



CARVING UP THE CITY

Sharp shifts in the ownership of urban land confront a growing number of major cities with a new type of urban politics. These shifts are mostly from small private to large corporate modes of ownership, and from public to private. Formally, these acquisitions entail buildings—small and large, private and public. Thus the more common language to describe this process is as the buying of buildings. But I argue that the deeper process we are witnessing is the buying of urban land.

The current scale of acquisitions amounts to a systematic transformation in the pattern of land ownership in cities, with significant implications on equity, democracy and rights. This is particularly so because what was small and/or public is becoming large and private, often with local government support. Some of the most noxious developments of ‘site assembly’ happen when one or two city blocks are bought by one owner and city authorities cave in to their requirements for eliminating streets and more, often in the name of enhanced security.

The trend is to move from small properties embedded in city areas to projects that absorb much of that public tissue of streets and squares. This privatises and de-urbanises city space. This proliferating urban gigantism is further strengthened and enabled by the privatisation and deregulation policies that took off in the 1990s, and have continued since then. The overall effect has been a reduction in public buildings and an escalation in the amount of private ownership. This brings with it a reduction in the texture and scale of spaces previously accessible to the public—a space that was more than just public buildings. Where earlier there was a government office building, now there might be a corporate headquarters, luxury apartments, or a mall.

The key issue is not the fact of foreign ownership, but the shifts in ownership mode—from modest or small to large and expensive, and from modest public properties to expensive private.

Most recently, a so-called “super-prime” real estate market has been launched. This is a made—an invented—market, where properties are given minimum prices—8 million, 20 million, often de facto 100 million US dollars in cities such as New York, London, and Hong Kong. As far as I can establish, these properties are not worth that much money: setting these minimums is a form of gating via exclusionary crite-

ria rather than self-evident walls. But it is, above all, a mechanism for super-profits. It is also the making of a cross-border geography that connects particular spaces of major cities across the world and strengthens the new geographies of wealth and privilege that cut across the old historic divides of North and South, East and West.

Finally, the new wave of foreign acquisitions in New York, for instance, includes buyers from Kazakhstan and China. Among the largest are Chinese acquisitions. The economy in China is slowing down, Europe’s is not in top shape, and South America’s is unstable. In this context, New York has become an attractive destination for Chinese real estate investment. It is seen as a safe haven for investors, as the law definitively protects the rich.

Global cities, whether in the global north or south, have become a strategic frontier zone for global corporate capital. Much of the work of forcing deregulation, privatisation, and new fiscal and monetary policies on the host governments had to do with creating the formal instruments to construct their equivalent of the old military “fort” of the historic frontier. Now the “fort” is the regulatory environment needed in city after city to ensure a global space for their operations.

This emergent frontier space at the heart of major global cities arises in a context of increasingly hardwired borderings inside and across cities. Gated communities are but the most visible representation of these borderings. The uses that global corporate capital makes of ‘our’ cities are part of that hard bordering. The common assertion that we are a far less bordered world than 30 years ago only holds if we consider the traditional borders of the interstate system, and then only for the cross-border flow of capital, information and some population groups. Far from moving towards a borderless world, even as we lift some of these barriers for some sectors of our economies and society, these same sectors are actively making new types of borderings that are transversal and impenetrable. It is in this context that the complex global city becomes a frontier space with political consequences—because it is also the space where those without power can make a history, a politics, a culture.

Illustration by RAJ KISHORE VERMA



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