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LOCAL GOVERNMENT, URBAN CRISIS, AND POLITICAL CHANGE

Manuel Castells

The crisis of local governments is at stake in the present political practice of advanced capitalist societies. One of the most striking expressions of the current economic crisis is the financial bankruptcy of city administrations in many large metropolitan areas (Castells, 1977a, part V). The failure of public services shows the increasing contradiction of the functioning of collective equipment within a capitalist framework. The electoral strength of the left in the big cities of many industrialized societies reveals the local level of the state as being the most vulnerable to political strategies rooted in the interests of popular classes. Recent historical experience raises anew some classical questions of the socialist tradition, such as the possibility of "municipal socialism," the meaning of "structural reforms," or the chances of using the existing state institu-

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tions to promote social change despite the prevailing capitalist class interests. The problem is that although these are "old questions," we are still waiting for satisfactory answers, both in theory and in practice, after decades of left-wing local governments in Europe.¹ At the same time, these questions arise in a new context: the structural crisis of corporate capitalism and the crisis of legitimacy of the centralized state call for new political institutions and new forms of management.

The evolution of local governments and its relationship to the process of social change will depend, in each society, upon the historical action of social classes, mass movements, pressure groups, and political parties. Nevertheless, the orientations of this practice will be largely conditioned by the understanding of the social nature of local governments and urban problems. This paper is an attempt to contribute to such understanding by proposing some hypotheses on the meaning of local government institutions and urban protest movements in advanced capitalism.² Relying on some of the existing literature,³ as well as on my own collaborative research, I will examine the relationship between social classes, the state, and the spatial delimitation of political institutions, and then turn to an analysis of the relationship between the characteristics of capitalist growth after World War II and the deepening of the urban crisis. This should enhance our understanding both of the crisis of local governments and the upheaval of urban social movements. In conclusion, I shall point out some of the implications of this analysis at the level of social practice.

SOCIAL CLASSES, STATE, AND TERRITORY

Local government is the state institution corresponding to the lowest territorial level of social organization. Therefore, the characteristics, the role, the functions, and the processes of a local government will be determined largely by the features of the territory which it governs and by the trends of the state where it is included. Furthermore, the specificity of each community will result from the peculiar form in which a given state is linked with social, cultural, economic, and physical attributes of a given territory.

But a territory is not only a geographically defined space. It is a specific subset of society. It expresses, at the same time, certain relations of production, a way of using technology, a cultural tradition, a network of power relationships, a history, and an everyday practice. The point is that all these social forms are *not* a small scale reproduction of what global society is. They are a specific expression of the historical development of the processes mentioned, within the territory under consideration. Thus, the life experience of each community is a specific universe that cannot be grasped by abstract generalizations. Nevertheless, any community, as a

social process, can be understood by analyzing the specific combination of the major factors which condition all local societies.

The first set of factors concerns the *relationships of production* in a given territory. Who produces for whom, and what is produced for what? Who pays to whom, how and how much? Which tools are used to produce, and how are these tools used? Where do capital and labor come from? What instruments are used to manage the production process? What are the channels of distribution of goods and what are the required auxiliary services? All this has to be considered within the given territorial specificity of the productive forces: the physical characteristics of space, natural resources, and level of technology.

Given the relationships of production, a community is also shaped by the existing *relationships of distribution*: what share of the product is appropriated in the community and outside of it? By whom and how is the wealth produced appropriated? How is this appropriation process expressed in standards of living, patterns of consumption, economic inequality, and social differences?

Now, a territory is also specific according to its *culture*, that is, its uses, its beliefs, its traditions, and its innovations, ranging from language to gastronomy and from oral tradition to religious commitments.

On the basis of these relationships of production and distribution, in interaction with the cultural elements, are constituted the structure of local power which, in turn, is linked to the power structure of the overall society. To be sure, local power will be largely conditioned by social power in general. But the systems of local power will never be a mere replica of the global power relationships. They will be a specific expression of these relationships and the task of research consists precisely in determining this specificity. Thus, *a local community is a specific form of the existence of social classes*, considering social classes in all their dimensions, cultural and "psycho-social" as well as economic and political.

