtown L.A.

Downtown LA's potential future has always been a reflection of Los Angeles Regional growth. But the degree to which the Central City will share in projected regional growth will depend to a large extent on how successful downtown is in meeting the current problems it faces, the most urgent of which are traffic congestion, blight and deterioration.

Early in the 1970's, the need for a central city plan was evidenced by a rapidly growing list of new, isolated and uncoordinated projects, increasing traffic congestion, as well as continuing issues and problems such as a lingering Skid Row area. The drafting and adoption of the *Central City Los Angeles 1972/1990 General Development Plan* was a joint effort by civic and business leaders that addressed this question. The plan set forth goals and programs to organize the forecasted growth within the city, to reinforce existing viable downtown functions, and to take advantage of potential opportunities to renew underutilized areas. This plan established specific action areas within the Central City and plans for each of these areas. The division between the Central City include Bunker Hill, Central Commercial Core, Little Tokyo, Central City East (Skid Row) and South Park.

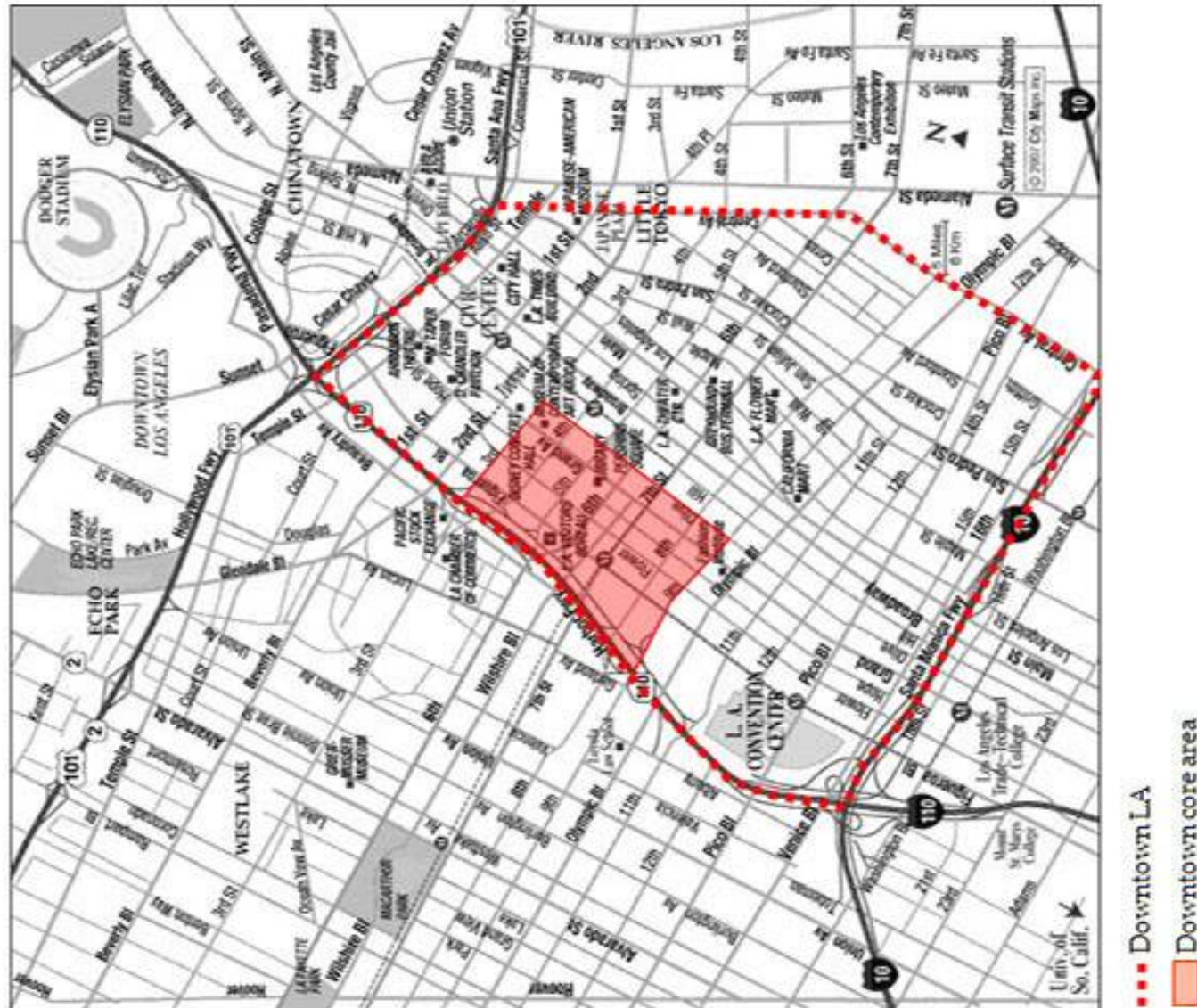
In each area, the Plan called for cooperation between the private sector and public developers to work to solve existing problems and to begin to achieve the Central City's potential.

The metropolitan Los Angeles real estate market has grown to be the sixth largest office market in the nation with office space.

The 'city without downtown' (as Los Angeles was called before), has begun developing its own downtown in the last thirty years (after '80s).

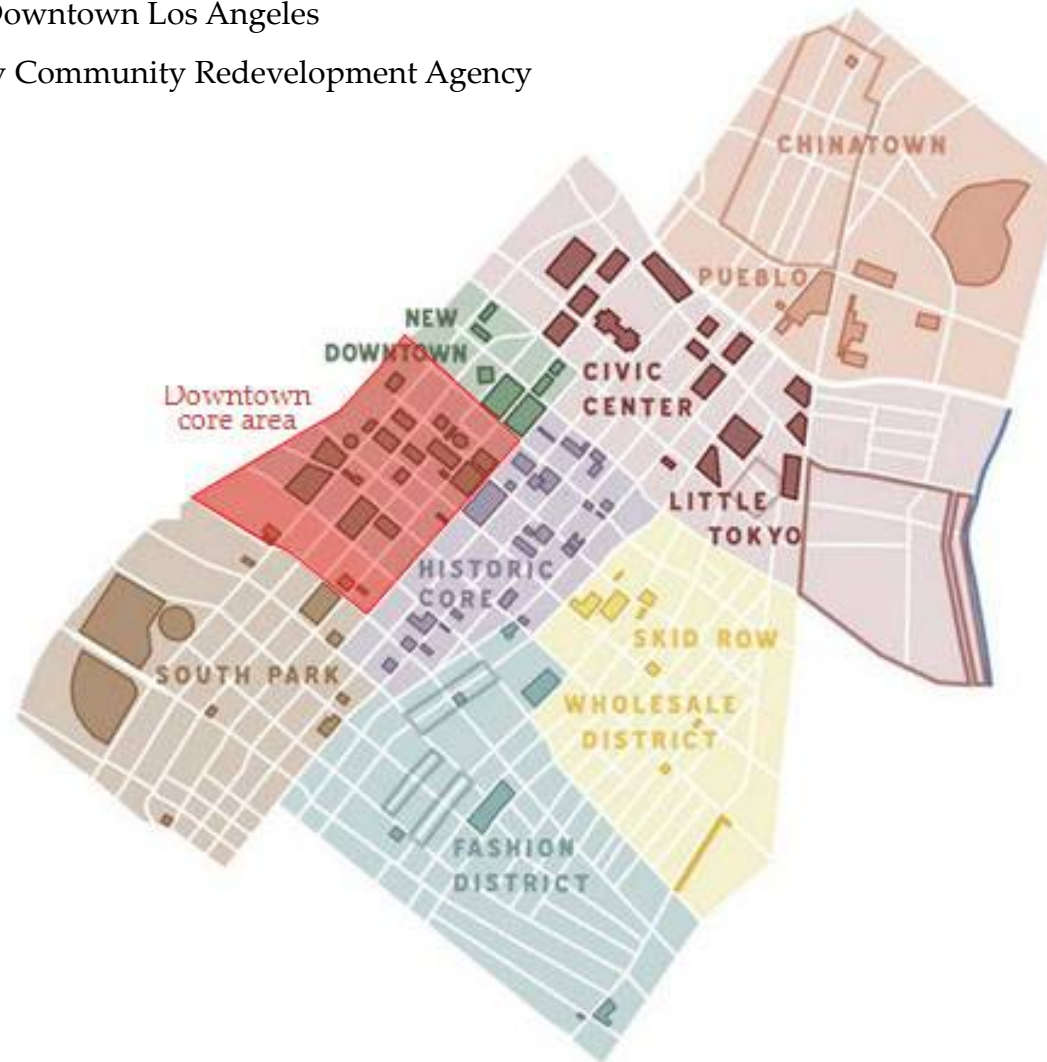
The economic strength of Los Angeles County area is the major cause of foreign investment concentration in real estate. In fact, the GLAM (Great Los Angeles Metropolitan Area) produces as much as eleventh largest nation of the world [C. Lockwood, C. B. Leinberger, 1988].

