



The Old versus the New

by James McKellar

Summary

During the last decade, major government interventions shaped the urban pattern at many levels. Quality of life improved for many, but the legacy of sprawl remains. Influencing factors in the next century appear to be rooted in consumerism and market forces. To effect change, a fundamental reordering of priorities is required, and it will be incumbent upon the planning profession to find ways to assert some influence over the tough choices that lie ahead.

Sommaire

Au cours de la dernière décennie, des interventions publiques d'envergure ont façonné le paysage urbain à bien des niveaux. Si certains ont vu leur la qualité de vie s'améliorer, le legs de l'étalement tentaculaire des villes demeure. Les facteurs d'influence au cours du prochain siècle semblent basés sur le consommateurisme et les forces du marché. Pour parvenir à un changement, un réalignement fondamental des priorités s'impose et il incombera aux urbanistes de trouver des façons d'exercer une influence sur les difficiles choix que réserve l'avenir.

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An almost mythical aura once surrounded the term "new economy". In the 1990s, the notion of a new economy conjured up powerful and elusive forces at work that were "changing everything". With the subsequent decline of the technology sector, pundits questioned whether anything was really new. Upon reflection, one can claim that powerful forces of change were released in the immediate post-War era, well before our digital world emerged, and that these forces shaped the urban pattern in North America in ways that few planners could predict. Perhaps no single factor had a greater impact on the form and function of the Canadian city than the emergence of the post-industrial economy. The issue is whether we are now entering a similar period in which a new host of factors is about to launch a new pattern of urban growth that will mark a significant departure from what we have seen over the past 50 years.

City growth in North America has been shaped by a combination of market forces and government interventions, unlike cities shaped by socialist or modified market economies. Despite the vagaries of the business cycle, several elements of continuity date back

to the 1900s. It could be argued that there is an underlying logic to the sequence of events that shaped city growth throughout the last century. These include the dwindling importance of traditional industrial employment, and the rapid expansion of a mostly "white collar" middle class, characterized by increasing disposable income and an unyielding penchant for homeownership—preferably in a single-family house some distance from the congested city.¹

Prior to 1945, recessions were long and deep, and exacerbated by two world wars. Cities suffered in the down cycles of this period when prices collapsed, unemployment skyrocketed and everything seemed to grind to a halt. The post-War period brought major improvements in economic stability. These were precipitated by three structural shifts. The first, and perhaps most important, was the intervention of big government and its role as a buffer in the economy. Governments in Canada and the United States were committed to much greater participation in the ebb and flow of private incomes through taxation systems and the buffering of fluctuations in disposable income through monetary policy, reflecting the influence of John Maynard Keynes.

Above all, government was committed to full employment and to mitigating the sharp labour fluctuations of the pre-War era. The results were shorter and shallower recessions in which prices did not collapse, spending did not dry up, and consumers could depend on receiving loans during recessions and repaying them during expansions.

Two other structural changes started around 1920 and continued into the early 1980s. First, the nature of jobs changed with "blue collar" labour categories declining by at least one half, and "white collar" sales, and clerical and service occupations virtually doubling. Second, there was a dramatic shift in the location of labour markets. New jobs began to move out from the central core of cities, leaving behind abandoned industrial buildings and

warehouses, department stores, movie theatres, hotels and deteriorating neighbourhoods. These jobs brought growth to the suburbs, income stability and increased disposable income in search of new places to spend this wealth.

The obvious question is, where does technology *per se* fit into the saga? The 20th century saw the introduction of many technological innovations that made living more enjoyable for the masses and even possible in some climates. Surprisingly, and except for the automobile, technology does not get much recognition in the literature as a prominent factor driving change in the post-War era. From the electric streetcar and telephone to the personal computer, cellular telephones, satellite linkages and the Internet, technology has facilitated the rapid decentralization of populations and employment. However, this does not explain why households seek the options and locations that they do.

Drawing from a recent American survey, and in no particular order, I offer the following list of 10 major factors that have been influencing the form of the Canadian city for the past 50 years:²

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- the dominance of the automobile;
- Canada Mortgage and Housing Corporation's residential mortgage guarantees;
- de-industrialization and relocation of light industry to the suburbs;
- federal immigration policy;
- consumer preferences for the single-detached house;
- building industry practices and the regulatory framework;
- sustained viability of the inner city and downtown core;
- access to relatively inexpensive and abundant raw land;
- urban migration and the growth of an urban middle class; and
- provincial legislation affecting municipal governance.