How does a territory become specified as a "community"? What are the criteria? Actually, this depends on the historical process, and more concretely upon the dynamics and characteristics of the national state apparatus. Sometimes, the historical origin (see Tilly, 1975) of a community is economic (a market place), sometimes military religious (fortified cathedrals), sometimes political (administrative center), but the evolution of the local government of the community always depends upon the evolution of the state, the functions and powers of each level and each branch of the administration.

Thus, if communities historically gave rise to the building of the modern state in many capitalist societies, in recent times the central level of the state largely shapes the structure and functioning of local governments by

fixing their institutional rules, their legal powers, and their economic resources (see Lojkin, 1977).

The meaning of local governments within the whole social process of the state apparatus varies for each phase and stage of historical development. Therefore, we will focus our analysis on its functions and contradictions in the advanced monopoly phase of capitalism. Given this, there is a general feature that is fundamental to local governments under all social situations: it is the most decentralized level of the state, the most easily penetrated by civil society, the most accessible to citizens, the most directly linked to people's everyday life and experience. Relationships between central state and local governments may well be the clearest indicator of the general relationships existing between the state and civil society. In a totalitarian state, local governments tend to be the apparatus of daily political control over the people. In a democratic state, local government is the channel of political representation which maximizes the expression of the people's will within the limits of the system.

There are three major reasons for such political flexibility. First, there is a social and spatial vicinity among the governing and the governed, which entitles the citizens to observe and to judge political management through their own experience. Second, given the spatial social segregation, communities tend to be more socially homogeneous than society as a whole; the identity of interests in the settled population is clearer, the visibility of social cleavages more transparent; in turn, this increases the probability that the popular classes will become self-conscious, at least, of their immediate interests. Above all, finally, local governments are the lowest level of the state apparatus and, consequently, are submitted to the control of the whole administrative hierarchy of the state apparatus. Therefore, the real political representation at the level of a local government of the social interests that are contradictory to the structurally dominant ones does *not* trigger a general crisis of the system. For this reason, the relative "presence" in the state apparatus of the popular classes' interests is more readily accepted by the dominant class.

This relative accessibility of local governments to the interests of the popular classes leads the dominant classes to develop a number of political strategies to keep the communities under their social control: manipulation of electoral laws, reduction of powers of local governments, transfer of their administrative responsibilities to higher levels of the state, budgetary restrictions, the use of local political machines that are based on clientelistic systems and interpersonal dependencies upon the appointed community "bosses," control of local press and public opinion makers, etc. So, even in the democratic state, local government is not merely the direct political representation of popular interests. Nevertheless, precisely because it is the most decentralized level of the state, it

becomes a crucial battleground between the social forces that are hegemonic at the level of the local civil society and the social forces that dominate at the level of the state apparatus. This is not necessarily "progressive" from a political point of view. This depends on which social forces are hegemonic in the community. In the United States, for instance, communities tend to be more conservative than the federal government, except for some large cities with large nonwhite populations.

In short, local government is the most direct expression of social power relationships *within* the democratic state, and local politics are one major axis of the contradictory relationship between popular representation and class domination *within* the democratic state.⁴

Of course, the relationship between social classes and the state is a complex one. It is established through the formation of what Gramsci called an historical bloc which constitutes itself as the power bloc by seizing the state and shaping the political institutions.⁵ Such a bloc is formed by different classes and segments of classes (see Zeitlin et al., 1976), of which one is hegemonic. Put differently, we have to understand the dynamics of the underlying power bloc, although this certainly does not exhaust the social practice of the state. More exactly, we must attempt to discover the mechanisms through which the alliances and compromises between classes and segments of classes within the power bloc are settled. Here, therefore, I propose an hypothesis of crucial importance: *the internal structure of the power bloc is territorially differentiated*, in accordance with the levels of the state apparatuses and the regions and cities of each country. On the one hand, in each community and in each region, the class alliances and their political expression are specific, corresponding to the existing power relationships, to the history of the region, and to the economic situation; on the other hand, this differentiation of the power bloc according to the various regions and communities is not a form of "deviant behavior" in relationship to the general pattern of class relationships in the nation. On the contrary, it is actually a basic mechanism for relating the dominant social classes and the state. As Renaud Dulong (1978) has shown, the support of the middle class and of small business in particular for the hegemonic segment of corporate capital at the level of the central state has a necessary corollary: the acceptance by corporate capital of the existing local, city, and regional situations in which other segments of the bourgeoisie (and even of the petite bourgeoisie) constitute the ruling classes. This "rule" is not purely symbolic; it is expressed through the control of local and regional state institutions whose policies much more favorably represent the interests of these bourgeois or petit bourgeois segments than central state policies do. It is this delicate differentiated network of social interests underlying public policies which allows the maintenance of equilibrium

within the power bloc itself. It is also this complex system of territorially specified class strategies which explains the process of changing relationships between social classes and state institutions (see Ledrut, 1977).