Downtown Los Angeles



Downtown Los Angeles

Areas defined by Community Redevelopment Agency





Most big companies in the Downtown L.A.'s core area have influenced the transportation plan in the '20s with the purpose to maintain their power in the center city.



7th Street, Downtown LA, 1941
Source: Dept. City Planning, LA

The following two tables indicate that the highest concentration of foreign ownership of office space in USA is found in Downtown Los Angeles, which is followed by Houston and Minneapolis. In terms of value of foreign owned properties, New York still surpasses Los Angeles, reflecting its comparatively expensive real estate.

Los Angeles County: Population: 10,092,923

Median Age: 33

Median Income: \$51,411

Number of Properties: 2336

Table 1

Distribution of Foreign Office Space Downtown U.S. Cities		
1	Los Angeles	46%
2	Houston	40%
3	Minneapolis	37%
4	New York	34%
5	Denver	20%
6	Atlanta	17%
7	Miami	17%

8	Dallas	15%
9	San Francisco	13%
10	Washington, D. C.	10%

Table 2

Value of Owned Proprieties in U.S. Cities		
1	New York	38.0%
2	Los Angeles	15.2%
3	Washington, D. C.	8.9%
4	Houston	7.6%
5	San Francisco	6.4%
6	Chicago	6.0%
7	Boston	5.1%
8	Dallas	4.6%
9	Denver	4.2%
10	Minneapolis	4.0%

Source: Coldwell Banker, 2009

Table 3 shows, instead, shows that the Japanese and Canadian investors together own over half the 200 largest foreign office buildings (62%) in major U.S. cities.

Table 3

Major Foreign Investors on U.S. Real Estate		
1	Canada	32%
2	Japan	30%
3	U.K.	19%
4	Germany	11%
5	Netherlands	8%

Source: Coldwell Banker, 2009

The Japanese investors own the most part of office and commercial buildings in Los Angeles (more than half of total foreign ownership of office space), New York and San Francisco, whereas British investors are in second place. Downtown Los Angeles office market has the highest percentage of foreign ownership among the top fifteen office markets in the United States, largely due to the Japanese

presence [Y. Aoyama, 2000].

It should be noted that despite the obvious increase of total real estate investment by foreign investors in Downtown Los Angeles over the past few years, there is a considerable variation among the speculations of the total dollar value of real estate investment by these investors. It is almost impossible to pinpoint the exact amount of foreign capital invested on U.S. properties, due to difficulty in obtaining sufficient data.

Main Building Owner in Downtown Los Angeles		
<i>Building name</i>	<i>Owner (>50%)</i>	<i>Use*</i>
Kajima Bldg.	Kajima International Inc.	OC
California First Bank Bldg.	California First Bank	O
California First Bank Bldg.	Nomura Real Estate	O
New <u>Hotani</u> Hotel / Weller Court	East West Development	HC
AT & T Center	Mitsui Fudosan / Daiichi Life	O
Brooks Brothers Bldg.	U.S.A. Pacific Atlas Inc.	O
Pacific Seaboard	Hero Real Estate	O
California Pacific Bank Bldg.	<u>Tohshin</u> Corporation	O
<u>Oviatt</u> Bldg	Mitsui Fudosan (USA)	OC
Chase Plaza	<u>Shuwa</u> Investments Corp.	O
Wells Fargo Bldg.	Meiji Life	O
Bank of California Bldg.	Bank of California Corp.	O
Broadway Plaza	Yasuda Trust	OCH
World Trade Center	Haseko California Inc.	OC
Bonaventure Hotel	Mitsubishi Corp.	H
Union Bank Square	Nippon Life	O
Manulife Plaza	Nomura Real Estate	OCE
Figueria Tower	<u>Shuwa</u> Investments Corp.	O
Linder Bldg.	California First Bank	O
State Mutual Saving Bldg.	Toyo Real Estate (USA) Inc.	O
800 Wilshire Bldg.	Sumitomo Life Reality NY	O
Staple Center (LA Live)	Anschutz Entertainment Group	OCE
Nokia Theatre (LA Live)	Anschutz Entertainment Group	CE
Nokia Plaza (LA Live)	Anschutz Entertainment Group	OCHE
Japan California Bank Bldg.	<u>Hinomaru</u> International Corporation	O
Ritz-Carlton Hotel	The Ritz-Carlton Hotel Company	H
1000 Wilshire	Sumitomo Life Reality NY	O

*Use: O = Office, H = Hotel, C = Commercial, E = Entertainment

Sources: Coldwell Banker,

Office Market Journal of Greater Los Angeles,

Building Owners and Manager Association,

Author's sources.

Constructing Alternative Plans in Downtown LA[20]

We start to examine a particular tool called ‘the decision tree’ with the purpose to use it to evaluate relationship between planning choices and economic interests involved.

This method is frequently used to construct a ‘Decision Models of Choice and Chance’, which supply a series of alternative plans through the combination of many plan components. This method is often used in USA to present broad general alternatives to the local governors to help the discussion about coordination of urban growth policy.

The traditional process consists in:

- 1) to identify the fundamental components of urban growth policy which are relevant for the decisions that the policy-makers want to consider coordinating;
- 2) to specify the alternative forms of each component that should be considered;

- 3) to systematically combine these component alternatives into alternative plans through the use of a ‘decision tree graph’.

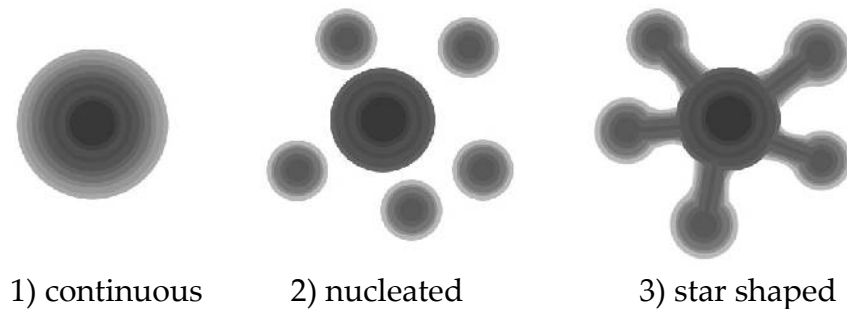
For the purpose of this research, we will use the traditional method *ex-post*, to evaluate the relationships (and the consequences) between land use pattern and private economic interest involved, in one case study: Downtown Los Angeles.

Initially we will analyze only these two components which are subject – especially the former – or somehow related – especially the latter – to public policy influence from both regional and local government levels. With the definition of ‘land use pattern’ we mean the form of relatively dense urban use of land.

The recurrent issue in the debate about Downtown LA concerned for a very long time the binomial ‘centralization-decentralization’ (above all from the 30s to the 80s).

[20] The reflections about the application of ‘Decision Models of Choice and Chance’ derived from several frontal lesson at UCLA PhD classes, and from KRUECKEBERG D.A., SILVERS A.L., 1974 and ROGERS A., 1987.

Fig. 1 Land use alternatives – model of expansion



Source: KRUECKEBERG D.A., SILVERS A.L., 1974
(as well as the “ decision tree graphs”)

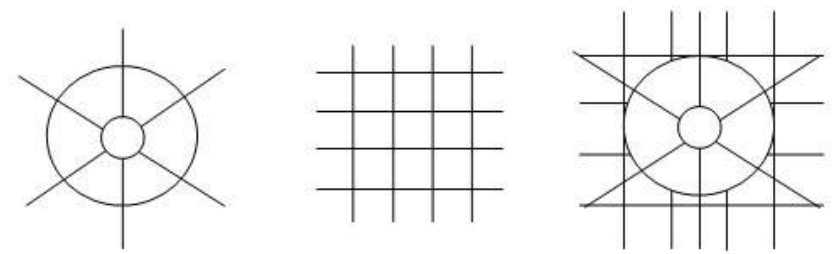
As we have already explained before, in Los Angeles most of big companies economically (and politically) involved in the urban growth supported the alternative n. 1 (continuous expansion). Most of their investments were localized in Downtown LA. They proposed several renewal projects to keep the control on Downtown area, influencing the urban rent.

