I hereby confirm that the assignment is the product of my own work and research and has been written by me and further that all sources used therein have been acknowledged.

An Exploration of the relationship between the Capitalist Crisis, Contested City Space, and Design.
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**Summary**

The complex exchange of influences between globalisation, neoliberalism, and urbanism gain additional dimensions when one introduces the concept and disciplines of Design (see Addendum One). Design has had an historical impact on urban spatial layout and use, on the sub-division of labour and production, on marketing and consumer behaviour, and on the use and prevalence of information and communications technology, to mention a few examples. In exchange, the neoliberal model of economics relies heavily on design – from advertising to new financial products – to function. However, design philosophers are increasingly calling for responsible social design to counteract the harm that has been inflicted on people and planet. But can Design make a stand against the fortresses of Neoliberalism and Financialization?
Introduction

This paper will explore the relationships between the neoliberal economic system and the present capitalist crisis, its manifestation in cities and contested city space, and the role that design has played and still plays in each. My interest in this arose from an inclusion in Cape Town’s Bid for World Design Capital 2014 of the by-line: Separated by Apartheid. Reconnected through Design. I was intrigued by the possibility that Design could make a meaningful impact on Cape Town, with its historical and present turbulent reality, and its present-day imprint of neoliberalism. All three concepts – neoliberalism, contested city space, and design - need to be defined. Throughout the paper, references to Cape Town will be made.

In his 1972 book, Design for the Real World, Victor Papanek writes:

There are professions more harmful than industrial design, but only a very few of them. And possibly only one profession is phonier. Advertising design, in persuading people to buy things they don't need, with money they don't have, in order to impress others who don't care, is probably the phoniest field in existence today. Industrial design, by concocting the tawdry idiocies hawked by advertisers, comes a close second.

Papanek 1972.


The Bank saw ‘drastic restructuring in the balance of power in favour of capital’ as a necessary condition for both economic growth and poverty reduction. Written at the height of the Washington Consensus, the report represented an arrogant dismissal of workers as political actors. Only if they would keep quiet, letting the invisible hand of the market decide how many shillings (3, maybe) to put in their pockets, would their lives improve.


Are these two statements connected? I would like to suggest that the crises implicit in both have converged. In a world ‘drowning in objects’ (Sudjik 2008) we simultaneously have economic and political refugees roaming the planet (Sassen 2010).

The Capitalist Crisis

Buzz words – or ideologically embedded metaphors

Today major economies are run by the neoliberal model – an expression of neo-classical economic theory. This theory rests on concepts such as the ‘rationality of economic agents’, ‘the invisible hand’ and ‘market efficiency’, implying that if the exchange of goods and services are left to buyer
and seller to determine, in terms of ‘what price, what quantity, what quality, what product, and when, where and how’ – it will best function without any regulatory interference. Classic textbooks also use the “snow-white abstract nouns” (Fullbrook 2009) of ‘choice’, ‘freedom’ and ‘equity’ as descriptors of neo-classical economics, but which are never tested against empirical data or ethics (Bouchaud 2008 as cited by Fullbrook 2009).

The expression of neo-classicism through neoliberalism became prominent through the Bretton Woods institutions of the International Monetary Fund and the World Bank. For the past 40 years they have used their power as international financing institutions (IFIs) to force compliance from, firstly, indebted Third World countries, to structurally readjust their economies, through de-industrialisation (cutting import-replacement operations; increasing the export of raw materials), a retreating role of state (huge losses in jobs and spending power; cutting back on social and basic services delivery), weakening labour movements, and globalisation (deregulation and free trade). These policies were thereafter rolled out to finance-needy Second World countries as they gained their independence from the USSR. The Market was to be King.

The Fallout

The results of these policies have been devastating. Many Global South countries have lost much of their local industries and competitive advantage, and are now ‘nations specializing in being poor’ (Reinert 2009). Increasingly there are failing states, real wages for workers have been cut, sometimes by 50% (Reinert 2009). Unemployment, inequality and poverty world-wide has radically increased (one in 8 people worldwide are hungry (870 million people1); in Africa one in 4 (World Hunger website). Only Capital has gained in its share of wealth (Palma 2009) - since 1973 the wealthy have managed to pull themselves out of the doldrums of greater equity! Palma (2009) illustrates this in Figure 1:

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As world economies sank into recession after the 2007/8 financial crash, the financial markets quickly recovered (Van Appeldoorn, et al 2012); 2010 figures show that 93 percent of new income was garnered by the wealthiest 1 percent in the USA (Labor Fightback Network website).

The IMF and WB are now ‘talking’ a post-Washington Consensus (implying a greater role for governments in the marketplace) but their policies have not been rescinded. Fullbrook (2009) makes the point that students of orthodox economics are “never told that they are being introduced into an ethical system of thought”.

Reinert (2009) is less than complimentary towards the IFIs, referring to Jacob Burckhardt’s (1818-1897) ‘demagogues’ and John Maynard Keynes’ (1936) ‘madmen in authority’.