Local governments are the level and branch of the state apparatus where the interests of what Raymond Ledrut (1977) calls the *archo-bourgeoisie*, that is, the class segments politically and economically outdated in each successive stage of capitalist development, are more clearly expressed. In this perspective, local governments are crucial places for the formation of class alliances as well as for the linkage between the regional system of class alliances and the power bloc of the nation as a whole (see Biarez, 1973). It is this process that underlies the phenomenon of *local notables*, one of the favorite topics of the literature on local power. The notables, in the sociological tradition, well represented for instance by the work of Grémion (1976), are the persons who play the role of intermediaries between local society and the national state. They obtain their specific influence from this double role: in relationship to the local society, they use their capacity to obtain measures from the state through their network of contacts; in relationship to the state, they claim to be representative of local interests and to be able to channel local demands and to smooth potential social conflicts. The European (or Latin American) notable is the synthesis of two classical roles, as defined by Americans, in local power: the "political broker" and the "local boss" (see Miller, 1975). In reality, both of these roles are mixed in any concrete situation, even in the American context (see Callow, 1976; Caro, 1975). They try to ensure their domination in the local political arena so as to have a strong bargaining position and to obtain the delivery of services, and they need to increase their capacity to obtain services and resources from higher levels of power in order to consolidate their local domination. The process of formation of the notable (through economic power or traditional "cultural prestige") is relatively secondary for the purposes of this analysis. The crucial point is the notable's double connection to the state apparatus and to the structure of local power. The notable personifies this link between the *local* power bloc and the higher levels of the state, mainly through the control he exercises on the institutions of local government. Therefore, the power of the notable is *not* the result of a personal and apolitical influence—as is traditionally argued in the empiricist tradition of the study of local power, which confuses all social interests with individual ambition. Indeed, as Sydney Tarrow (1977) shows in his study on Italy and France, the alleged apoliticism of the notables is a form of political conservatism. This becomes evident when one analyzes the notables' strategy, closely dependent upon the social interests they represent and the political allegiance they owe. The structure of "notables' power," at the basis of the local political arena in many

communities, is not an autonomous inter-individual process, independent of the relationship between social classes and the state; it expresses and synthesizes the particular form of class alliance and class conflict in each local situation (see Cockburn, 1977). Since very often the agreements reached between social actors at the local level do not correspond to the political alliances established at the national level, the local system of power has some difficulty developing along the lines of national partisanship. Thus, the local social alliances are frequently expressed through a locally well-known person who, although he may be a member of a party, holds social influence on a wider spectrum and can be trusted by a large range of social interests and political tendencies. The notable is what in the traditional Gramscian terminology we could call the *organic party of the local power bloc* (see Huet et al., 1977), that is, the political expression of a specific class alliance which holds a dominant position in the power structure of local society.

In short, local governments are, at the same time, the most decentralized level of the state apparatus, the most sensitive to the institutional form of class struggle, and the most receptive to the local hegemony of class segments which are in a subordinate position within the power bloc at the national level. This explains why major social and political conflicts in advanced capitalist societies are increasingly expressed in the field of local politics. We are far from the image of the community as an apolitical world merely concerned with problems of good management.

Such an image is in fact diffused by the conservative establishment, precisely to avoid facing politically sensitive local political issues. Nevertheless, such ideological mystification is possible because, in people's minds, local governments are directly concerned with the delivery of services in "everyday life." That is, people tend not to think about garbage collection or street cleaning as "political" issues. In fact, the analysis of the real functioning of local governments leads to the opposite conclusion: the increasing state management of everyday life *through local governments*. But to reach such a conclusion, we must carefully examine how power relationships "intervene" in the different spheres where they shape social life: in the economy, in the territory, and in the political institutions.

