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New Towns and Other Policy Alternatives**

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California, which has always been one of the most urbanized and lustiest growing states in the nation, has recently become aware of the need to develop policies to distribute this growth in desirable ways. The idea that territorial development at the level of a state can or should be planned or guided is a relatively new one, although it is an everyday matter at the level of a city or a county. Further, California's interest in guiding the distribution of its population occurs within a context of renewed efforts to guide population distribution for the nation as a whole. Although the United States had vigorous policies in the 19th Century for the occupation of the frontier, in this century the principal federal regional concerns have dealt with problem regions, of which Appalachia is the principal instance. Only by degrees has there been acceptance of the idea of an overall strategy of national territorial development as opposed to a strategy of putting out fires as they arise. The concept of such management, somewhat misleadingly being called a "national growth policy," began to emerge during the years of the Johnson Administration, but did not receive explicit formulation until President Nixon's 1970 State of the Union Message.

Even now it is extremely difficult to put forth a table of contents for this type of policy. What is its agenda? What things should it be concerned with? What matters can safely be left to market mechanisms and to purely local decisions? What instrumentalities are available and how effective are they? These are difficult questions, at least in the sense that no clear answers have emerged. The United States and California are not alone in sensing the need for policies and actions

which cannot yet be defined. International agencies such as the World Bank, AID, and the United Nations are raising precisely these questions, and are engaged in a common search for answers. By contrast, some European countries such as Britain and France (which are comparable in scale to California) have long had territorial policies and a wide repertory of programs. However, although these offer interesting lessons, they have not been sufficiently explicit about their purposes and the assumptions underlying their strategies to provide full guidelines for our own efforts.

Within the context of a strongly-felt need for policy on these matters and the lack of clear sense of how such a policy might be formulated or what it might encompass, it is natural that new towns should often come to mind. They provide brave visions of starting afresh without the baggage of previous history and mistakes. They appear Camelots of the future, proving grounds for aesthetic, social, economic and technological breakthroughs. Yet though the new towns have a role to play, I shall here argue that this role is a rather small one, and that it would be misleading to assign to them a central place in the future development of California's urbanization.

I shall not review here all of the grounds and arguments that are advanced in favor of new towns. Many of these are rather vague, and seem to belong to the realm of poetry rather than to that of policy analysis. Further, the discussions of new towns are often encrusted with code words which make interpretation extremely difficult. Instances of these are such words as "planned," "balanced," "exciting," "variety," "human scale." Sometimes these words have a vague concrete referent. For instance, "balanced" usually means either or both that there is a more

or less proportional representation of different economic and ethnic population elements, and that there is about an equal number of workers and of jobs so that those who live in the town can also work in it. "Planned" very often means that there is a long-run financial and engineering plan that will be efficient for the development, or that plentiful amenities will be provided. But, on the whole, the argumentation for new towns resembles more a Rorschach test for men of good will than a rational evaluation of pros and cons.

Let me turn first to some questions of the economic efficiency of new towns. There is no evidence that new towns lower urban costs. They have not shown that they are able to capture economies of scale in the production of housing or urban infrastructure. In housing, for instance, the promising economies of scale appear to be in the area of prefabrication and of building components, and these economies are not restricted to new towns. The assembly of large numbers of dwellings at the same time is obviously an advantage but only one of several, and this, of course, is also available in contexts other than those of new towns. For infrastructure, new towns face the problem of having to provide all facilities from the beginning. This burdens them with a front-end load (a result of the lumpiness of investment) which has caused considerable difficulty to the developers. In existing cities extensions can usually take advantage of some slack in the usage of existing capacity and proceed by marginal additions, so that they usually avoid large installations which for many years have too few users. The problem of a front-end load is usually aggravated by the cost of land acquisition and has proved to be one of the most intractable burdens to new-town developers under current practices. While there has been a new wave of

corporate enthusiasm for entering the new-towns field, fueled in part by the provisions in Title VII of the 1970 Housing Act, the experience of corporate ventures thus far has been rather disheartening and many corporations have pulled back, finding the process very slow and the eventual payoff rather small and uncertain by comparison to alternative investment opportunities.