Given that we are unlikely to experience a level of federal intervention similar to the immediate post-War era, new forces of change will reside primarily in the marketplace where consumer choices are made, spending patterns reveal preferences, and households decide how and where they want to live. Consumer

preferences will likely be a reflection or an outcome of the following factors:

- alternatives to automobile dependency;
- environmental awareness and concern;
- shifts in immigration policy;
- the ageing of baby boomers;
- traffic congestion;
- integration of regional economies;
- urban revitalization and reinvestment;
- shift to knowledge-based workers;
- rethinking zoning to accommodate more mix of uses; and
- movement back from the edges to traditional city living.

The city of the 20th century served most, but not all, of us reasonably well, yet it is a troublesome legacy. Urban sprawl, traffic congestion and a growing segment of the population that is disenfranchised are vestiges of a process kick-started in the late 1940s by federal policy that primed the pockets of

consumers. With higher levels of disposable income, consumer choice increased tremendously. The result has been the creation of an immense carpet of houses, shopping centres, warehouses, low office blocks, and manufacturing and distribution plants, that is unrolling across the landscape as far as the eye can see.

We may not want more of the same, and yet that seems to be where we are headed if things do not change. Unfortunately, there are no simple remedies or solutions, nor is the "new economy" a panacea for these ills. Our governing structures have largely abandoned the city and have not been willing to attack problems effectively. Many citizens still hold the view that the benefits of the old model, one that recognizes the supremacy of the automobile and the single-family house, far outweigh the risks of change. Solutions advocated by planners such as higher density, mixed-use development are often seen as jeopardizing the benefits of low-density, suburban lifestyles, desires that still shape demand in a large part of the housing market.

Hope for the new city, whatever form it takes, rests with those who can focus on the underlying forces of change. These forces are not imbedded in a "new economy", but in our current consumer markets and political structures.

Improving the future of Canadian cities requires an understanding of, and attention to, the following issues:

- A better understanding of how the economy organizes its use of space. The study of where economic activity takes place, and why, is an interesting and important subject. Yet, until a few years ago, it was a subject that mainstream economics largely neglected; even introductory textbooks describe a curiously disembodied economy, without cities or regions.³ New analytical and quantitative tools, new theories on the spatial economy, more thorough empirical research, increased systematic exploration of the implications of current policies, and new predictive models are required.
- There is a dire need for viable alternatives to low-density sprawl.⁴ This is not simply a matter of better planning to accommodate growth.

This is about strengthening the social, environmental and cultural well-being of regions and reinforcing the ability of regional economies to compete globally. Viable alternatives to urban sprawl require creative public policies on a par with the level of government intervention that gave rise to the prosperity of the post-War era. Solutions to sprawl require fundamental changes to the legal, political and social structures that shape the growth process.

- We must recognize that traffic congestion in the future will get worse, much worse.⁴ For example, over the next decade, Toronto will increase in population by an amount equivalent to the current population of Calgary. Once peak-hour congestion appears on a regional level, it cannot be eliminated or substantially reduced; nor will any of the alternatives to sprawl alleviate much of this future congestion. Congestion is here to stay—and it is not a North American phenomena, it is worldwide. In North America, traffic congestion will be worse at the outer edges of metropolitan areas where the automobile is usually the only means of transportation.
- Serving the needs of the disadvantaged and those who cannot care for

themselves must be seen as an integral part of securing the nation's long-term well-being. Problems associated with sprawl are often framed in terms of the effects of growth on traditional middle-class households. The irony is that traffic congestion, air pollution, the large scale absorption of open space, extensive use of energy for movement, and an inability to provide adequate infrastructure primarily harm the very people who benefit from other aspects of sprawl. Attending to the "quality-of-life" desires of suburbanites detracts from allocating necessary resources to the poorest and least influential residents of our society.

Fortunately, evidence is accumulating of a renewed interest in the quality of Canadian cities at all levels of government. It is incumbent upon the planning profession to assert some influence over the tough choices that lie ahead. However, new economic and political tools and techniques beyond those that focus on land use patterns and built form will be required. Only when armed with a broader, more informative perspective will planners be in a position to interpret more accurately the results of the political and economic choices made by the taxpayer and the consumer.

Then planners can offer more than smart-growth clichés to those who are committed to making our cities more livable, more environmentally conscious, more accepting of the disadvantaged, more productive, and more competitive in a global economy. ■

James McKellar, BArch, MArch, MCP,
is Associate Dean, External Relations and Professor and Director of the Program in Real Property, Schulich School of Business, York University. Prior to joining York University, he was a faculty member at the Massachusetts Institute of Technology (MIT) and served as the first Director of the Center for Real Estate at MIT. He can be reached at: james.mckellar@rogers.com

References and Notes

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BCE Place, Bay-Wellington Tower
181 Bay Street, Suite 2310, P.O. Box 792, Toronto, Ontario M5J 2T3
Telephone: 416.977.9811 Facsimile: 416.977.9850
E-mail: helston@elstonwatt.com