Therefore, we can identify in this occurrence one of most important reasons of the re-centralization of Los Angeles. These choices are obviously engraved on physical space,

especially on the design of transport system, demographic distribution, and housing market.

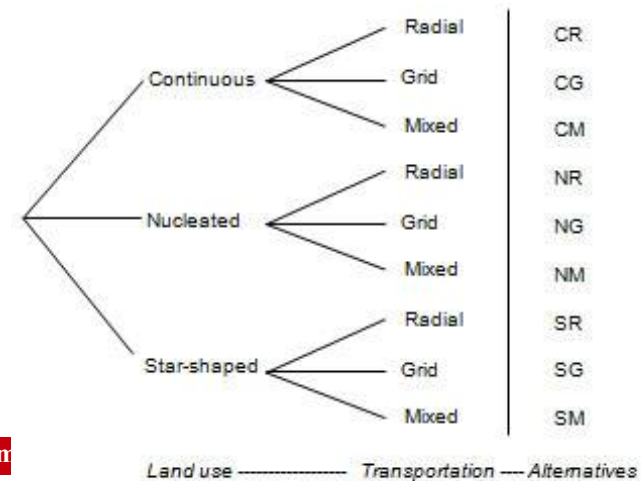
Relationship between Land use and Transportation planning

Fig. 2.1 Transportation alternatives – patterns



1) Radial highway 2) Grid highway 3) Mixed highway

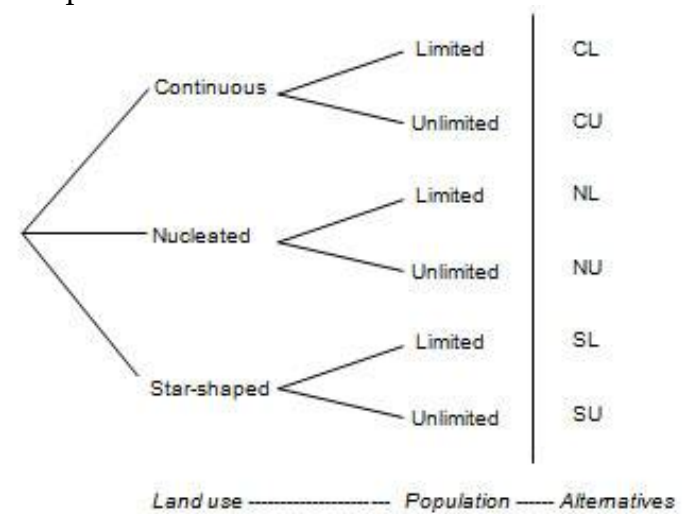
Fig. 2.2 Transportation alternatives



Relationship between Land use and Population

Another variable that we can consider is the population in a certain territory, which is obviously closely related to the choices of land uses. They influence each other in different manners. The graphic representation of this distribution would be very similar to Fig. 1 (land use alternatives), although we can consider two different conditions: a *limited* population and an *unlimited* population. Better still, we might consider limiting the growth of each country by the right combinations of state and local policies.

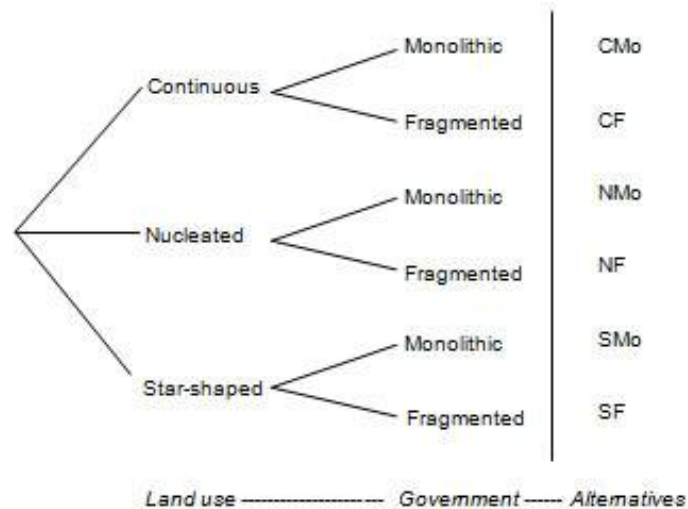
Fig. 3.1 Population alternatives



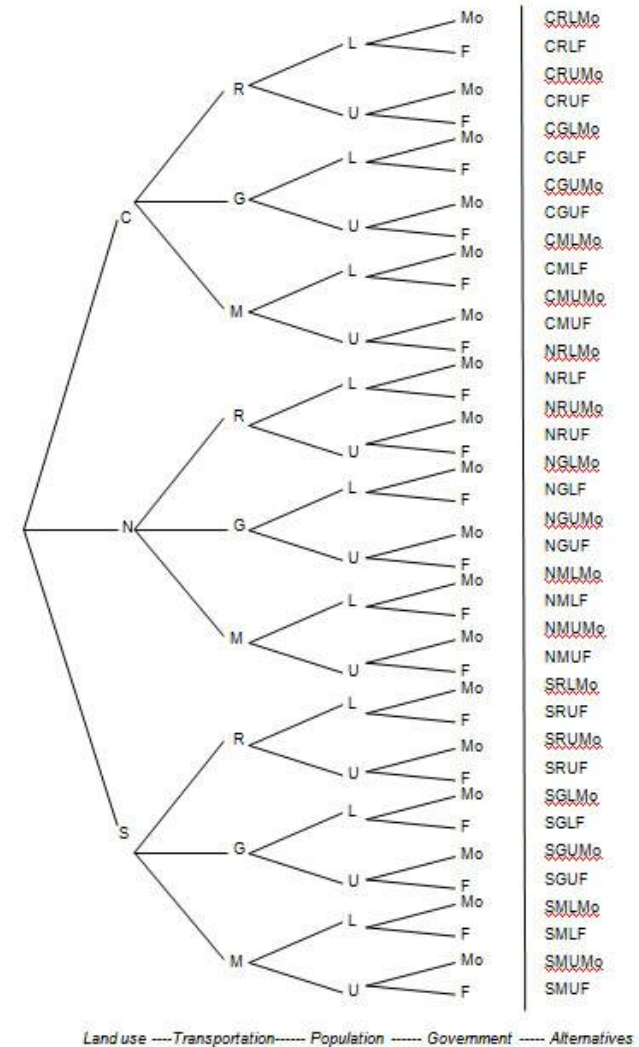
Relationship between Land use and Government

With regard to government we might consider a monolithic metropolitan government versus a fragmented pattern of many little governments.

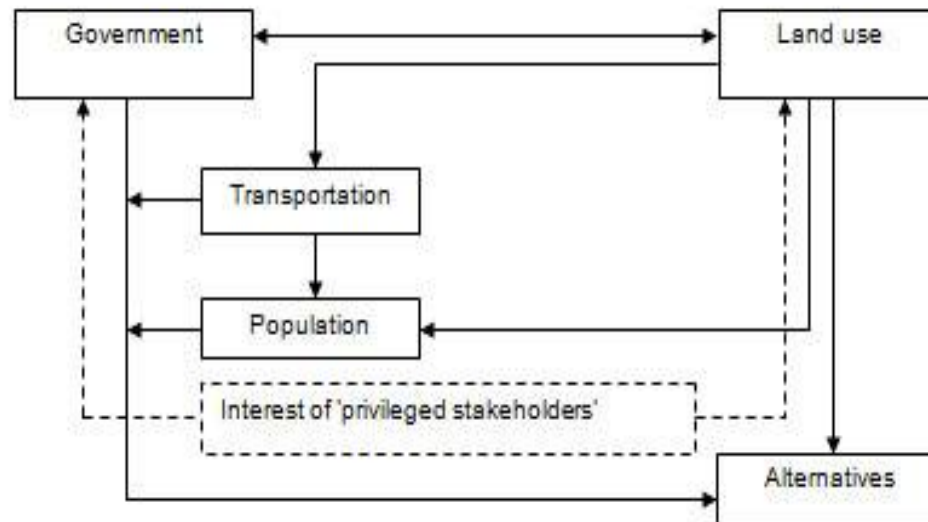
Fig. 4.1 Government alternatives



Relationship among all variables



The privileged stakeholders influence.
An hypothesis of action



The privileged stakeholders don't influence directly the alternatives, they rather act contemporary on the government and on the land use.