Pro-industrialization

Although adopting a Chinese version of neoliberalism, China in past years maintained a firm industrial policy, along with raw material beneficiation – as has India and Korea. Their economies remained strong, and could survive the 2007/2008 financial crash. Reinert cites John Stuart Mill (1806-1873) and John Maynard Keynes (1883-1946) as both supporting infant industry protection from liberalised trade – something the Washington Consensus does not allow. In a significant 1933

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2 Source: Piketty and Sa’ez (2003): computations by authors on tax return statistics (the number of tax returns in 2006 was 138.4 million). Income defined as annual gross income reported on tax returns excluding all government transfers (such as social security, unemployment benefits, welfare payments, etc.), and before individual income taxes and employees’ payroll taxes (but after employers’ payroll taxes and corporate income taxes). Data include capital gains (updated to 2006 in http://elsa.berkeley.edu/saez/TabFig2006.xls).
article, Keynes stresses that “world prosperity requires that manufacturing industries and advanced service sectors are distributed to all nations” (Reinert 2011).

The results of following an industry protection policy are seen in Asia’s continued growth rate of GDP per capita, as opposed to sharp drops in other regional economies:

![Graph showing GDP per capita growth rates for different regions](image)

**Fig 2. Development economics lost: Growth rate of GDP per capita of selected world regions; regional average in selected periods between 1820 and 2001; annual average compound growth rate.** Source: Kattel, Kregel and Reinert (2009). Original data from Maddison 2003.

Financialization

Fine finds the mechanism for the increasing global inequity in financialization (Fine 2012). New and extremely risky financial products, built on sub-prime lending in the USA housing mortgage market, have made rampant speculation possible, to the detriment of investment in the real economy. This has tripled the ratio of global financial assets to global GDP over the last 30 years – but with very little concrete to show for it, aside from the share of income of the highest 1 per cent rising from less than 10 per cent to well over 20 per cent (Fine 2012). This, says Gabriel Palma, is the ‘art of neoliberalism’ – that despite democracy, the rich are able to rob the poor! (Fine 2012).

However, the chickens have come home to roost for the economies of the First World itself, with the worst recession since the 1930s and huge escalating sovereign debt, points out Reinert (2011); the implementation of neoliberalism and restructuring policies has not just destroyed economies in weak Third and Second World countries. The USA housing catastrophe was entirely home-grown. Millions of citizens are now homeless - 15 million USA middle-income families living in tents (Sassen, 2010) - while government has bailed out bankrupt banks with taxpayers’ money. Real investment, development and long-term productivity have suffered, while industries and countries have been exposed to the high volatility of financial markets.
The paradox in this capitalist crisis is extraordinary, adds Fine (2012), given that near ‘perfect’ conditions for capitalism existed over the past 30 years – new technologies, expanded global labour force, free trade, weak unions, and ready capital. Selectively, however, there has been a great deal of interference, with developed countries continuing to subsidise their industries and exports into developing countries (Fine 2012).

A Savage Sorting and a Class War

In her 2010 article, A Savage Sorting of Winners and Losers, Sassen links the IMF’s restructuring program (inflicted by the First World on the Second and Third World), and the sub-prime mortgage meltdown (inflicted by the First World on its own citizens) to Marx’s concept of Primitive Accumulation and Harvey’s ‘accumulation by dispossession’, i.e. people are separated from any means of production to make a living; they can only sell themselves as ‘labour’ (Sassen 2010).

Capitalism has different mechanisms for different stages: in the early stage of capitalism people were ‘cared for’ (health, education, basic services) as a source of labour and as consumers; in the present stage – the deepening or financialized capitalism - people have no value, they are ‘expelled’ - as is evident from the growing numbers of abjectly poor, refugees, prisoners, and those abused through hard labour (Sassen 2010).

A systemic characteristic of this advanced capitalism is an unscrupulous disregard of the middle class and poor as human beings. The focus is on accumulating land and territory both in the Global South - at present large tracts of land are being bought in these countries for food production, water harvesting, and mineral extraction for the benefit of the Northern ‘investing’ countries – as well as in the backyard of the Global North (Sassen 2010).

Van Appeldoorn, et al (2012) question the validity of democracy in the neoliberal age where the state has an intensely political agenda on behalf of the financial sector. The authors track the ‘internal relationship’ between state and market, and state and capital, from historic mercantile activities and land ownership; it was, after-all, the wealthy who became nation rulers. This internal relationship has been maintained; therefore the state does not distance itself from capital, but allows it to ‘capture’ other sources of production (labour, nature, resources) in its bid to expand and accumulate. Neoliberalism, they maintain, is a Class War on a vastly sophisticated scale. (Van Appeldoorn, et al 2012).
The net result confirms Gunner Myrdal’s (1956) ‘perverse backwashes’. More funds have flown from the Global South (excluding Brazil, Russia, India and China) to Global North countries - 25% of their export earnings - than from wealthy to poor (Fregel 2004, as cited by Reinert 2009, Sassen 2010).

The shift from ‘Western Wisdom’

At this point in history, we face a fourfold challenge: a crisis of unemployment, an environmental crisis, a financial crisis, and an energy crisis (Reinert 2011). It is difficult to over-dramatize that.

Kishore Mahbubani, Dean at the National University of Singapore, in a 2010 edition of the China Daily, questioned how this shift from ‘Western wisdom’ happened:

People in the US and the EU live beyond their means. Does Western wisdom say keep borrowing despite mounting budget deficits? The West has to ‘relearn’ Western wisdom from the East. Asian societies are doing well because they understood and absorbed the main pillars of Western wisdom, including the market, science, education, and rule of law.

Mahbubani , cited by Reinert 2011.

Reinert (2009) unpacks the failings of the system – the ‘terrible simplification’ - wisdom learnt and then abandoned.