CAPITALIST GROWTH, URBAN CRISIS, AND LOCAL GOVERNMENTS

The fate of local governments in our societies is closely tied to the urban crisis now facing the metropolitan areas of advanced capitalist countries. The forms and processes of the urban crisis are crucial elements in determining policies of local government because communities are the

main apparatus in the production, distribution, and management of means of collective consumption (housing, transportation, school, health service, public facilities), which are the basic structure of any urban system (see Castells and Godard, 1974).

The urban crisis is a structural effect of the pattern of capitalist growth in the last thirty years, particularly the rapid concentration of capital and the consequent concentration (economic, social, and spatial) of the means of production and the centralization of units of management. With it, a corresponding concentration of labor power and of the means of consumption required for its reproduction has occurred, organized around what is called urban public services (see Castells, 1976). Thus, the expansion of monopoly capital leads to a process of territorially uneven development. This results, on the one hand, in the spatial concentration of population and activities in the metropolitan areas, and, on the other, in the increasing socialization of consumption, since consumption increasingly relies on the functioning of a set of interdependent public services.

Furthermore, urban organization appears as a major means of stimulating demand and resolving the basic problem of the realization of surplus value in monopoly capitalism. To stimulate individual profitable consumption, an organization of collective consumption is necessary, which is itself a market and also provides the framework necessary for the expansion of new "private" markets. For instance, the expansion of the automobile market relies on the existence of a highway program as well as on the destruction or urban public transportation (see Yago, forthcoming). To expand the drug industry and medical technology business, the state provides a health care program and builds a network of public hospitals. To stimulate the building industry as well as to house workers in the large cities, public housing had to be built in Western Europe and federal loan and mortgage policies had to be instituted in the United States. To stimulate individual consumption and household appliances, the suburb became the material basis of a way of life, representing at once the interests of corporate capitalism, the utopia of the "new middle classes," and the outcome of public policies of metropolitan development. So, the more rapid is the process of capital accumulation, the more does private consumption have to be stimulated, and the more does this stimulus require the provision of an adequate urban infrastructure managed by the state.

Capital increasingly expands through the increase of relative surplus value based on increased productivity. Productivity depends on the characteristics of labor power, particularly on the capacity of this labor power to treat information and knowledge in the process of work. The increasing role of science and technology in the process of work increases the

importance of the *quality* of labor power in the creation of value, ever more closely linking the process of reproduction of labor power and the process of production of value. The result is that collective means of consumption in the center of the reproduction process, such as the school system, cultural centers, public health services, information production and distribution, etc., are essential elements in the generation of social productivity. Therefore, under advanced capitalism, increasing technological and scientific change requires increasing social services both to enhance productivity and to raise profits (see Hirschorn, in press).

Finally, the historical development of working-class and popular movements broadens the sphere of people's demands and *expands human needs*, since these needs are always historically defined (see Rovatti et al., 1976). In this sense, the demand for wages and working conditions is increasingly reinforced by qualitative and quantitative demands for "indirect wages," namely the share of the social product workers receive in the form of social benefits and public services (the "social wage").

Thus, the contradictory process of capitalist development leads to the socialization and spatial concentration of the collective services underlying urban systems; at the same time, these services become the target of increasing popular demands and social struggles (see Mollenkopf, 1973).

Now, here is where the fundamental contradiction of this process appears: the very collective urban services that are absolutely necessary for the accumulation of capital, for the reproduction of labor power, and for the development of productive forces, and are also strongly demanded by the people, are at the same time of low profitability for capital.⁶ So, *the same goods and services that are highly required by capitalist development are denied by the very logic of profit underlying capitalist accumulation.*

This contradiction is at the root of the urban crisis spreading in all advanced capitalist societies. It explains the growing fiscal crisis of the cities, the collapse of urban services, and the growing gloom of everyday life in most metropolises. The spatial pattern of capitalist growth leads to the destruction of natural resources and increasing urban concentration, with the resulting economic, functional, and social nonsense. Besides producing these effects, the logic of private capital prevents it from generating the corrective measures necessary to repair the damages caused by capital's own crazy race.

Under these conditions, the state's regulatory intervention appears as the only possible means of coping with the effects of the urban crisis—to reduce regional disequilibrium, to ensure a minimum level of reproduction of labor power, to harmonize different urban functions, and to respond to some extent to popular demands for more effective collective consumption.