The pattern showed before try to make clear the mechanism which could be often invisible or barely perceptible.

An example of a specific projects in Downtown: *LA Live*

An example of project wanted by very important investors in Downtown is surely “LA Live”. It is a wide ‘campus’ built exclusively as an event center, maybe it is now the most popular center of entertainment in Southern California. It is

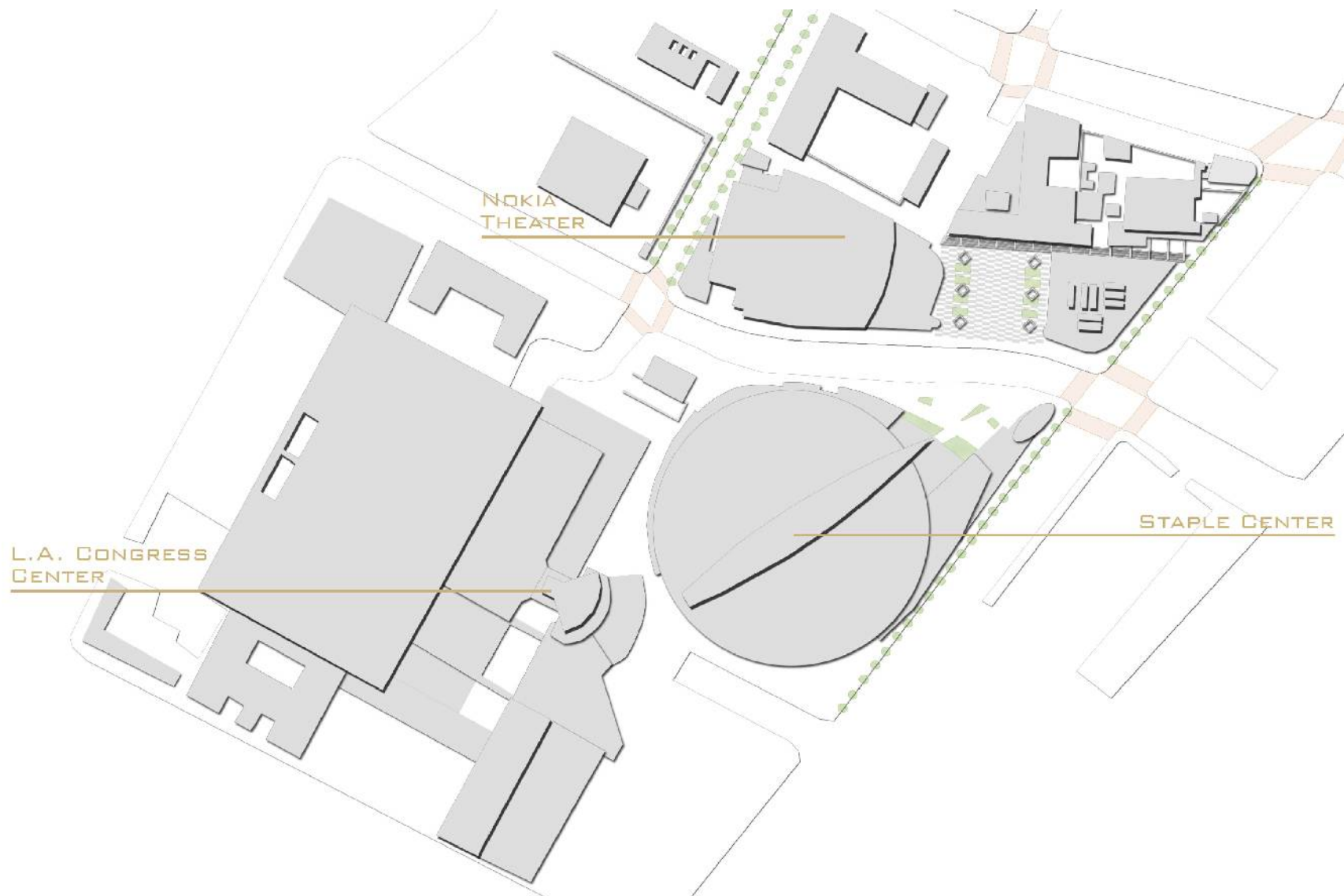
about 5,6 million square foot (about 520,000 m²). The whole structure opened in October 2007 with the Grand Opening of “Nokia Theatre LA Live” and “Nokia Plaza”.

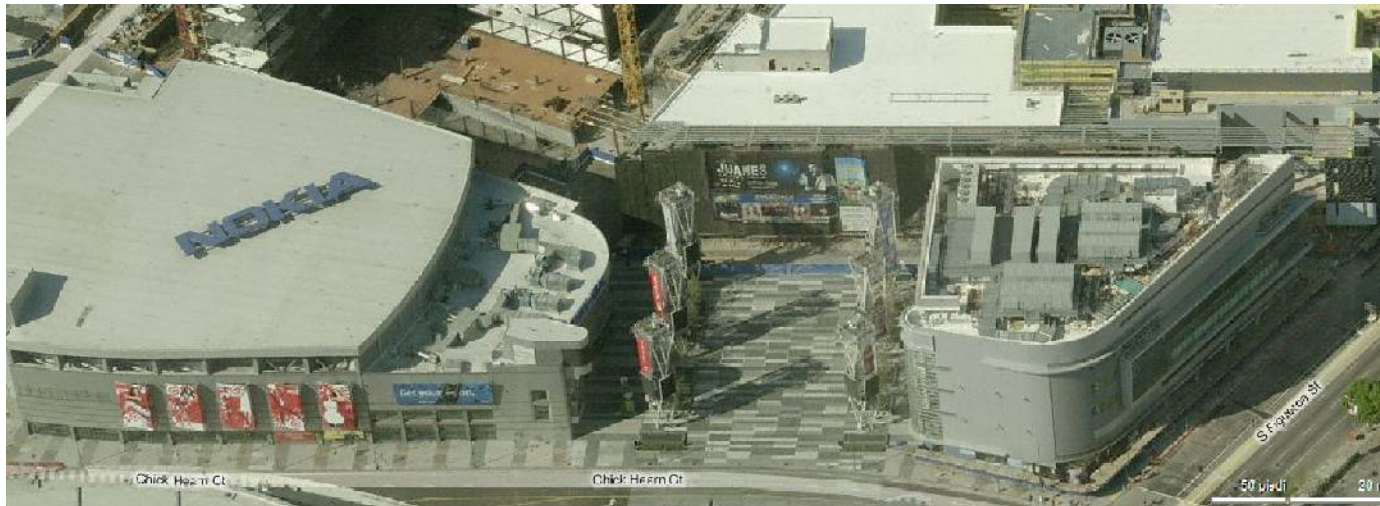
LA Live mixed-used development on 27 acres (about 11 ha) covering more than six city blocks.



LA Live investor partners:

Wells Fargo; American Express; Target; Toyota; Coca-Cola; Nokia; Budweiser; Panasonic.





Land speculation in Marina del Rey



Total Area: 1.5 sq. mi. (3.8 km²) [Land: 0.9 sq. mi. (2.3 km²); Water: 0.6 sq. mi. (1.5 km²)].

As of the census of 2000, there were 8,176 people, 5,315 households, and 1,520 families residing in the Census Designated Place (CDP).

Businesses in the area are represented by the LAX Coastal Area Chamber of Commerce and the Venice Chamber of Commerce.[citation needed] ICANN has its headquarters in Marina del Rey.

The Countywide General Plan establishes, in a broad perspective, future land use, development and conservation policies for the Marina del Rey area. The Plan further calls for the completion of the Marina Local Coastal Program (LCP), consisting of both a Land Use Plan and Local Implementation Program. The Marina LCP is integrated with the General Plan as a component of the Countywide Coastal Element.