1. It is known that neither markets for goods and services, nor financial markets, self-correct; only ‘wise regulations’ achieve harmony.
2. It has been acknowledged that David Ricardo’s (1772-1823) trade theory - the value of all ‘man hours’ is equal - is invalid; value differs between professions and skills, and money flows to the more skilled citizens and countries.
3. Previous financial crises have taught that money should not be grouped with goods and services as a tradable commodity. Money should provide the ‘protective scaffolding’ to the real economy. Speculation disengages money from being invested in production and manufacture.
4. The previously-realized outcomes of economic activities with ‘diminishing returns’ [natural resources (land, minerals) available in smaller quantities and lower quality] and those with ‘increasing returns’ [industries with large capital investments and decreasing production prices per unit] have been ignored. ‘Increasing returns’ activities represent ‘imperfect competition’ and a significant competitive advantage: the high initial investment presents high entry barriers, and it is difficult to compete with low market prices.
5. Existing unemployment and low skill levels in Third World countries were ignored. The shock treatment of liberalising trade barriers assumed full employment. Instead local industries were eradicated, their markets flooded with cheap imports, and unemployment exacerbated - Jacob Burckhardt’s ‘destructive destruction’, rather than Joseph Schumpeter’s (1883-1950) ‘creative destruction’ (Reinert 2009).
In 1933 John Maynard Keynes wrote:

The decadent international but individualistic capitalism ... is not a success. It is not intelligent, it is not beautiful, it is not just, it is not virtuous—and it doesn't deliver the goods. In short, we dislike it, and we are beginning to despise it.

Keynes 1933, cited by Reinert 2011.

Capitalism does have a great deal to answer for, in the form practiced since the Industrial Revolution. The gradual shift from consumption to consumerism can be linked directly to the present-day environmental and energy crises; and the individualistic ideology behind consumerism possibly paved the way for the deepening of financial capitalism as well.

The Century of Self

Since the early 20th Century pioneers such as Henry Cole in England, and Herman Muthesius in Germany voiced concerns about the contribution of Design to a consumer culture, calling instead for a responsible contribution to a sustainable world (Margolin 2002). Many years later other voices in the international design community were to join them – Victor Papanek, Victor Margolin, Nigel Whiteley, John Thackara, Alistair Fuad-Luke - but in the interim other players emerged, who would have a deep and devastating effect on humanity.

In his BBC series, Century of the Self, Adam Curtis (2005) tracks the influence of Sigmund Freud’s techniques to probe the unconscious mind of ‘the masses’ to discover their secret desires. His thinking was applied by his nephew, Edward Bernays - called the founder of public relations - in the USA during pre- and post-World War II, when markets needed to be created for the products pouring out of American factories. Bernays set out to convince ‘the masses’ that they could discover their true individuality through the products they chose, and that Choice was the ultimate expression of Democracy. Advertising, marketing and publicity became the tools to create Desire and to convert Desire into Sales; industrial and graphic designers were therefore called upon to awaken those desires (Curtis 2005).

This creation of desire has contributed enormously to turning a consumer society in a market-driven economy - into a consumerist society in an advance market-driven economy. In an advanced market-led economy, sophisticated systems of packaging, distribution, storage, marketing, display, branding, advertising, styling, shopping experience, re-invention, have developed – and design has served the consumerist purpose every step of the way (Whiteley 1993).
“Unwittingly”, says Curtis, “[Freud’s] work served as the precursor to a world full of political spin doctors, marketing moguls, and society’s belief that the pursuit of satisfaction and happiness is man’s ultimate goal” (Century of the Self website).

Bernays’ comments (above) are chilling. His book Propaganda (1928) spoke of the ‘manipulation of the masses by an invisible government – the true ruling power’. He spoke of ‘engineering consent’ – for example, he launched a huge campaign to break the societal censure of that time to women smoking in public. His practices are familiar to 21st Century society, and his theories have been rationalised into acceptability.

Creating Desire

The key purpose of consumerism was high consumption. And behind consumption was an imperative – economic growth. From the 1920s to the 1960s, renowned industrial designers, such as Henry Dreyfuss and Raymond Loewy led the way, to please their company clients, with the focus on ‘fashionable’. A product should age within 2 years; style obsolescence had been created. In 1955 Harley Earl boldly stated: “our job is to hasten obsolescence. In 1934 the average car ownership was 5 years, now it is 2 years. When it is one year, we will have a perfect score” (Whiteley 1993:14-16).

In Whiteley’s 1993 book, Design for Society, Sir Terence Conran reflects: “There was a strange moment around the mid-60s when people stopped needing and need changed to want... designers became more important in producing ‘want’ products than ‘need’ products, because you have to create desire”. Not only were products and services being designed, but the consumer as well –
“... tell him what his mood will be before he has realised it...” (again Conran) and “... aim for what [the customer] will discover he wants in the future” (John Butcher, past US minister of Trade and Industry) (Whiteley 1993:18,23).

Permeable boundaries

A plethora of design expressions are involved in ‘consumer design’ – object, packaging, advertising, marketing, branding, styling, shopping experiences, and many more. ‘Design is the handmaiden of capitalism’ quotes Whiteley (1993:43).