Many other considerations of economic efficiency come up in the discussion of new towns, but I shall only mention a few. It is sometimes said that new towns can take advantage of lower land costs. The difficulty with this is that the cost of land is really payment for value received. Inaccessible land is always cheap, but seldom desirable. The value of urban land is primarily determined by its accessibility to economic activity. Accessibility might not matter for towns which are totally self-contained as far as labor-markets, but then only if their exports were based on a comparative advantage that did not depend on their location.

There has been considerable confusion on this matter of whether new towns are to be self-contained. Some proponents of new towns imply that those who live there will work there, and that this will serve to reduce commuting costs, pollution, and automobile usage in general. The experience on this is not encouraging. Some of the most admired European new towns exhibit indeed a numerical equivalence between the number of workers and the number of jobs. But if one looks more closely, one sees that there is a tremendous amount of cross-hauling, in some cases approaching one hundred percent. All of the current generation of American new towns depend on commuting. In such cases the relative isolation of the new town results in longer trips between work and home and increased

commuting costs and automobile usage, counter to the original expectation. This is because modern society is fundamentally based on widespread interaction and a complex web of relations, which would place the isolated town and its people at a disadvantage. Hence, if it is at all possible (and the enormous range of the automobile usually makes it so), people will seek these links and relations, and the town will not endure as a closed economy. For these same reasons of connectivity and opportunity, economic productivity per capita increases with the size of urban places, so that per-capita income in cities of a hundred thousand is \$1,000 lower than in large cities, even taking into account differences in living costs. This reflects a difference in economic efficiency so large that it overwhelms the doubtful considerations of savings in the provision of urban services or in commuting costs.

A different line of argument in favor of new towns stresses issues of life styles. These arguments are not well developed and therefore they are quite hard to evaluate. However, two may be singled for discussion. The first is that the large city is an alienating environment, while new towns, being smaller, would permit levels of social and civic participation that would make people feel that they are more in control of their own destinies. The evidence on this is sketchy and contradictory, and owes as much to novelists as to sociologists. It is as easy to build a case for or against big cities as it is to build a case for or against smaller ones. People seem to be able to be alienated or to lead lives of quiet desperation in either. They also seem to be able to lead rich, full lives in either. But if smaller cities are preferable to some, there even now is no lack of them to choose from, without need for new ones. Yet there is a particular irony to this argument in the case of new towns.

Since these towns are to be planned, and since financial and land-use problems demand that the plan be adhered to for about 20 years, during this long period the residents of the town have little room to exercise the normal range of choices open to citizens elsewhere. To some extent they are municipally disenfranchised for the first decade or two, and this is commonly manifested in a struggle between residents and developer. To illustrate, a recurrent theme in this struggle arises because, for a number of sound commercial reasons, new towns tend to start their development with the most expensive housing. For obvious reasons of social status and of municipal fiscal self-interest, these initial residents will usually oppose the extension of the development to those of lower incomes (not necessarily the poor). Ironically, it must be noted that the residents derive a fair amount of satisfying togetherness from the solidarity engendered in the struggle.

This brings us to another of the social objectives often cited. This is the "social balance" of new towns. A well-meaning liberalism holds that new towns would provide ideal grounds for thorough social mixtures. But new towns present grave problems for social integration. For instance, since its housing must be new, new towns find it very hard to provide housing for the poorer third (or even half) of the population, while older cities provide housing for those of lower incomes, however imperfectly, through the filtering down of depreciated older dwellings. More fundamentally, the unfortunate class realities of our society intrude themselves into newly-built communities. Some studies have found that some of the code words that liberals used to praise new towns, such as "planned," are interpreted by most of the customers as assurances that

the developers will exclude lower groups. Other studies have found residents of contemporary new towns to be upper-class whites who mention as one of their principal satisfactions the quality and congeniality of their neighbors. Thus there is the very real danger that new towns, whatever their intentions, would in effect increase the de facto segregation of our urban areas.