In the treatment of the urban crisis by the state, *local government appears to be the key institution*. It is, in fact, the main organization charged with the management of the public services and collective goods at the basis of the urban system. Empirically, this can be observed in all advanced capitalist societies. Although in many cases the central state decides the general budget as well as the policies conditioning the organization of urban services, local governments are always in charge of the daily management of these services; they are the institutions through which state policies and social interests are related to each other, on the issues concerning the basic functioning of communities. Why has local government become this specialized state institution for the management of urban public services?

The reasons for such specialization are partly historical: local governments constitute themselves as instruments of state control over the population of a given territory through the management of services required for daily life. In countries like Italy or the United States, it is precisely community government that provides the original basis for the legitimacy to the state institutions themselves. The state was actually *produced* through the building up of the whole machinery out of local units. But the persistence of the management functions of local governments in a situation of increasing centralization of state power clearly depends upon more structural reasons. There are three main such reasons.

First, the capitalist state has to take care, simultaneously, of the needs of capital accumulation, of the requirements of political legitimation, of the reproduction of labor power, and of a minimum level of response to demands arising from popular mobilization. An increasing specialization takes place within the state apparatus: the central level of the state, more directly responsive to the national power bloc, acts more strictly in line with the general logic of capitalist accumulation, while local governments strive to correct its "dysfunctional" consequences on the basis of their knowledge and control of local social settings.

Second, one of the main tools of public intervention on the urban system are the land use master plans, which are generally the responsibility of regional and local governments (see Hayward and Watson, 1975). The management of public services and the orientation of the whole development of the community are expressed in the legal documents and administrative procedures prepared and decided by local governments.

Finally, and above all, as I have already argued, local government is the state level most accessible to the people's representation; it is the institution most sensitive to popular demands, since the citizenry can more directly observe how well electoral promises are fulfilled. This explains why, in the democratic state, local governments are regularly subjected to

social demands and consequently receive charge of the redistributive processes through the public management of social services (see Collective Author, (1), 1976).

Now, since the policies of local governments depend on underlying class alliances and political conflicts, the intervention of the state in the urban crisis by using local governments can never be a merely regulatory action to adjust the "dysfunction" of the urban system. Public policies will express the interests at stake and the political forces fighting within the framework defined by these interests. Municipal politics will be primarily the government of the people, not merely the "management" of cities. The effect of local policies on the urban crisis alternatively produces political integration or social conflict, depending upon the underlying process of class struggle in urban politics. The state's intervention in the urban crisis is never a functional adjustment; it is always a political process.

THE CRISIS OF LOCAL GOVERNMENTS IN THE STRUCTURAL CRISIS OF CAPITALISM

On the basis of the preceding propositions, we can now formulate some hypotheses concerning the roots and dimensions of the crises of local governments in the current historical processes of advanced capitalist societies.

In the recent decade, the crisis of local governments has become an acute reality in most capitalist countries: bankruptcy of the municipal treasury, increasing malfunctioning of basic public services, deterioration of the urban environment, deepening of the housing crisis, failure of city planning, tense management-labor relations among municipal employees, conflicts between local governments and higher levels of the state, growing deligitimization of local governments in the people's consciousness, upheaval of urban social movements, increasing individual violence, widespread psychological panic among big city dwellers. These are its symptoms (Alcaly and Mermelstein, 1976).

On the basis of the existing research, I propose the hypothesis that *the present crisis of local government is the historical combination of three related but independent crises: the structural crisis of the pattern of capitalist accumulation prevailing since 1945; the crisis of the hegemony of the monopoly bourgeoisie; and the crisis of domination of the state apparatus in advanced capitalism.* The argument is as follows.