Walker (1989) provides a flow-model of Production-Consumption³ in his book, Design history and the history of design (Figure 3). It is useful to track the permeable boundaries between the micro-field of design application and the macro-fields of politics, economics and society. The colour boxes have been added to illustrate the external influences of ideology, policies and practices – the system is never immune from its environment. The influence of Neo-classicism is felt right at the outset of the process of design education and manufacture – and then inevitably plays out along the value chain.

The emphasis on desire and materiality as the embodiment of identity dovetails perfectly with the neo-classical view of ‘choice’, ‘freedom’ and ‘equity’. But, warns Whiteley, “... while market-driven and marketing-led design appeals to individualism, it offers ‘no vision of society.’ Every piece of marketing-led design is part of a system, a system which has some undoubted appeal but which is also socially divisive and environmentally destructive. Marketing-led design... is part of an economic, social and political ideology ” (Whiteley 1993:41-44).

³ The production of a design – to the production of designed goods – to distribution – to consumption. There is a flow through time, with inputs and feedback loops into the design process (availability of trained designers, social demand for design), inputs from the environment (available material resources, technology, financial resources, the regulatory environment, impact of ideology), and inputs from consumers (taste). Many design actions are involved every step of the way.
In a culture of strong individualism and selfishness, it is also easy to understand Sassen’s ‘expulsion’ of labour and people. Consumer-led design does not address the needs of those without money (power) - the ill, the disabled, the poor, the old, the minority. And are well-healed citizens really as free as they imagine? And is the ‘invisible hand’ that of the ‘market’ or of other players in the game?

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4 “To many in both business and government, the triumph of the self is the ultimate expression of democracy, where power is truly moved into the hands of the people. Certainly the people may feel they are in charge, but are they really? How is the all-consuming Self created; by whom, and in whose interest?” (Curtis 2005).
Cities and Contested City Space

The second wave of Urbanism

With global urban population swelling, and estimated to reach 60 per cent by 2020, the economies of the world are increasingly being played out in cities, which contribute to country economies in far larger proportions than the area they cover (Crouch & Le Galés 2012). The ‘concentration of economic activities’ and the ‘concentration of learning processes, innovation, creativity and dissemination’ are the two driving forces behind the growth of city regions (Scott 2008, cited by Crouch & Le Galés 2012). Neoliberalism, devolving from national policies, is manifested in cities in diverse ways.

Cities reflect issues in a more concentrated form: for example, the spatial and visible tensions between rich and poor; the four urgent crises facing humankind (financial, energy, environmental, and the crisis of unemployment) (Reinert 2011). Poverty has become predominantly urban, with 1 billion people living in slums (Davis 2006). Cities therefore need to address problems in both developed economies and developing economies - industrialization, resource overuse, waste, pollution, congestion, greenhouse gas emissions, as well as poverty, lack of housing and basic services, social instability, unemployment, violence (Véron 2010). A third city challenge is the financial resources to cover these services and costs.

Cities represent constant socio-metabolic flows: of raw material, goods, services; of money and information; of energy, water, food, waste; of working people, immigrants, visitors; entering, leaving and mingling (Guy & Marvin 2001). History influences the present; new relationships are forged; the delicate balance of power and control is constantly under siege (Beall, et al 2008). In such a dynamic environment, space itself is contested.

The right to the city

The question then arises: who has the right to the space. Beall, et al (2008) examine the features of urbanism – proximity, density, diversity, dynamics and complexity, resulting from a multitude of agendas, aspirations, alliances, and agonisms (Beall, et al 2008). And Harvey (2012) maintains that the right to the city is far more than a right to access the space and resources of a city: “…it is a right to change and reinvent the city… [and that] inevitably depends upon the exercise of a collective power over the processes of urbanization” (Harvey 2012).
However, it is more than these organic factors that shape cities and city life. Throughout history an ‘unconscious’, and then a ‘deliberate’ form of urban planning has allocated space to different sectors of the population, with very specific aims in mind, one being separation - between the elite and the proletariat, between racial and ethnic groups. Urban planning under Colonialism left its mark on countless Third World cities. Other considerations were that of creating order to provide services and policing and magnitude. An extreme example was Baron George-Eugene Haussmann’s ruthlessly demolished of 12000 homes in Paris’ Latin Quarter between 1853 and 1870, to recreate Paris’ imposing presence of broad avenues, civic buildings, monumental urban art and rigid grid layout - a city that would impress (Aoki, 1993).

South Africa’s cities, and Cape Town in particular, bears the imprint of separatist urban planning policies. Cape Town is one of the most spatially divided, unequal cities in the world – a reality that is set in cement and asphalt. This results in unusual complexities (Simone 2010, Ewing & Mammon 2010).

Globalisation

Cities have been shaped by neoliberal policies through globalisation. Cities now need to compete to be one of the ‘world cities’; multi-nationals are attracted through corporate tax benefits, free trade is encouraged (which destroys local industries), and city beautification and place-based marketing has been accompanied by gentrification (Véron 2010).

Sassen (2006, 2007) points out that “… only 24 cities dominate global network connectivity, airline traffic and immigration around the world”, and only in the radius of “… a few streets of high-rise buildings” (Sassen 2006, 2007). This has created what Veltz (1996) calls an international “archipelago economy” (Crouch & Le Galés 2012).

The intense connectivity and interaction between corporates in these centres of vital economic action, the flourishing financial and IT sectors, the presence of a highly skilled and educated workforce (see Sassen and Florida’s comments in Addendum Two), the aggregate of economic sectors which stimulate innovation, migratory cheap labour, transport (airports) and educational facilities; all serve as a foundation on which to heap further investment (Crouch & Le Galés 2012).