This last point has obvious links with another commonly cited purpose of new towns: that of intercepting rural migrants on the way to the larger cities, giving these breathing space to absorb and acculturate their present underclasses. This argument also runs into difficulties when one looks at the facts. In the first place the size of these flows is by now quite small, and the migrants tend to be reasonably well-educated and able to make at least as good an adjustment as the original residents of the larger cities. Natural increase, not migration, accounts for most of the increase of the urban population in the larger urban areas. Even the number of poor people depends overwhelmingly on natural increase rather than immigration. Further, since the interception argument has a heavy racial flavor, it is interesting to look at the behavior of the black population in particular. The majority of this population in this country is already concentrated in the central cities of metropolitan areas, and is, on the whole, far more urbanized than the white population. In addition, the black population is moving steadily from smaller to larger places within the urban hierarchy. Thus, it would not seem realistic to think that new towns, which would be relatively small, would intercept black migrants. The population of new towns would not be made up by capturing rural-to-urban migrants but rather by people who are leaving the cities. Obviously, self-selection by economic status would result in

an almost wholly white population, accelerating the de facto segregation of our population distribution.

Beyond this there is the question of how big a role new towns could play in determining the future distribution of our population. The most daring national proposals from responsible sources call for the development between now and the end of this century of 100 new towns of 100,000 people each and of 10 new cities of 1,000,000 or more people each. Even a proposal of this scope would place only 7% of the national population in these new settlements by the end of the century. It would leave 80% of the projected growth to take place in the existing areas, and 90% of all new housing would still have to be built in existing urban areas. Thus, even if the new towns were extremely attractive and functional, their contribution to the solution of our serious urban problems would be at best marginal.

Indeed, there is today a rather large number of developments which are termed new towns and it is instructive to see what they are. They are primarily suburban developments (which use the term out of fashionableness), retirement communities, and a few assorted oddments such as hippie settlements. But perhaps the most pervasive form in California, as in some other states, are new resort communities of second homes. These present a broad range of serious problems of urgent importance, ranging from issues of ecological balances to the privatization of what should be public lands. In these cases, the problem is not the encouragement of new communities, but their control to public purposes.

But most of today's approaches to new towns suffer from developer's myopia. They concentrate on issues of bricks and mortar, the costs of land and of providing services, the cash-flow problems of the developer

and on his tax situation. These things miss the point. The physical plant of the city is not the city: it is merely the container. The city is the people, the institutions, and their relations. Questions that loom very large for the developer can be quite trivial for the city, because he is only a small part of the whole, although he makes many of the seminal decisions. The relative unimportance of bricks and mortar is illustrated by the reconstruction of European cities flattened during World War II and in California by the dramatic re-emergence of San Francisco after its earthquake. Insofar as they are needed, new-towns policies and new-towns legislation should address themselves to the real city, and less to its real estate.

For all of this, California is indeed a state that has grown by a process of new towns. It is enough to remember that in 1860 the population of what is now greater San Francisco was only 85,000, that of greater Los Angeles 11,000, that of San Diego 4,000, and that of San Jose 12,000. In the coming decade the population of California will grow by some 4,000,000 people and new urban patterns are certain to emerge. Yet these new patterns will not be totally new but rather evolution of the existing ones. As is frequently the case, the Californian version of these patterns is similar to that of the rest of the country, only more so. Many of the small cities and towns are prospering, but the majority are declining. In spite of all the preoccupation with growth, the northern third of this state is losing population (with the exception of Shasta) and so is its southwestern edge. The inland metropolitan areas of Fresno, Stockton, and Bakersfield are growing only slowly and they are exporting people on the whole. The two great megapolitan areas, San Francisco and Los Angeles,

are growing, but they are losing population in the center while their suburbs expand. Even so, these two principal metropolitan areas are growing at about the same rate as the state or a bit slower. The very fast growth is taking place in the metropolitan areas which are satellites to these great centers and in nearby areas which are not yet classified by the census as being within metropolitan areas. Thus the pattern of suburbanization we have known is now transcending the traditional metropolitan area and taking root in what might be termed suburban metropolitan areas. We are seeing the continued adaptation to increasing scale of large urban complexes. The 19th Century city had a single center. The larger 20th Century metropolis could not bear the excessive distances to a single center and developed a pattern of a hierarchy of centers and sub-centers, each somewhat specialized, to maintain shorter functional internal distances. As our urban complexes continue to grow, the emerging megapolitan cluster of metropolitan areas is the next adaptation, with the same logic.