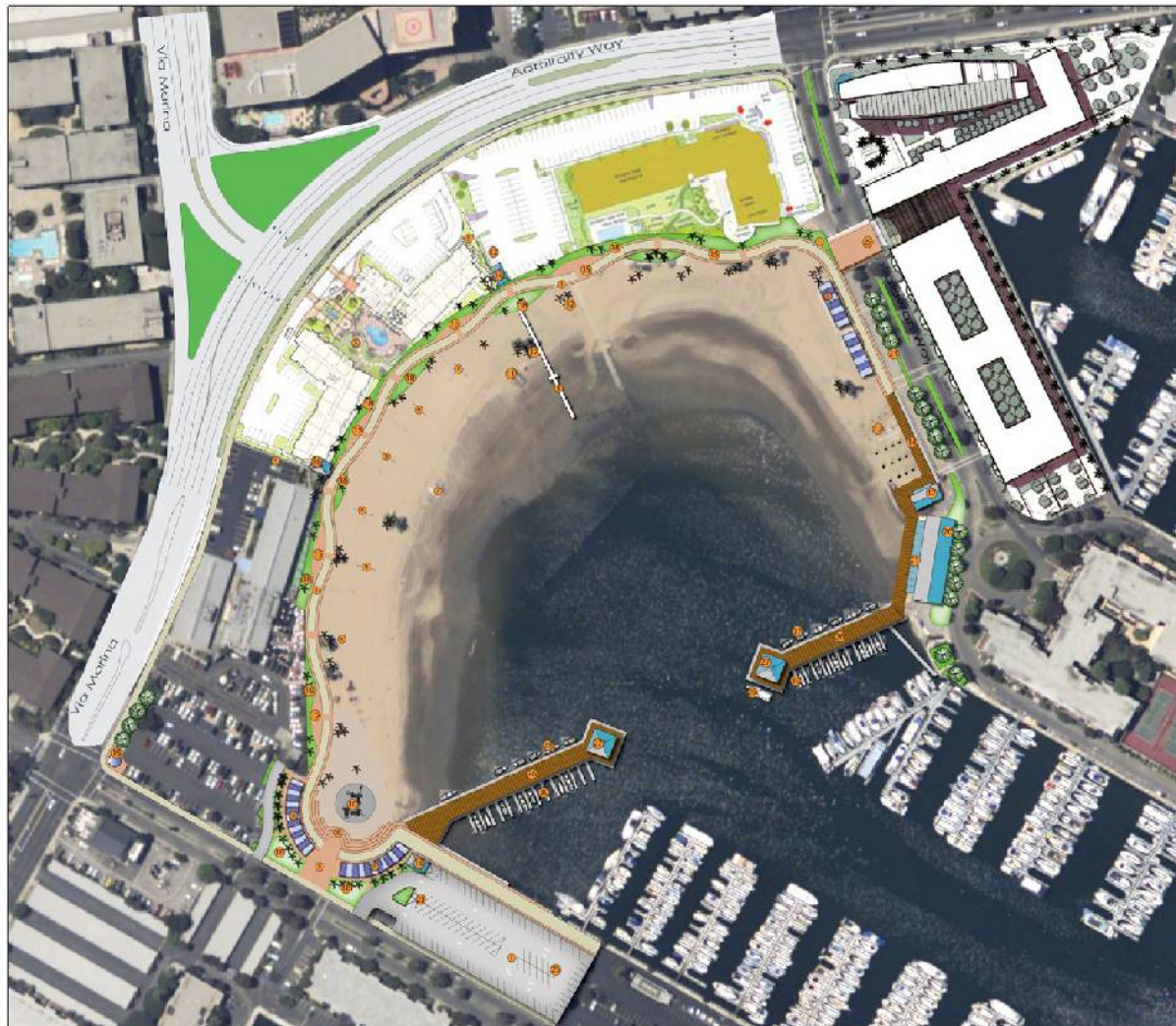
The Marina del Rey Land Use Plan was approved by the Los Angeles County board of supervisors on September 13th, 1984, and was subsequently certified by the California

Coastal Commission on October 11, 1984. The Plan was recertified in December, 1986, after Areas B and C were annexed by the city of Los Angeles. It now serves as the community plan for the Marina del Rey area. This Plan constitutes a refinement of General Plan Policy and provides a basis for its implementation.

This Specific Plan is a key component of the Local Implementation Program for Marina del Rey. It is designed to implement the Marina del Rey Land Use Plan through the application of site-specific development standards and guidelines. The Specific Plan constitutes the most detailed interpretation of General Plan Policy.



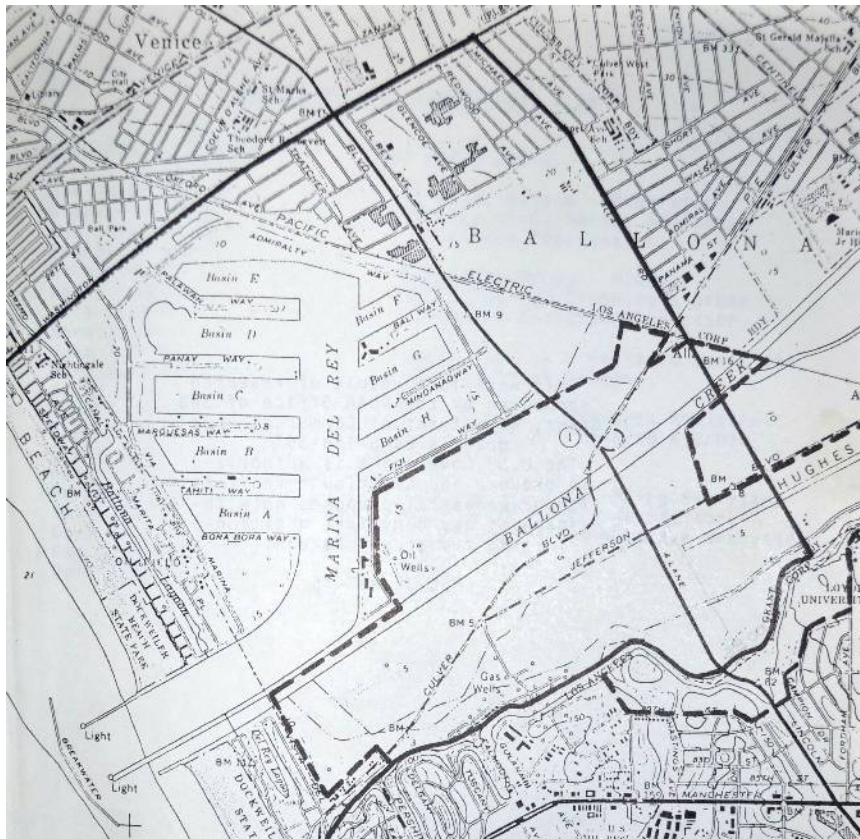
Marina del Rey Strategic Plan



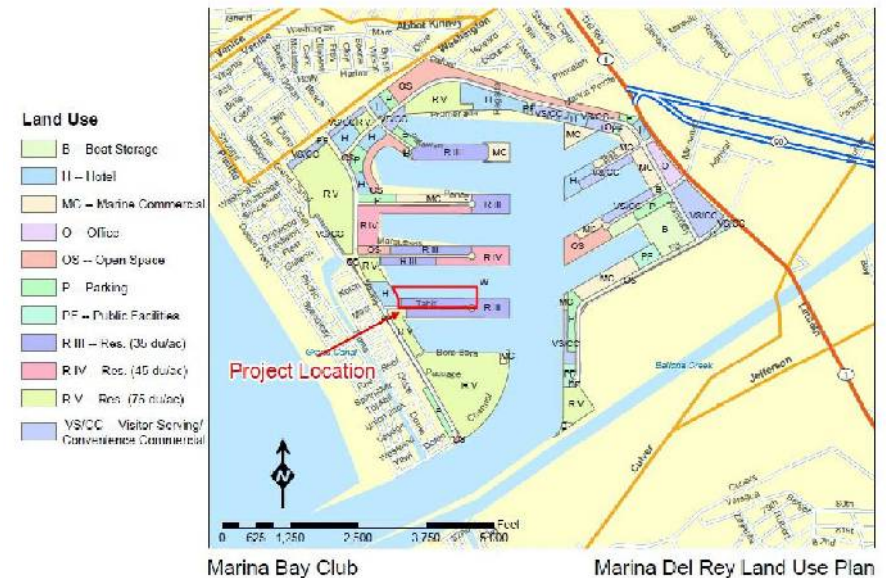
- Public Beach Improvements**
- 1 20' Wide Waterfront Promenade
 - 2 28' Wide Waterfront Promenade
 - 3 Renovated ADA Access Ramp
 - 4 Renovated Children's Playground
 - 5 Vertical Accessways To Beach
 - 6 Plant Shelters
 - 7 Rebuild Existing Lifeguard Tower
 - 8 Stern and Seasonal
 - 9 Beach Volleyball Venue
 - 10 Exhibition Beach Volleyball
 - 11 Air House Blockhouse
 - 12 New Palm Tree Overlook
 - 13 New Rowing Shoelaces
 - 14 New 20' Wide Elevated Promenade w/Beach Storage
- Public Landside Improvements**
- 15 New Public Plaza Areas
 - 16 New Public Restrooms
 - 17 Rebuilt Public Restrooms
 - 18 New Landscaped Area
 - 19 New Abner - Captain's Statue Monument
 - 20 New Dry Stack Dinghy Storage Shed
 - 21 New Boat Storage Lockers
 - 22 New ADA Boat Parking
 - 23 New Traffic Table
 - 24 Rebuild Public Lane
 - 25 New Parking Structures
- Public Waterside Improvements**
- 26 New Pier Fountains
 - 27 New Pier End Concession Buildings
 - 28 New Non-motorized Boat Side Tie Floats
 - 29 Visitor Taxi Landing
 - 30 New 20' Steps For Transient Dockers and Dinghies
 - 31 New Motorized Boat Side Tie Float