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5 Deliberate, in so far as urban planning became an applied science and profession. Urban planners then followed the ideological dictates of the state, although designers such as Le Corbusier attempted to impose their ideas on city management.
Retreating state

A further impact of neoliberalism has been the shrinking role of government to correct historic and market inequalities – human well-being and redistribution has been left to the ‘trickle-down’ effect, despite its failure to deliver (Crouch & Le Galés. 2012: Figure 4, Goldstein & Vo 2012). In developing countries, the provision of basic services has been privatized, which has hit the poor particularly hard. “Spatial, civic and environmental neoliberal governmentality have contributed to growing social inequalities in contemporary metropolises” (Véron 2010). In addition, urban planning has allowed rampant property development for middle-to high-income citizens, pushing the poor further out from economic activity (Watson 2009).

<table>
<thead>
<tr>
<th>Type of Spending</th>
<th>Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$15,000-$19,999</td>
</tr>
<tr>
<td>Food At Home</td>
<td>12.2%</td>
</tr>
<tr>
<td>Food At Restaurants, Etc.</td>
<td>4.7%</td>
</tr>
<tr>
<td>Housing</td>
<td>29.2%</td>
</tr>
<tr>
<td>Utilities</td>
<td>11.1%</td>
</tr>
<tr>
<td>Clothes &amp; Shoes</td>
<td>3.6%</td>
</tr>
<tr>
<td>Transportation &amp; Gasoline</td>
<td>20.4%</td>
</tr>
<tr>
<td>Health Care &amp; Health Insurance</td>
<td>8.2%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>4.0%</td>
</tr>
<tr>
<td>Education</td>
<td>1.5%</td>
</tr>
<tr>
<td>Saving For Retirement</td>
<td>2.6%</td>
</tr>
</tbody>
</table>

![Fig. 4. How the Poor, Middle-class and Rich spend their money.](image)
Champion cities and ‘The Creative City’

This increasing competition between cities for global trade and investment has spurred cities on to re-invent themselves, but not in the sense that Harvey has in mind. Cities are aiming much higher than merely ensuring the proletariat their rights.

Hampered by the trade and financial policies of the IMF and World Bank, countries have realized that investing in ‘champion cities’ would ensure their competitive edge. By supporting the development of certain cities, the industries in those cities are automatically favoured; and for the monetary investment to be most efficient, national governments select cities that are already successful, to the detriment of non-city development (Crouch & Le Galés 2012).

This is not economic nationalism (the loyalty is not towards the citizens and equality), but rather economic patriotism – where the ‘patrie’ could as much be a transnational company with a strong presence in a city, and able to attract the presence of other imposing business opportunities – in order for the city, and therefore the country, to maintain international status. National development policies have shifted “…from addressing inequalities to reinforcing success”, which creates further tensions between the wealthy and the poor, and between urban and regional populations (Crouch & Le Galés 2012).

Very popular among city investment programs are international events and festivals – sports and cultural events. London in 2012 is a prime example, presenting both the Olympic Games and celebrating the Queen’s Diamond Jubilee – an excuse to do massive city infrastructure improvements and build iconic buildings – but money being withheld from investment in other parts of the country, eg. the ambitious Northern Way, in planning since 2008, which has never materialized (Crouch & Le Galés 2012).

Landry (2004, 2008) has popularized the concept of The Creative City. He advocates a shift from Modernist, mechanical planning of city space and land-use, (focussing on hard infrastructure, buildings and transport networks - the Industrial City), to a focus on the soft infrastructure of human creative capital. Directed mainly at city leadership, he suggests a ‘Toolkit for Urban Innovators’ - since they provide the enabling environment for citizens to discover and contribute their creativity in city space formation. Building city image, he says, simultaneously builds citizen confidence; building strong links from the outer edges of the city to its centre traverses the divisions between the income-, information-, and creativity- rich versus poor (Landry 2004, 2008).
Somewhat romantically, Landry visualizes city leaders who are fluid and visionary, political attitudes that are flexible, regulations that are easily adjusted (rather than taking months or even years), and participatory processes that are inclusive and genuine, rather than token.

The reality is that many cities experience contest and at times chaos. ‘Building city image’ often focusses on the Central City, while cursory attention is paid to the poor and disadvantaged.

**CIDs as urban planning models**

Central Improvement Districts, modelled after the BIDs of North America, provide problematic and nuanced interventions. In essence, a ‘shadow government’ of private property and business interests, with voluntary, ring-fenced taxes, is set up to revitalize and manage declining inner city space. The focus has been on city beautification and ‘social cleansing’ – fighting ‘crime and grime’. While the results are city-enhancing and pleasant, and the benefits are felt by property developers, businesses, pedestrians and tourists, the model uncomfortably echoes a neoliberal approach and results (Didier, et al 2012).

Cape Town’s CCID, faced with the legacy of political struggle, deep racial and social divisions and inequalities, and sharp criticism from unions and activist groups about the aggressive privatization of public space and the removal of unacceptable human elements into shelters, has adopted a ‘local Third Way’ approach. This charity-orientated CID program seeks to provide soft work opportunities and a social security net for the homeless who inhabit the CBD, although only receiving 3% of the total CCID budget. Tax rebates still favour business interests, but the CID now prides itself that it is following both a growth and a developmental ‘people-centred’ agenda illustrating the “creative

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6 It must be noted, however, that Cape Town is following a concerted programme to roll-out basic services and social amenities to outlying suburbs, townships and poor communities.