These evolving patterns respond to powerful forces in our economy and our society, and it would take tremendous investment and effort to reverse them. Willful or arbitrary restructuring is neither possible nor desirable. A well-rounded urbanization policy must be defined by the problems to which it is addressed and by the purposes it intends to serve.

At the beginning of this paper it was mentioned that there is considerable interest but also considerable fumbling in trying to define an agenda or table of contents for such a policy. But a beginning can be made. The list of problems, at least as we now perceive them, is not infinite. There are problems of size: congestion, pollution, access to open land, and possible problems of a social and psychological nature such as the lack of responsiveness of institutions to individuals which

have their institutional counterpart in the fragmentation of jurisdictions. On the other hand, there are the problems of growth as distinct from those of size. These include local government cash-flow crises to pay for schools, roads, and utilities out of proportion to the existing population and tax base; the disruption of traffic and land uses arising from the successive installation of major new elements; the strains of mutual adjustment of old and new social groups to each other, and of all to a bigger urban scale; and the loss of valued features such as particularly attractive agricultural landscapes which are covered with houses. Although they are less often mentioned, there are also the problems of decline, which are found in many of the smaller communities. These include the need for consolidation, the depreciation of existing capital stock, the loss of morale, the welfare problems of a population which is increasingly composed of the old, the uneducated, and the very young. There are, too, those problems which are problems in cities rather than problems of cities. The prime one of this type is the problem of race, which is a problem of our society as a whole, but which becomes more visible and more explosive in urban context. This list may omit some items and some of its elements might be better labelled, but I believe that there would not be great difficulty in arriving at agreement on some comparable list.

The objectives of an urbanization policy have, on the whole, received less attention than the problems, yet it is of paramount importance to be able to define them if we are serious about moving in the direction of planning or managing the distribution of development rather than plugging up problems as they are discovered. The principal objectives at this point would seem to be three. The first is that commonly called efficiency, which has to do with growth or material development. At the

national scale this may be simply interpreted as the growth of per-capita income. At the level of the state or the locality the definition is more difficult. While at the national scale we know that the clients are essentially of ourselves and of our children, at the scale of the state or of localities migration becomes extremely important, and it is harder to tell who are the clients. Thus, one sometimes finds proposals to exclude new migrants from California, presumably because while this may improve the well-being of the newcomers, it might lower that of the present population. And indeed, we see this argument more sharply drawn at the local level, where the traditional boosterism is increasingly giving way to proposals by communities to limit their own development through zoning, building controls, and so forth on the basis of self-interest. This raises an important question of conflict among areas where one state or locality, in seeking to stimulate or prevent development for its own benefit, does not affect the overall level of development but takes development from or pushes it onto other areas. The danger is that if areas, rather than people, are the unit of accounting the calculation will be perverted. It would seem that at the level of the State of California, one of the most useful things that could be done would be the provision of statewide guidance to local communities as to their interests in these issues and the mechanisms for the resolution of conflict in the interest of the statewide public.

The second of these material objectives is commonly called equity. This has to do with the quality of fairness with which access to resources and consumption are available to different elements in the population. The issues here are those having to do with who bears the costs and benefits of alternative distributions. For instance, depressed areas which are

suffering from a decline in employment would benefit from a dispersal of jobs, if not that of people. At the metropolitan scale there is the problem of the suburbanization of the types of jobs most suited to low-income populations, who remain locked in the central city. Clearly these equity issues (dealing with who gets what) interact with issues of efficiency (dealing with how much there is altogether). These two objectives, equity and efficiency, involve tradeoffs for almost every issue, such as the location of the new generation of international airports, the California water plan, local zoning or housing plans, industrial development, and highway location.

A third principal objective of policy appears to be an ecological, environmental or conservationist one, according to which certain natural areas are to be preserved almost for their own sake as much as for the users', and certain balances of air, water and land are to be observed and regulated. This issue has achieved such widespread popularity recently that it is often presented as the principal policy objective. This is obviously an excess of a temporary enthusiasm. The real and difficult questions are going to be the rational tradeoffs between this and the other objectives. It is clear that if it makes certain types of production or certain facilities more costly, the environmental objective will conflict with that of efficiency. But what is less often realized is that the environmental objective may often be in conflict with that of equity. For instance, if a shift is made from automobile to mass transit, this will affect different groups of society very differently, and its effect may well be regressive. Similarly, the conservation of open land at the edges of existing urban areas will conflict with the aims of those population groups which are now achieving the economic level at which they would expect to arrive at a suburban life style.

