

INTRODUCTION TO THE

Special Issue on Manufacturing

By Jennifer Clark and Pierre Clavel, Issue Editors

MANUFACTURING has long been the focus for progressive reforms. But these reforms, pushed by labor in the 1930s and 1940s, did not particularly involve city planners, and the idea of “progressive planning” that emerged in the 1960s focused on community and neighborhood struggles over urban renewal, highway clearances and the depredations of real estate developers—not necessarily manufacturing. The question now is whether, with changes in manufacturing, and new initiatives from the Obama administration, progressives can make a contribution through the manufacturing sector, and whether professional planners can play a role at all. We asked a group of geographers and planners—academics and practitioners with track records looking at manufacturing—to give brief reports on issues that might interest readers of *Progressive Planning*.

But what might “progressive planning” mean when applied to manufacturing?

Tom Angotti, who has many years of experience as a practitioner and academic in New York City, and who helped with this issue as co-editor of the magazine, wrote us recently:



Jennifer Clark is an associate professor in the School of Public Policy at Georgia Institute of Technology.



Pierre Clavel is a professor emeritus of city and regional planning at Cornell University. More about his work can be found at www.progressivecities.org/author/pc29/.

As a progressive, I’m not out there doing PR work for the manufacturing community, nor do I cover over their bad social, labor and environmental practices. But I will and do defend them against pressures from real estate and government to move elsewhere. Here’s why:

- Jobs are better than service jobs and more likely to be unionized;
- As urban planners, we recognize the value of mixed-use neighborhoods (many have high walk-to-work populations, and remember Jane Jacobs!);
- Industries in our neighborhoods (unconsciously) block gentrification processes; they’re often obstacles to condos that displace low-income communities of color;
- Locally-owned manufacturing businesses help create viable, resilient communities; and
- Industries are sometimes allies against huge public waste facilities fought by environmental justice activists.

Angotti concluded, “Probably the biggest opposition we all face are the economic development planners whose main mission is to attract “jobs” by supporting and subsidizing upscale real estate megaprojects, zoning out industry and using urban renewal powers to get rid of industrial areas.”

We do not disagree, but our own perspective, academic but not completely isolated, is to think of the problem in terms of professional practice that, broadly defined, combines problem solving on the ground with support from researchers and teachers,

usually at universities. We see three main questions:

Does city planning have a vision for industry?

Can we see a professional vision, even a theory, of a good outcome for industrial policy? The city planning profession has projected a vision of the city that is at the very least orderly and well-designed, and perhaps “efficient” in terms of circulation and land use. Broader visions of equity emerged from housing and regionalist interests in the 1920s and 1930s, and an amplified practice came to prominence with the advocacy planning movement starting in the 1960s, as questions of race and inequality found their way into professional norms. Manufacturing was relevant in that it provided good jobs, but professional practice toward manufacturing was left largely outside the city planning profession. That vision of manufacturing was more restricted than it is now, narrowly focused on the sector or even the firm. What we now have is more of a focus on networks, extending to “supply chains,” non-manufacturing sectors and research institutions. Thus changes are in store for the professional “vision” of what manufacturing is or might be.

Is there a constituency for our professional activity?

Advocacy planners found a constituency in urban neighborhoods, usually around housing or environmental justice issues, but usually this has not included manufacturing. In the past that was seen as “economic development” and left to the local business community. Labor sought to organize unions, but did not normally shift the concept of “development” or connect with the community-oriented concerns of progressive planners. More recently, this has changed, with labor developing wider coalitions: what bridges are emerging?

What methods can professionals use to serve their vision and constituencies?

These have often been missing, even in cases where the first two conditions are met. Economic developers who advocate for subsidies for any kind of manufacturing plant without analysis of the consequences is among the most egregious example,

however, new methods may be emerging in tandem with updated visions.

Among the articles in this issue there is no definitive paradigm changer. What we have, though, are:

- 1) several hints about a new approach; and
- 2) some pretty grounded accounts about what is going on in several parts of the sector, in several places in the U.S.

The State of Manufacturing

All of our authors are writing in the context of dramatic reductions and restructuring to manufacturing and changes in its spatial distribution. The numbers are stark and mainstream opinion has tended to simplistically conclude that “manufacturing is dead.” In the 1970s and 1980s, manufacturing employment, after decades of growth, leveled off in absolute terms in the 20 million range. It had already peaked as a percent of total U.S. employment, declining from 36 to 21 percent between 1970 and 1990. Since 1990 the decline has been precipitous: in 2009, manufacturing employment stood at 11.6 million, just 10.1 percent of total employment. Membership in labor unions also declined among manufacturing workers, dropping to 10 percent (from 35 percent in 1979).