7 Business Improvement District. “BIDs have generated criticism due to their profit-oriented conception of redevelopment through the creation of commodified spaces of elite consumption, the intensified surveillance of public spaces and collateral exclusionary processes.” Mitchell 2003; Topfer, Eick and Sambale 2007, as cited by Didier, et al 2012.

8 “While charity-based conceptions prevail, the eviction of working-class and poor people from the city centre is considered an unavoidable market trend. World class loft-style developments are booming (Pirie 2007) while property prices have sky-rocketed. The CTP acknowledges ‘the rising property prices and pressures of displacement on poor communities’ as well as the ‘lack of affordable housing for a range of income groups’, but whatever its genuine desire to enhance social diversity, it contributes to fostering a property boom that narrows down land opportunities for social housing. These palliative measures do not challenge the core principles of CIDs and their alleged trickle-down effect goes unquestioned. ‘The Council’s position on the tension between growth and poverty reduction is clear—that the size of the cake must be grown, whilst sharing the cake more equitably’” (City of Cape Town 2006:9) (Didier, et al 2012).
capacity of neoliberalism to overcome internal contradictions and local resistance” (Didier, et al 2012).

Contested space

As more economic, political, economic and agricultural refugees pour into cities, the spaces where low- to zero-income people find a home and a right to a decent existence, sanitation, water, education, and health services, are in short supply. In South Africa their affordable options are townships, slums and informal settlements. In this pursuit of shelter, sensitive natural areas are also threatened, adding another dimension (does nature have a RIGHT in a city?) Property developers have no scruples in aggressively targeting nature areas for development. Any empty space suitable for housing is severely contested between the hope of the poor to have easier access to the business district, and property developers who find ways of persuading city officials to let the land be developed into upper-market housing or shopping precincts (Marks & Bezzoli 2000).

Leafy suburbs suffer from the NIMBY\(^9\) syndrome, which will not allow any infill development for lower-income groups. Public spaces in the central business area are contested, as city management allow private interests to reclaim the space from ‘crime and grime’; in the interests of establishing a World Class City. Gentrification allows the educated, economically active, and well-healed in, displacing the already homeless to another dismal spot. The right of the homeless to the city has scarcely been defined\(^10\).

Globalized cities present a challenge to the ‘right to the city’, which illustrate power over morality. Transnational corporates and the accompanying highly-mobile workforce gain access to the city by virtue of the expected business benefits and expertise which they bring. Yet these corporates are notoriously slippery when it comes to paying taxes. “Transnational companies can lay off thousands of workers in one day in one country and move their factory to another country’s free-zone to exploit workers there” (Söderbaum 2009). Corporate Citizens have inordinate power above the vote of an individual citizen; yet neo-classicism tries to portray the market as being democratic.

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\(^9\) Not In My Backyard.

\(^10\) Harvey (2012) referring to more than just physical space, discusses the advantages from living, working, relaxing in the ‘right space’ – the places of opportunity, from which to access the agglomerated resources of the city, the knowledge networks, the social capital, the financial capital. The disadvantages of poverty in education or social connections which could contribute to one’s advancement, the challenge of dehumanising basic services and long travelling distances, the lack of work accreditation; these are almost insurmountable obstacles in claiming one’s rightful space in a city (Harvey, 2012). As a palliative city management invites the poor into the city centre for festivals; physically there, but still not belonging.
To be World Design Capital

Cape Town presently hosts 3.7 million people, and grows by 19000 per year, a large portion coming from the failed province of the Eastern Cape.

While aspiring to be a “World Class City for all”, as well as a Creative City and a knowledge-hub, the people of the city suffer the neoliberal ailments of destroyed local industries (clothing and textiles), job losses, and vulnerability to free trade (Véron 2010). Apart from the consequences of South Africa adopting a neoliberal economic model (see Addendum Three) Cape Town has to deal with current challenges of urbanism, as well as the historic legacy of Apartheid.

Dewar (2010) questions how well Cape Town is managing the processes of urbanisation in his article: *World class status is a goal too far*. The city’s natural assets are being destroyed in the name of progress; sewage seepage and freshwater are badly managed (95% of the city’s water drains to the sea after being used only once); the transport system forces people to own and use cars, imposing a high dependence on fossil fuels; there is an overwhelming housing backlog; ill-maintained roads; and increasing levels of structural unemployment, poverty and inequality. Above all, he emphasizes, poor people cannot “carry out most of their daily activities in a private space”. Pleasant, rather than degraded public spaces, give people a sense of dignity, which Cape Town lacks (Dewar 2010). Addendum Four highlights three focal points which are the subject of city protests and contestation.

Cape Town has bid and been announced as World Design Capital for 2014. This status does not only depend on the city’s current design record, although evidence for that was provided; but will also reflect design actions and projects which could leave a better legacy for the future, i.e. *Reconnecting the City through Design*. The content of those projects and their possible impact falls outside this discussion.