First, the structural economic crisis which openly appears in the seventies in the whole capitalist world is directly linked to the urban crisis and to municipal policies. One of the main mechanisms used since 1945 to overcome tendencies towards stagnation and to absorb the relative sur-

plus population was public investment in social services, particularly in public urban services, since this is labor-intensive and able to generate economic demand. These services are necessary for economic functioning and social peace but they have a low profitability for private capital and must be publicly financed. As everybody knows, such public intervention leads to the fiscal crisis of local governments (see O'Connor, 1973), since public revenues cannot match the growth of public expenditures, given the double constraint of capital incentives and consumer demand on increased taxation. As urban infrastructure for capital and social services for people had to be produced and delivered, the state in general and local governments in particular issued public debt to obtain the resources needed to finance the expansion of the municipal services. The growth of public debt largely surpassed the increase of productive capacities. This gap between value produced and circulating money (or, if one wishes, between goods and services in the market and means of payment in the economy) is one of the main causes of structural inflation, at the root of the economic crisis (see Castells, 1980). So far, the anti-inflationary economic policies aimed to restore the equilibrium in the circulation of capital by reducing employment are mainly focused on the reduction of public expenditures, particularly in social policies and municipal services—as New Yorkers in 1975 or Cleveland residents in 1979 witnessed intimately. The reason for such specific austerity policies by local governments is clear: public resources must be concentrated on programs of investment attractive to corporate capital to restart the engine of the system. This is so especially if one thinks that raising unemployment and reducing social services will force labor to be more reasonable, thereby imposing lower wages and higher workloads and restoring the rate of profit. The dramatic reduction of public services managed by local governments in most capitalist societies has been enforced simultaneously by the upper levels of the state, by the conservative municipal forces, and by the private capital markets. The result has been a generalized collapse of municipal policies at the precise moment when, because of the economic crisis, social needs are more acute than ever. So, at the first level of analysis, the crisis of local governments is an expression of the urban crisis, understood as the crisis of collective urban services, resulting from the economic crisis and from the austerity policies designed to restore profit rates.

On a second level, we have seen the close relationship between local governments and class alliances. So, the municipal crisis directly relates to the evolution of the national power bloc in different capitalist societies. Obviously, we cannot formulate a general hypothesis in a very narrow sense because we are referring to class practices and they are specific to each society. Nevertheless, as a matter of fact, we can observe in most

advanced capitalist societies in recent years *a crisis of the hegemony of the monopoly bourgeoisie* along two major lines.

1. We observe a *crisis of domination* over the popular classes. In fact, the growing economic class struggle and ideological revolt of large sectors of people in advanced capitalist societies (see Crouch and Pizzorno, 1978) have put into question the myth of social integration produced during the golden age of capitalist growth in the aftermath of World War II. The May Movement of 1968 and the social struggles it triggered in France; the "autunno caldo" and the opening of the new working class movement in Italy; the Watergate legitimization crisis in the United States; the triumph of social democracy in Britain and West Germany; the end of Fascism in Spain, Portugal, and Greece; the renewal of workers' struggles in Britain, Germany, and Japan; the victory of the pro-independence movement in Quebec; the explosion of the feminist movement all over; the calling into question of nuclear power by the ecological movement; the open revolt of many youth (even in its nihilist aspects); all of these offer a world scenery which threatens the conservative and confuses the dogmatic. But in any case, such a situation opens a breach in the system of institutionalized domination and decisively affects the municipal level of the state, since it is so sensitive to the reactions of the popular classes.

2. At the same time, we observe in many societies a very profound *crisis of hegemony of the monopoly bourgeoisie over the other bourgeois segments as well as over the traditional petite bourgeoisie* (Poulantzas, 1976a). This has two fundamental reasons: on the one hand, the increasing levels of monopoly results in the continuous disappearance of small and medium business as well as of the simple commodity forms of capitalist production in agriculture, trade, and industry. Sometimes this happens through the elimination of these small capitalist firms; sometimes they are transformed into functional appendixes of a big company or financial dependents of major banks. On the other hand, monopoly capital is searching for new alliances with social elements having a more promising historical perspective than the traditional medium and petite bourgeoisie. This strategy is particularly aimed towards the new middle classes of salaried technicians and professionals who play a crucial role in the political scene. So, the monopoly bourgeoisie, in spite of its ideological understanding with small business, is forced to move away from its traditional class alliances to search for a new composition of the power bloc. This is particularly visible in the recent economic policies to deal with the crisis. Such a process fundamentally shakes the equilibrium within the power bloc; and it deeply alters the distribution by regions of the power of the different segments of the bourgeoisie.