Still, some qualifying factors suggest effective (if limited in scale) local planning initiatives, including progressive ones.

There were always exceptions to the trend of industrial decline. In some localities and sectors, prospects remain encouraging. There was a spirited response to plant shutdowns in the 1970s and 1980s. Though it was often unsuccessful at saving jobs, it at least undercut claims of inevitability by investors and business owners. Activists and researchers could often attribute decline to firm strategies—decisions by corporate leaders that were not related to the viability of products. Thus, one CEO justified closing a Chicago steel plant because its mission was to “make profits, not steel.” In other cases, activists identified management failure, such as the failure of automakers to consider product innovation in the face of changing market demand.

Some of the manufacturing losses were the expression of definitional changes, as management functions moved to firms and businesses outside the factory. While “manufacturing” appeared to decline, employment in “business services” rose when manufacturing firms moved many functions to the back office. Other changes were artifacts of productivity increases: less labor was required per unit of output.

There was a related definitional problem in the failure to include both pre- and post-production processes. Essential pre-production functions were reported in non-manufacturing categories such as financial services and research and development. In recent years, rapid innovation has occurred in both areas. Post-production is understood to include marketing, distribution and waste management. An expanded working definition of manufacturing now understands the pre-production, post-production and intermediate production processes as integrated across the economy rather than isolated in some distinct and perhaps anachronistic corner of it.

There were also fundamental changes in the structure of the manufacturing sector. In the establishment size data reported in *County Business Patterns*, we see that as employment declined over recent decades, it also shifted from larger to smaller units. From 1979, when manufacturing employment peaked, to 2009, employment in larger establishments (500 or more employed) fell from 9.0 to 3.2 million, while employment in smaller estab-

lishments dropped from 12.5 to 8.5 million. These numbers support the conclusion that large producers—called “original equipment manufacturers” (OEMs)—downsized and outsourced many functions and inputs to smaller establishments, many of them constituting “supply chains” to the OEMs. In 1979, with manufacturing employment still near its post-World War II peak, activity was relatively concentrated and 42 percent of jobs were in larger plants; by 2009 the figure was 27 percent.

Manufacturing strategies cross the sometimes stubborn boundaries of traditional planning practice and education: land use, housing and community development, environmental planning, economic development, and others.

•

Is There a Progressive Planning Practice for Manufacturing?

The articles in this issue of *Progressive Planning* document these changes in structure and point to alternatives—new policy directions at the national level and a different

professionalism at the grassroots. The articles fall into two broad categories: 1) discussions of what is happening and has happened from a national perspective as a matter of policy and progressive priorities (Christopherson, Clark, Doussard and Schrock); and 2) descriptions of what is happening on the ground, in specific cities and communities (Giloth, Rast, Crean, McCormick, Hum, Hoelzel and Leigh, Wolf-Powers, and Kelly). We think that both of these discussions are critical to what happens next in U.S. manufacturing. We also argue that neither the national nor the local operates in isolation. While progressive planners often look for, and find, ways to produce positive alternatives at the local level even when the national policy agenda pulls hard in the opposite direction, the restructured state of manufacturing requires an approach that is both local and national. Hence these articles present cases of what is working on the ground as well as the national policy landscape.

Particularly interesting is the way in which the local examples tend to be multifaceted in their orientation. In Atlanta, there is an explicit connection between sustainability, land use and the revitalization of manufacturing. In Philadelphia there are connections to workforce development programs to shore up and upgrade a specialized labor market. There are also explicit connections to innovation policy and the “high-tech” focus of public research and development institutions. In New York City there is an industry-

specific approach, recognizing the land use and labor market needs of targeted networks of firms.

In all these cases, the manufacturing strategies cross the sometimes stubborn boundaries of traditional planning practice and education: land use, housing and community development, environmental planning, economic development and so forth. These approaches are far more responsive to the facts on the ground in their communities and to national and state policy priorities that can provide strategic links to resources. These emerging strategies are also more cognizant of industry-specific supply chains and globalized product markets. In many cases, they demonstrate a sophisticated understanding of how production and industries operate at different levels. This sophistication is relatively new and reflects two generations of industry studies mobilized by scholars since the decline of manufacturing in the 1970s.

What these case studies do not indicate is a role for labor as an agent of change. In that sense our findings are a basket that is half full. There are new developments in the labor movement: the creation of worker centers, “high-road” initiatives in manufacturing, labor’s support for initiatives in transportation and green industry and new community-labor coalitions that have emerged in the past decade or so. These suggest the need for further exploration in progressive planning practice and in *Progressive Planning*. **P²**