Marina del Rey – Subregional Plan



Marina del Rey – Land Use Plan



Source: LSR StreetMap USA, 2006, LA County DRP (http://planning.co.la.ca.us/signsData_LUP_marina.htm), June 2006

Relationship between Marina del Rey Plans and Los Angeles County Land Use Regulations:

Where provisions of this Specific Plan are in conflict with other provisions of this Title 22, this Specific Plan shall prevail. For matters on which this Specific Plan is silent, other applicable provisions of Title 22 shall control.

Notwithstanding the provisions of Section 22.46.030 of this Title 22, amendments to the County Code that affect sections cited in this Specific Plan shall not apply to this Specific Plan until certified as amendments to the LCP by the California Coastal Commission. Until such changes are certified, only the versions of the County Code previously certified by the Commission shall apply.

Regulation of development in Marina del Rey will be accomplished by zoning the entire Marina as Specific Plan (SP), shown on Map 1. Development in the SP Zone will be guided by the certified Land Use Plan, as implemented by the land use categories and parcel-specific development standards and guidelines in the Marina del Rey Specific Plan. One zoning document, the Specific Plan, will be referred to for all land use regulations and development standards for each parcel in Marina del Rey.

Height and land use limitations found on pages 16 through

26 of the Specifications and Minimum Standards of Architectural Treatment and Construction (see Appendix C of this Specific Plan) shall not apply to new development approved under this LCP. Amendments to the Specifications and Minimum Standards of Architectural Treatment and Construction (hereafter known as the Manual of Architectural Standards) shall not apply to this Specific Plan until certified as an amendment to the LCP. Until such changes are certified, only the version of the Manual of Architectural Standards (October, 1989) in effect at the time of adoption of this Specific Plan, other than the above-identified height and land use limitations, shall apply.

Marina del Rey urban design concept:

The urban design concept for Marina del Rey embodies a three-dimensional option that will give the study area a strong, definitive physical image and identity. Key features of the urban design concept include:

- A modified “bowl concept” consisting of a skyline of taller buildings around the outer and northern edges of the Marina, with lower buildings on the moles. The concept will enhance the image of the Marina and will ensure adequate sunlight and wind circulation over the water basin;

- A framework of “community identity elements” to provide a sense of place and establish the character of the area. Such identity elements serve to orient Marina visitors and provide a logical, coherent, unified network of movement, land use and activity;
- Design guidelines to coordinate the visual character of the Marina through the application of Marinawide guidelines pertaining to landscaping, hardscape and street furniture, signs, quality site design and architectural treatment.
- View corridors to maintain and enhance public views of the harbor are a priority of this plan. Enhancing the ability of the public to experience and view the Marina waters shall be implemented by requiring view corridors in the design of all new or renovated development. This goal shall be achieved by placing conditions on permits for new development to enhance public viewing, to allow for greater public access, and to create view corridors to and along the waterfront.

Community identity elements:

The identity and image of an area is established by many elements, including buildings, landscaping, signs and in the case of the Marina, by its water-related activities. Except for its marine-oriented activities, the Marina does not have a

strong image or identity. Some of the physical elements in the Marina area such as fences, gates and signs inadvertently discourage public use and access. The prospect of reconstruction on certain moles, however, brings the potential for establishing a more unified visual environment and identity in Marina del Rey.

Key community identity elements include:

- Marina Gateways and Entrances. These important entry points into the existing Marina from Lincoln, Culver Boulevard and Washington Street are where most people get their first orientation to the area. A combination of landscaping, signs and lighting orients motorists, bicycle riders and pedestrians to the Marina and specific destinations within it;
- The Parkway Edge. This is a heavily landscaped strip around the edge of the Marina to the north jetty of the Main Channel which creates a strong identity for the Marina;
- The Loop Road. Most allowable new high-rise and midrise development will be along Admiralty Way and Via Marina. This loop road has its own landscaped character, with signs, lighting, the pedestrian promenade and bicycle trail;
- Mole Roads and Intersections. Mole roads and intersections have special identity features, including signs identifying

visitor-serving facilities or other attractions on each mole;

- Pedestrian Walkways and Bicycle Trails. The walkways and bicycle trails are a primary means for access to activities in the Marina. Design of these elements with safety and compatibility in mind is of utmost importance in facilitating public use and enjoyment of the Marina. All walkways must be accessible to the physically impaired. Outdoor eating patios are encouraged along the bicycle and pedestrian trails;

- View Areas. A view area shall be defined as a point for observation of boats, docks, Marina waters and regional surroundings. Facilities may include benches and telescopes. Other park-like facilities are not standard in view areas;

- View Corridors. A view corridor is an area located between the water and the first public road open to the sky and allowing uninterrupted views of the harbor from the road to the waterside, at ground level. The corridor may be combined with fire roads and public accessways.

Communitywide design guidelines:

Communitywide design guidelines concern several areas. These areas include landscaping, signs, site design and architectural treatment. These guidelines are considered to

be mandatory when the word “shall” is used and are permissive when the word “may” is used.

Landscaping shall include trees and shrubbery, with adequate ground cover to protect the soil. Landscaped borders used to shield obtrusive uses shall have a minimum width of eight feet and shall consist of vegetation of sufficient density to hide the use. Landscaping along site perimeters shall have a minimum width of eight feet and shall allow visual access into the lot, except where the landscaping is being used to screen an obtrusive use. These standards shall be implemented in a manner consistent with all other provisions of the certified LCP to encourage unique site design.

Lot Coverage. Lot coverage by buildings, shall be limited as otherwise restricted in the Specific Plan, and shall not exceed 90 percent of the net lot area; a minimum of 10 percent of the net lot area shall be landscaped. Layout, components and quantity of landscaping for development in the existing Marina shall be subject to approval by the design control board.

As Marina del Rey enters its fifth decade, it faces many challenges and questions about its future. The remaining

term on most leases has reached a point where traditional long-term financing is increasingly difficult to obtain, lessees are considering new proposals for redevelopment, leasehold improvements and the Marina's infrastructure are aging, and the amended Local Coastal Program (LCP) has been certified. Additionally, Marina del Rey faces competition from other destinations, such as the planned Playa Vista improvements, and historical patterns of automatically-rising income and property values ended with the recession. Therefore, the County clearly needs to establish a sense of direction concerning the future of Marina del Rey.

Chapter III
**Liminal spaces. What kind of relationship between formal
 and informal**

The “state of exception” as rule

Giorgio Agamben starts by the study of Carl Schmitt’s theories and he defines the *state of exception* as «a threshold of indeterminacy between democracy and autocracy» [G. Agamben, 2003].

Into a contemporary space order, you can recognize the “empty spaces”, in which the legal system is *suspended*, the actual exceptions that are mainly evident in the form of spaces.

The boundary between norm and exception is not always recognizable, and in extreme cases it doesn’t exist: the exception turns into norm, creating space of legislative ambiguity, with the special restrictions for some social groups and special privileges for others.

From the point of view of formal regulation, local governments are hardly lacking in local planning tools (such as local urban plan, building regulation, etc.), because they are necessary for the urban market and, therefore, they are a source of political exchange. This is true in America as well as in Italy.

If we relate our discussion to the United States of America, it becomes even more complex, since historically the limits of institutional powers in USA have been changed several times. In the 20s, in legal terms the major question was: could a town or city government deny to property owners the rights to use their land? An emblematic case in legal standpoint is the case of *Village of Euclid* near the edge of Cleveland, in the State of Ohio. [J. B. CULLINGWORTH, R. W. CAVES, 1997]

This particular case has influenced all the following American urban development until 70s, when another important U.S. Supreme Court’s sentence completely changes the point of view on land property and owners rights.