A transformation of the relationship between class interests and the regional and local levels of the state apparatus follows. This is a basic

mechanism for sealing class alliances. Therefore, local governments become the major foci of political resistance by medium and petite bourgeoisies to the policies implemented by monopoly capital; in turn, attack on the interests vested in local and regional governments can trigger a process of decomposition of the existing historical bloc and thereby pose the possibility for the emergence of a new one.

3. *The crisis of local governments is a specific form of the contemporary crisis of the state* (Poulantzas, 1976b). This crisis is not only an expression and a consequence of the accumulation crisis and of the crisis of the power bloc, but is also a crisis resulting from the relatively autonomous dynamics of the state apparatus. As we know, the state has been increasingly active in the regulation of the contradictions of capital as well as in efforts to integrate the economic and political gains of the working class. This has led to a continuous expansion of the activities of the state, both quantitatively and qualitatively. The state represents a substantial share in the ownership of the means of production, as well as a substantial proportion of both investment and employment. Its presence concerns all spheres of social life, ranging from interest rates to school programs, passing through the mass media, consumption patterns, the ways of being born, living, and dying, the organization of work, the routes for holidays, the parking lots, war and love, art and sport, science and ideology, computers and prisons. Such a broadening of state functions, with the corresponding machinery to make them effective, is one of the most threatening trends in advanced capitalism, as it has been emphasized by the works of the Frankfurt School as well as by Michel Foucault's writings. At the same time, these strengths are also sources of weakness (Poulantzas, 1978), for when the state is everywhere in an increasingly contradictory society, it provokes increasing opposition and revolt, which calls its political legitimacy into question. The expansion of the state is linked to its "legitimation crisis" (Habermas, 1973). For instance, the current tendency of the state towards centralized power and cultural uniformity is opposed by the claim for regional and local decentralization and by the demand for the preservation of folk culture. So, instead of withdrawing power from local governments, the centralization process triggers bitter resistance that uses municipal institutions as trenches to defend people's identity. The "irresistible" tendency toward state centralization faces the "irresistible" demand for local autonomy. Local governments are compelled to become not mere cogs of the state apparatus, but, *transcending the class interests they represent*, expressions of autonomous local society. The crisis of local governments, the growing conflict between them and the central state, verifies the classical law: where there is oppression, there will be resistance to oppression. Local autonomy is the reverse side of state centralism.

LOCAL GOVERNMENTS AND POLITICAL CHANGE IN ADVANCED CAPITALIST SOCIETIES

The commune is dead, long live the commune! On the ruins of local governments in advanced capitalism is increasingly growing a social demand for state decentralization and popular self-management. But such aspirations, deeply felt in everyday life, have to be concretely linked to the political process of social transformation in our societies (see Castells, 1977b; Ingraio, 1977). The class struggle and political democracy have to be deepened through three major and simultaneous tasks:

1. *To achieve social and political leadership* of the majority of the people, based predominantly on the overwhelming support by the working class. Such left hegemony presupposes, on the one hand, the autonomous and class-conscious organization of the working class and other popular classes in the trade unions and other mass movements; on the other hand, it implies a process of ideological transformation of all people, including the middle classes, in such a way that they can discover their personal and social interest in achieving a socialist society.

2. *To win the political battle against the dominant classes* in all fields by translating, through elections, the effects of social hegemony into practical democratization of all institutions and, continuing, by the defense of the political will of people against attacks by the ruling class on the legal order.

3. *To use and transform state institutions* so as to assure that each position democratically obtained will serve to introduce a new policy and a new administration, and to strengthen the organization of the people and broaden even more the influence of the Left.

So, the role of municipal politics in the process of political change takes place in this precise historical framework—at the moment of the crisis of the monopoly capitalist state and in the process of the democratic road to socialism, as defined by three major struggles: the conquest of social hegemony, the access to democratic institutions, and the transformation of the state.

As we argued, the municipal level of the state apparatus is the most accessible to the representation of political interests of popular classes. The case of Italy verifies our statement: since the 15 June 1975 elections, two-thirds of the entire population and the population of *all* large cities have lived under communist-socialist local governments (Ferraresi and Kemeny, 1977). In France, the majority of cities over 30,000 have had socialist-communist governments since the 1977 elections. The left holds strong political positions in local governments in Japan, Portugal, Spain, Greece, Holland, and, in its social-democratic version, in Britain and Scandinavia. Even in the United States, some of the most progressive

political tendencies have been recently expressed in local governments. The question is, does such a process indicate only the cunning of the "bourgeois" political game, is it a snare and a trap for socialist movements, an obstacle to their gaining "real" state power?