Other objectives of territorial policy exist, but they are, at least at the moment, in the second rank. These include matters of defense, of international commerce (where California plays a special role with respect to Mexico and the Far East), and local economic stability when local economies are based on such industries as aerospace, electronics, research, or tourism.

Given this tentative list of problems and objectives, there are two types of policies that need to be examined for their territorial consequence. These are those policies that directly affect the way people distribute themselves in space and how they use that space, and those policies which are more indirect in their spatial consequences. The difference between these two is a matter of degree, but nonetheless a real one. Among the policies that directly affect urban space are such obvious ones as zoning and building codes, land banks and general land controls, the forms of taxation of land and improvements, metropolitan and other district governments, the ground rules of local government finance, and their fiscal sources and obligations. These are instances of direct policies affecting primarily the urban areas. In the rural areas there are others, such as the laws relating to the use of water, the upper and lower limits on the size of land holdings, the conventions employed in the assessment of real property, the formulas used in the allocation of highway funds. Although the list is long, it is not so long that one cannot conceive of some coordination of these direct policies and programs at the state or regional levels. Such coordination would undoubtedly help to serve our policy objectives better and to cope with our problems.

But it is the policies which affect space only indirectly, but nonetheless powerfully, that seem to present a more difficult problem. By way of illustration, there appears underway a realignment of fiscal responsibility for welfare and school costs among the federal, state, and local levels. A major realignment would have strong consequences not only for migration into California, but would also affect the movements of people and enterprises within metropolitan areas, and the receptivity of local governments to diverse populations and land-using activities. Similarly, regulation aimed at pollution will have strong spatial impacts, perhaps changing the means of transportation, or effectively prohibiting certain activities in certain places. Other policies that can have subtle but important effects include national counter-cyclical actions on the supply and the cost of money. These obviously are of great consequence to fast-growing areas, which make heavy use of borrowed monies. Similarly, in the long run our national policy of trade with China and other countries in the Orient is of profound significance, as are our national policies with respect to immigration.

The list of state and local policies that have an indirect territorial effect is potentially endless, since almost every policy imaginable has this spatial dimension. And this is the difficulty. While one may imagine that there could be explicit coordination of the direct spatial policies, it is not reasonable to expect that the making of all state and federal policies will be reorganized around territorial issues. But it may be possible to establish some systematic procedure to report on the expected territorial consequences of such policies, possibly in the form of a staff of analysts advisory to the legislature on these matters.

In this broad context for state policy for urban and regional development, it is clear that new towns can only have a small role, although it may be a very glamorous and visible one. By the same token, some of the features associated with new-town development may receive more prominence in the extension and rebuilding of our urban areas. These include large-scale land assembly, the coordination and careful phasing of various types of investment above and below the surface of the ground, new types of legislation for zoning and building, certain features of physical design. But while it may be useful as marketing device to call any new suburban extension a "new town" or "new community," and even to call certain inner-city redevelopments "new towns in town," this should not be confused with new towns which are set apart and, to a large degree, independent. For these the principal role would seem to be not that of major instruments for the redistribution of population but that of show-cases for certain experiments, from which we can learn things that are useful for the solution of more widespread problems.

These experiments should conform to three criteria: (1) the lessons to be learned should be useful for tackling the problems of the larger urban areas; (2) the information to be gained should be reliable; that is to say, the results should not depend on the hothouse conditions of a glamorous experiment; (3) the findings should be available soon enough to make a difference. The problem is that it takes about 10 years from idea to some significant development on the ground. If to this we add about 10 years to find out what we are trying to find out, and another 10 years to replication elsewhere, then the benefits of the experiment fade 30 years into the future. There are at present few proposed experiments that would meet these criteria.

In summary, then, new towns might have a small, but important, role in urbanization. However, care must be taken not to think that they can do that which is beyond them. The task of guiding the urban growth of California is going to be a complex, continuing, long-range one, involving to some degree all aspects of our private and public lives. Within this general task new towns are particularly alluring but not terribly significant components. Their danger is that their very appeal sometimes tempts those dealing with these issues into a form of escapism.