The role of Design

Design is basic to all human activity (Papanek 1985) and, says John Heskett (2002:4), “... an essential determinant of the quality of human life. It affects everyone in every detail of every aspect of what they do throughout each day.” Design covers a far wider range of activities than is commonly referred to.
In this discussion we have highlighted a number of touch points between design and a wider socio-economic and political environment, from urban planning to advertising; from the design of information systems to socio-political human engineering. Addendum One unpacks the various types of design and also ponders concepts like good and bad design, the neutrality of design, and examines a link to Polanyi’s ‘fictitious commodities’ (Sandbrook 2011:420); design is after all an expression of labour.

Design has achieved remarkable breakthroughs. It has also been co-opted to serve wicked agendas. Designers do have an ethical challenge in the way they apply their gift. Particularly now, with the planet facing unprecedented challenges, they are being called upon by design philosophers to contribute in a noble way. Florida pointedly states that “the members of the Creative Class today need to see that their economic function makes them the natural – indeed the only possible – leaders of twenty-first-century society” (Florida, 2002:315).

Margolin laments the fact that designers were not mentioned in Agenda 21 of the Rio Earth Summit as necessary for inclusion in the re-envisioning process (women, youth, indigenous people, farmers and labour unions were mentioned). Designers are hidden; they have not explained their role or potential adequately to themselves or to others – and that shift of vision will require a transdisciplinary approach. Otherwise, “… designers will simply remain part of the problem whose solution other professions will need to invent” (Margolin 2002:102).

Even faced with the lure of designer brands, upward mobility, adventure, cosmopolitanism and independence, designers could still heed the clarion call of designers like Bruce Mau for Massive Change of the World. Indeed, in a city such as Cape Town, with its current World Design Capital emphasis, responsible design towards people and the planet could even become the reigning zeitgeist.

‘Can design change the world?’ is therefore not the appropriate question to ask; up till now, it already has. A far more daunting question is: Can Design dislodge the neoliberal web that is over economies and over cities?

This is a topic for further investigation.
Conclusion

Neoliberalism is manifest in countries around the world, the spread of this form of neo-classical economics being made possible through globalisation. The consequences of neoliberal policies and practices are therefore also felt in cities, the main platform for globalisation. Cities have become the focal point for investment and the fight for competitive advantage, and since the turn of the millennium it has been suggested that Design could play a crucial role in building this competitive advantage.

However, Design - a basic human activity, with very wide application - has been with mankind forever, and has left its imprint on cities through organic and deliberate urban layout and planning, and in some instances deliberate social engineering. The fallout of neoliberalism – destroyed local industries, growing poverty and inequality, slums, and a callous disregard for the ‘99%’ - therefore builds on already unequal spatial patterns, which favour the wealthy.

Moreover, the ideology which birthed the strong emphasis on individualism, the Self, and consumerism during the first half of the 20th Century - expressed eloquently through industrial and graphic design (the democratisation of objects, propaganda, ‘fashionable’, obsolescence) - has prepared the ground for Sassen’s (2010) ‘expulsion’ of labour and the poor. There is an alarming absence of morality in the attitude of First World economic policy and financial institutions towards people and the planet.

Globalisation, international free trade and new financial ‘products’ themselves would not have been possible without design contributing strongly through web-design, interactive design, design thinking, and innovative design linked to information and communications technology.

In this trans-disciplinary cesspool of class struggle, capital, and creativity, the ‘fallout’ from design has been both beneficial and harmful. “Eighty per cent of the environmental impact of the products, services, and infrastructures around us is determined at the design stage” (Thackara 2005:1).

The question now is: to what extent can design - working through its manifold applications - fundamentally contribute to reverse the trend of environmental and socio-economic unsustainability.
Bibliography


Addendum One

A definition of Design

Design ‘started’ with the invention of tools and objects to complement the wide spectrum of actions capable by the human hand. Throughout the centuries these objects were made in new and different shapes, with different materials, and others invented – design thinking always being applied to enhance their level of use. With the application of precious materials and highly-developed skills, objects assumed value, status and significance far beyond their mere utility.

But other forms of design, than just Object Design (furniture, home furnishings and appliances, fashion, modes of transport, medical, farming and mining equipment, etc.) were being developed, such as Communication Design (language, colour, symbols), and Environmental Design (dwellings, and commercial, administrative and religious buildings, and the arrangement of these in settlements) (Heskett 2002).

All forms of design have always been with us, but the Industrial Revolution, with its sharp expression of the division of tasks - some tasks among humans, others to machines – bred a new kind of artist and engineer - and careers, educational curricula, and associations in Design were born (Billen 2008).

Environmental Design, i.e. urban planning and layout, has for centuries been used in service of organising and controlling societies, as far back as the Roman city and camp grid-layout. Interspersed with organic growth and settlement, urban planning has shaped the histories and destinies of peoples (Aoki, 1993). More recently, in the 1930s, Communication Design, in the form of advertising, marketing and public relations were developed, to the sophisticated tools they are today. A 1980s-onward expression of Communications Design is the design of information and communications technology and software, to use the internet, emails, SMSs and social media.

At present there are also highly-developed forms of Service Design (services for sale, rather than just objects), Systems Design (such as a tax gathering system, a banking system), Interactive Design (between man and technology), Identity Design (corporate, city or country branding), and Context Design (eg. country groupings like the EU, the BRICS, the G20 and the complex context of each) (Heskett 2002). Another, more sinister form of design, could be referred to as Socio-Political Design (a dominant ideology, which co-opts all the other forms of design into its service, eg. Nazism, Apartheid, Neoliberalism).
Good and Bad Design?