Certainly, there are considerable difficulties for a left-oriented policy within the existing institutional framework, as can be appreciated, for instance, from the budgetary cuts and administrative bans on local governments by the central state in both Italy⁷ and France.⁸ But such a reality is a crucial challenge the left has to accept if it wishes to make some progress in using democratic institutions to transform the social order. In this sense, a number of experiences, mainly in Italy (Aiken and Martinotti, 1978; Bettinelle et al., 1977; Jacci et al., 1977) and France (see Collective Author, (3) 1978) indicate the concrete difference that the fact of living in left-governed cities makes in everyday life: public housing, collective services, kindergartens, public transportation, cultural-recreational centers, master plans controlled by the community instead of by land speculators, local democracy and honest management, decentralization of power to neighborhood councils (see Collective Author, (2) 1973; Cossutta et al., 1977) and the linkage of municipal policies to the demands of the working-class unions.

Such a progressive municipal policy has three major interrelated aspects:

1. It improves the living conditions of the people, despite opposition from dominant pressure groups.
2. It shows people concretely that the left is for them, and that even the first elements of socialism represented in these forms, although limited, are more effective and more fair than the pro-capitalist policies. This contributes to broadening the social basis of the left.
3. Also, by using the state institutions in a new way, local left governments create new rules of the game that alter the most conservative aspects of the legal system: in short, the left undertakes, step by step, the battle for the *concrete* transformation of state institutions.

Obviously, such a political practice has a ceiling: the social logic structurally dominant in the state institutions, as the result of the historical hegemony of the bourgeoisie. But this ceiling is not absolute. It expresses, in fact, the secure position of the bourgeoisie in the civil society. If this position deteriorates, it will also be damaged in the state institutions, although to a lesser extent. Therefore, the fate of these institutional struggles in the state basically depends on what happens in society. This means, in other words, that there is no possibility that municipal policies will transform society if it does not rely on the autonomous mobilization of social movements: of the working class, of the "community," of the peasantry, of the women, of the counter-culture, and so on. Those movements will only be representative and effective if they are large and

unified, and if they gather people together so as to transcend inessential differences in their political stands. The various movements must retain their independence of the political parties and of the state institution, so that they can mobilize people on a mass basis for long-term objectives.

In the current crisis of local governments, the political left has a major opportunity to develop a new model of democratic socialism. To overcome the urban crisis requires a new form of spatial development and of management of urban services which can only be fulfilled by the left. The crisis of class alliances underlying the former hegemony of monopoly capital poses the possibility of the formation of a new historical bloc based on the working class and on the new salaried workers, who are particularly sensitive to the dependence of local living conditions upon neighborhood mobilization and local policies.

Finally, given the strong popular hostility to the tendencies toward state centralization and authoritarianism, the left can lead the movement for autonomy and freedom. To do this, though, it has to be clearly committed to civil liberties and democratic rights in all historical situations. Thus, municipal politics may become, for the forces fighting for historical change, the real test of their capacity to transform society.

NOTES

1. See the special issue of *Espaces et Sociétés*, "Le Pouvoir Local," Paris, 20-21, June 1977.

2. I use the ambiguous term "advanced capitalism" to say: a) we are in a capitalist mode of production; b) we are in a new stage which, besides being monopoly capitalism, is something else (different from monopoly capitalism in the thirties), but which still has to be identified by theoretical-historical research.

3. In this paper, I have mainly used Western European sources.

4. By "democratic state," I understand a state based in the free expression of the people's political will. By "free," I mean the maximum capacity for autonomous decisions, but within the existing social framework of alienated social consciousness and the political framework of electoral and legal tricks.

5. I extensively refer in this paper to Antonio Gramsci's concepts and theory. In addition to his original writings, the reader is referred to the major theoretical work: Buciglucksman, 1975.

6. I cannot develop here the reasons for capital's low profitability in collective means of consumption. I will just say that the reasons are mainly historical (see Castells, 1977a).

7. For basic information on Italy, see the collection of the monthly journal, *Il Potere Locale*.

8. For basic information on France, see the collection of the monthly journal, *La Correspondence Municipale*.

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