In the Euclid case, the U.S. Supreme Court decides to give to local authorities the power to govern land use within the

boundaries of their jurisdiction, bending the private interests to the general whole community interests. The private company involved was the Amber Reality Company, which brought the case to the Court in order to consider the unconstitutionality of the Municipality's zoning ordinance. After the Euclid's zoning ordinance, all land government and zoning in USA became known as "Euclidian Zoning".

As we said before, in the 70s, the Supreme Court seems to change direction, in reference to the case of Mount Laurel, in fact, the Supreme Court of New Jersey provides that the power and autonomy of local authorities cannot be exercised to the detriment of social minorities of which they must be take in consideration in the definition of land use. The Supreme Court also decided that a certain percentage of building residences should be devoted to vulnerable social groups.

That case has however influenced the practices of urban planning in the later years, as well as rekindle the debate on the issue of property rights.

This issue does not seem to be still resolved, because it stems from a constitutional and social justice matters, involving the relationship between private and public interests.

The state of exception in the field of planning practices has been successfully analyzed by A. Petti [A. PETTI, 2007], who started from the theories of Schmitt and Agamben to get to define some particular processes. These processes appear to be related by a basic consideration: the state of exception is instrumentally used for the benefit of the ruling elite (states ruling on other states, cities that attract large tourism investment, etc..) which turn it in a rule, applied to a certain territory.

In Naples, the state of exception, precisely applied through a "temporary" legal suspension, has historically turned into a "permanent" operative rule. Emblematic examples of that are: the case of the great 1980 earthquake in Campania and the management of the urban waste disposal system, which is particularly evident in the instrumental use of special laws and special measures, supported by special government funding.

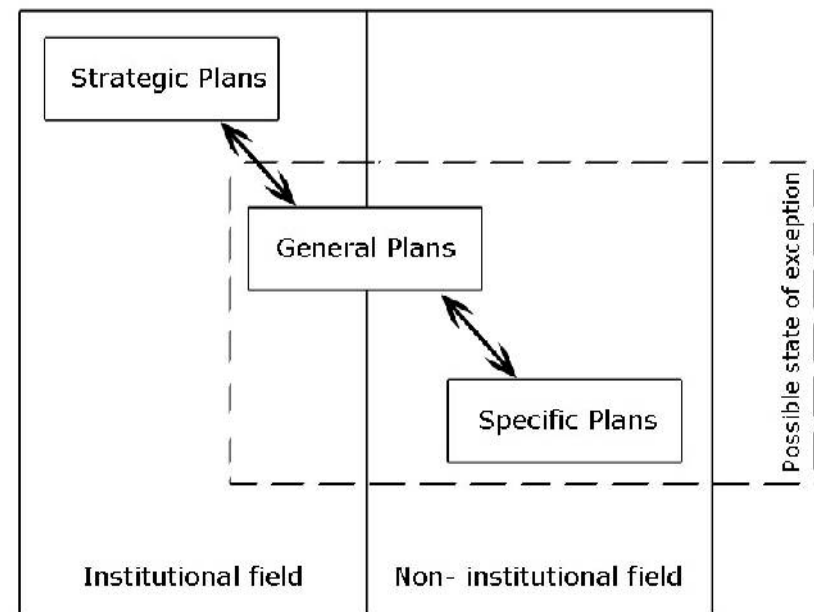
In order to define the different liminal spaces of interaction between formal and informal case studies were analyzed American, identified in the greater Los Angeles as an example as an emblem of a *flexible* planning system, which is

considered highly *deregulated*. The other representation of a liminal space "extreme" was derived from case studies in the metropolitan area of Naples, as an emblematic example of a *rigid* planning system, highly *dysregulated*.

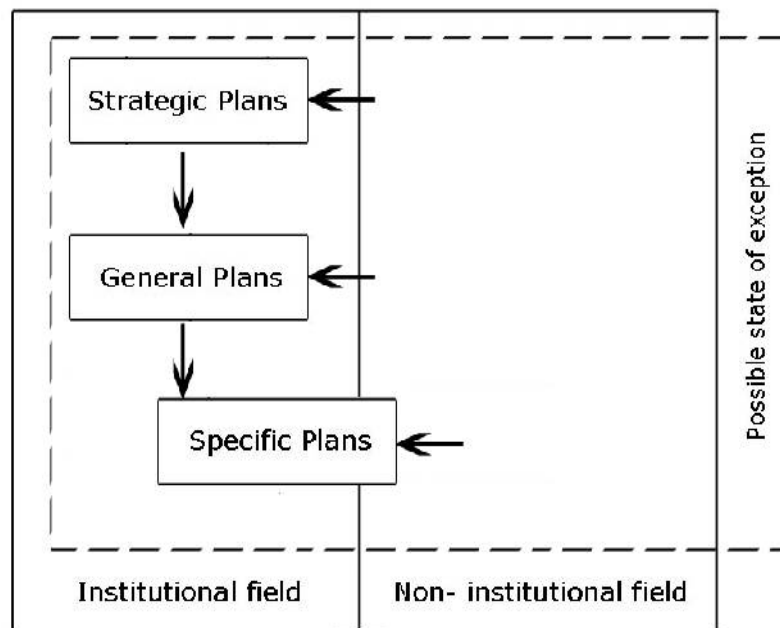
The following pattern shows the type of relationship between the institutional and non-institutional powers in America, with regard to the ability of this latter to act on some planning tools, and the possible existence field of the state of exception.

We tried to obtain certain general patterns which express the different kind of informality that can arise from the different planning systems compared.

State of exception arising from a *deregulated* system.



State of exception arising from a *dysregulated* system.



In the first case, just some part of the planning process are completely (at least apparently) belonging to the institutional field, while the others are totally belonging to non-institutional field (although this doesn't mean that there are no forms of institutional control or authorization). Instead in the second all parts of the planning process belong (at least formally) to the institutional area, except for some Specific Plans, which can also be drawn up by private entities, but with limitations of rules that do not exist in the first system.

The possible existence of the state of exception changes its application field: in the second scheme it is definitely wider.

As we can see, in the case of deregulated system, part of the planning tools in a field decision rests entirely informal, for example, in the American case, the Specific Plans are in many cases entirely elaborated by private subjects, and then evaluated by competent authorities.

In the case of Downtown, as we have seen, many projects have been submitted by large private entities in order to maintain a strong central role of this area.

The involvement of private investment in the General Plans is evident, even if these plans are developed by institutional

authorities.

In this system, the relationship between the various planning tools is transversal and bijective. The Specific Plans' rules may include changes in the regulations of other plans; this relationship can make us understand the great power of the non-institutional actors in the planning process.

In the case of the dysregulated system, however, there is a clear rigid structure of formal field, in which relationships between instruments of planning is hierarchical and unidirectional.

The involvement of non-institutional actors in the planning decisions is limited to uptake the private investment around decision formally made by institutional actors.

Indeed, the latter system encourages, especially in contexts characterized by a widespread propensity to lawlessness, an enlargement of the informal declared or illegal fields.

The antechambers of power

«Who spoke with the power holder and informs him, is already contributing to the power [...]. It is sufficient that he provides reasons and impressions to who, at that time, must decide. Therefore any direct power is subjected to indirect influences. [...] In front of each room of the direct power we can see the creation of a sort of antechamber of indirect influences and controls, which is a gateway to the ear of the power holder» [C. SCHMITT, 1954]

The antechamber of power, by its same definition, cannot be interpreted univocally, that's why we talk about *antechambers* in the plural.

The antechamber changes depending on the type of power exercised which is, as we explained above, independent of those who exercise it. For this reason, also the various antechambers of power will be independent from the power holder. They vary only with respect to the type of power, to the socio-political context in which they act, and to their varying ability to take up a space (and expand or shrink) in the antechambers themselves.

The struggle for taking up a space in the antechamber is fierce as much as the struggle for holding the power and this is particularly evident if we led back the discussion to the study of Naples metropolitan area, where the struggle of the informal powers to take up privileged spaces is much more sharp than in Los Angeles metropolitan area.

That confirms, in fact, what we said before: the forms of control on the antechamber and the kind of antechamber itself change as regard to the type of power exercised and the ability to occupy the spaces by informal power holders.

In the case of the metropolitan area of Naples, we defined a particular kind of informal power as “endogenous” which is for his nature arising from the system and closely linked to the territory, acting in a “horizontal” way. It is this kind of power that makes the antechamber very changeable, difficulty 'crystallising' (using a Foucault's definition).

These informal powers access to political and institutional powers often illegally: we can say that the form of antechamber is much more close to a “corridor” where the struggle for the hierarchical position becomes fierce and evident.

On the other hand, in the Los Angeles case studies, the informal powers which we defined "exogenous", even though the informal power holders take up a privileged place in relation to institutional power, they define a completely different shape of the antechamber, working in a "vertical" on the society and space involved. They work in an arena where the struggle for its position is readable, but they act almost exclusively on the economical and financial levels of interaction.

The citizens, as well as the coming buyers, do not participate in any case to the establishment of the common rules. These rules are not the democratic result of a certain community, but rather the result of decisions of big companies.

That's why the companies power can be called "bio-political", because these big companies decide social and spatial organization.

California is known throughout the United States to have particularly permissive laws about private forms of government; real estate companies and wealthy residents often use to create real *fortress-towns*, outside the jurisdiction of the State of California. The limits and the legal restrictions

of these "city" shall be based on race, social class and income standards. Some real private governments have been created for the management of the city, starting from the complete transfiguration, in neo-liberal key, of Howard's model of Garden Cities.

The process of globalization has led to a sovereignty transfer from the states to a multiplicity of actors, emerging in the global political arena (multinational companies, intergovernmental organizations, etc.). In this new system the city establish economic, political and cultural relationships which are absolutely independent from the territory in which they reside.

Los Angeles is definitely a global city, with transnational economic relationships significant and independent from the country in which it resides.

Naples, while not being a global city, is still subject in a different way to an assignment of institutional powers to non-institutional actors.

In fact, this process, albeit slower, affects all states, including Italy. As already noted by Piccinato [1999], urban growth is paradoxically more accentuated in two opposites contexts: in the global regions, characterized by economic growth, and

the poorer ones, in which the cities grow rapidly.

As mentioned earlier, Los Angeles is often taken as example of American deregulation. In particular, in the process of planning, the transfer of institutional powers in favor of private subjects is particularly evident: while the Strategic Plans are developed by governmental organizations such as the Los Angeles County, the General Plans and Specific Plans are in most cases developed by big private companies. In some cases, when the general and specific plans conflict with the provisions of the Strategic Plans, we can see how they try to establish mediation points between the rules, as has been illustrated in the case of the Specific Plan in Marina del Rey.

Concerning the process of urban planning, in general, the Italian system seems *over-regulated* compared to the American system, this condition - as evidenced by the studies of C. Donolo - characterized by a more detailed regulation in general, favors a particular *deregulation* in the local level.

While we can see a particular kind of deregulation in Los Angeles, on the other hand there is the special condition of

deregulation (using the categories of C. Donolo) in Naples.

In particular cases like Naples, deregulation is accompanied by a strong local *dysregulation*, consisting of "an opportunistic scheme, in which actors exchange some immediate benefits with sure future costs " [C. Donolo, 2001].

We cannot analyze this *dysregulation* just as result of a widespread habit of "not respecting rules", but rather as result mainly of the actions of strong local interests who use «specific strategies implemented by the same institutions which should fight it.» [C. Donolo, 2001]

This is particularly evident in the distorted use of Agreements Program, as we saw in the case of shopping malls and in the practices of expropriation for public utility.

The *dysregulation* as a normal rule, accepted by the local community, becomes evident even in the municipal building regulations, which often seem to encourage practices at the edge of legality: a precise and detailed regulation of different areas in the Local Plans, it often is related by an ambiguous and "interpretable" regulation of building constructions. This is often due to the desire to satisfy the "need" for maximum

use of the building volume, by the local communities, with obvious consequences on the urban landscape.

The control of land use by non-institutional actors is thus evident in both cases, although this happens in the former through fierce struggles in the political arena, while in the latter it often happens in not declared hidden areas, sometimes falling in illegality.

Both cases also represent the efforts of private capital to grow through informality, deciding effectively about landscaping, signs, site design and architectural treatment, making full use of existing institutional practices.

Notes about new possible paradigms[21]

Flexibility and adequacy

It often happens that the interests of private investors collide with the rigidity of the plans. The question is whether it is possible to imagine a planning system which is not stiffened by excessive regulations and by compliance to agreed standards, while ensuring the formulation of process' rules and the necessary process control.

By the analysis conducted so far it seems clear that we should aim for a planning system that is focused rather to define the "performance rules" that the actions of processing must achieve.

It is not just a problem of *flexibility* of rules and *transparency* of processes, which is discussed for a long time, but it is also, and above all, a problem of *adequacy* of proposed plan compared to performance targets and - for the purposes of this research - with respect to the constitutionality of

[21] The identification of these paradigms essentially starts by the interpretation of some Mazza and Secchi's reflections [MAZZA, 2004; SECCHI, 1987,1988]

distributive policies.

This *adequacy* requires procedure of evaluation and verification.

A simulation and evaluation of distributional effects of plans and projects, in terms of land rent, especially in the areas close to those directly benefited, would allow a better assessment of costs and benefits for the citizens and all plan's recipients.

The lack of transparency on the data of big urban projects taken as case studies is particularly significant in the Naples area, which is difficult to understand which are the real subjects involved and the relationships between investors and institutions, even if they realized "extraordinary" projects with a strong territorial effect.

Therefore, transparency in negotiations between private and public entities is a necessary but not sufficient condition, for the same influenceability – clear by now – of decision-making processes.

The same instrumental use of expropriation for public use (as we have seen in some case studies) in order to implement urban projects which actually involve enormous

disadvantages for some and great privilege for others, without any public benefit.

This ongoing act in the constitutional sphere, in the regulation of individual rights, inherent in the nature of urban planning, requires finding a balance of the involved interests, between private and collective strategies.

In the American case of Los Angeles, transparency about the whole planning process is remarkable: it is certainly not difficult to understand the investment sources and the relationships among individual investors, or also the relationships between them and the institutional subjects. Nevertheless it is clear from the study of cases presented, that this condition does not guarantee - at least not necessarily - an equity about participation in the planning process or in the evaluation of interests, nor in the distribution of land rent.

According to Bernardo Secchi [B. SECCHI, 1987], one of central task of the *coordination*, currently assigned in Campania to Territorial Plans, is to *optimize* the efficiency of the settlement system through the support of integrated production functions and above all the services management

to the community.

He argues that rather than an *authoritarian* approach, based on conflicting but rigid institutional hierarchies, it is therefore advisable to replace a no less *authoritativeness* based on the ability to do local policy converge.

The negotiation policies currently show, as we have seen, the pervasive influence of private interests in the field of public policy: for this reason the innovation must necessarily relate to the “game rules” which are shared by the players involved. It seems necessary to find the practice of institutionalization of the existing practices, in order to find these shared rules, through direct and indirect strategies, incentives, disincentives and projects.

There is a clear opposition between a potential model of urban policies and the effects of strong interests, often invasive, that projects should absorb, mitigate or enhance in accordance with principles of consistency and fairness. This ideal condition is punishable only in certain areas with standard resolutions, but if we refer instead to “fragile territories” then the first problem is the regeneration of some basic requirements such as social capital and human resources. For this reason, according to A. Magnaghi, not

even the integrated projects have been successful in Italy.

While it is true that we need a rules simplification, it is also true that this cannot be unequivocally regarded as a solution, but it must be related to a multi-scale vision of territorial projects, which concern the production of public infrastructures, development policies, environmental and landscape regulation. Compared to this wider scenario, and with reference to what has been expressed by B. Secchi, instead of *simplifying*, we can talk about *synergies*.

The risk is often to fall into sterile rhetoric, such as the use of infrastructure to guarantee the development of a certain territory, or the building redevelopment to guarantee shared benefits, or even the idea of a “neutral” public policies which only pursue the common interest.

In reference to this issue we could refer to the American “policy inquiry”, which is a specific method of analysis of public policies that offer many useful theoretical paradigms of reference, more anchored to the reality and certainly less rhetoric, such as the “uncertainty management”, the “perverse effects”, the “paradoxes” and the “balance of powers”.

By releasing therefore from rational analysis of public policies, the innovation must happen from learning of the uncertainties, from the paradoxes and the perverse effects implied in the of government policies of the territory, in order to build a new *mutual* and *synergic* system of “propulsive control”.

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