Design can be measured against various standards of ‘goodness’. An object, service or system can be rated as to its beauty and aesthetics, its ‘fit’ within a time-era or place-context, efficiency for the task, or user-friendliness. Design can also be measured against its impact on society, whether beneficial or harmful. From this vantage point, design, at micro-level, interfaces with politics, economics and finances at a macro-level.

Each new period has been accompanied by debates of whether the changes were beneficial. The Industrial Revolution is a particularly clear case in point: while functional and ornamental objects were democratised and found their way into middle-class and even poor households, production tasks became fragmented and dehumanising – man becoming a machine, and the machine becoming ‘man’ – which sparked the protest Arts and Craft movement and its nostalgic hankering after a previous, ‘more idyllic’ lifestyle. The ‘good’ and the ‘bad’ of each technological revolution could be unpacked at length, but I would like to mention just three manifestations of design, which have had a far-reaching impacts: spatial design in terms of urban layout; socio-political design, such as Nazism and Apartheid, and I would like to group Neoliberalism with these; and Consumerism. There will be a host of examples of design with exceedingly beneficial outcomes, for example in the medical field.

Is Design neutral?

Without doubt, the outputs of design have changed the world we live in. Each technological revolution, with its discovery of new materials, new processes of production, and new application of technologies (Perez 2007), has engaged designers and the task of design to ‘land’ and ‘embed’ these new inventions in society and life.

When seen as a basic human expression - an urge, a talent, an ability to engage with the environment and problem-solve - design could be grouped with ‘neutral’ money. And the question then is: whose ‘hands’ are using it and applying it? How do they define the ‘problem’? Designers hold a particular ideological view, which they express through their work. Ideology therefore is manifested in buildings and city layouts, cars, fashions, household furniture and appliances, education, health and tax systems; and the economic and political systems which govern our lives. One could reasonably suppose that one could track changing ideological movements over time through the physical and intangible realms that are created around us.
Design for Sale

Since the Industrial Revolution, design has emerged as a wide range of formalised careers. That places it in the category of ‘labour’, which, along with money and land, are ‘fictitious commodities’, according to Polanyi. But in a free market economy, these fictitious commodities are now for sale. The implication of this is that it is not just the outputs of the design activity that are saleable commodities – such as products, houses, advertisements, education, transport - but Design itself is for sale.

John Heskett (2002) has crystalized the debate around the definition of design in this short, succinct sentence:

**Design is the design of a design to make a design.**

To unpack that:

- **Design** (noun, field of study or investigation) is the design (verb, action) of a design (noun, concept) to make a design (noun, finished output).
- Each use of the word ‘design’ can be transacted in commercial terms, therefore:
  - **design** (an exchange of money for design education or books written on the topic)
  - is the design (an exchange of money for the creativity of the designer, the designer-fee)
  - of a design (an exchange of money for the actual concept or plan)
  - to make a design (an exchange of money for the product, the building, the service, for advertising space, etc).

Since designers need to earn a livelihood it is reasonable to assume that Design goes where the Money is.

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11 “... labor, land, and money are essential elements of industry ... But labor, land, and money are obviously not commodities... Labor is only another name for a human activity which goes with life itself, which in its turn is not produced for sale but for entirely different reasons... land is only another name for nature, which is not produced by man; actual money, finally, is merely a token of purchasing power which, as a rule, is not produced at all, but comes into being through the mechanism of banking or state finance. None of them is produced for sale. The commodity description of labor, land, and money is entirely fictitious....” (Polanyi 1944).

12 Socio-political design takes one into an abstract realm where “Design is the design of a design (ideology) to make a design (how society is ordered or social engineering). It would be exceedingly complex to follow the transaction value of an ideology and its outcomes, but history has shown that some people benefit financially, while others do not.
Addendum Two

The ‘Creative Class’

The activities that are concentrated are in particular those that require highly educated, well-remunerated staff, leading to a concentration of wealth and cultural activities. It is as though these top-end parts of whole complexes of related activities have been extracted from the generality of activities and located in this small number of highly favoured places.


Florida (2002) in his highly-read *The Creative Class*, identifies very different motivations among this group of ‘no-collar’ workers: highly individualistic, pursuing challenging work opportunities in culturally rich and exotic destinations, transient, nomadic, flexible in space and time (they have no demarcated sense of home, office or ‘third-space’, or of work, own or off-time), these are the highly paid, highly-educated ones, with little loyalty to company or country; what matters to them is peer recognition... and access to the latest technology - “… their economic function is to create new ideas, new technology, new creative content” (Florida 2002).

The ‘Creative Class’ are attracted to cities with a very specific ambience: Florida (2002) mentions places of diversity and open-mindedness, cosmopolitan, creative, offering a ‘thick labor market’ and many opportunities, authentic with a sense of place, culturally rich. Where they settle invariably experiences gentrification – when these wealthy workers move into run-down areas, and creatively upgrade the neighbourhood, local inhabitants are gradually driven out. Where the Creative Class congregate, says Florida, there are far more resources – from good schools to social networks. This is a Great Class Sorting (Florida 2002:320,321).
Addendum Three

South Africa and Neoliberalism

When negotiations got underway for the transition to democracy in the mid-1980s, South Africa was not in a foreign debt crisis; nevertheless the country eagerly complied with the IMFs neoliberal measures. Bond’s (2005) book, *Elite Transition*, and Terreblanche (2012) in *Lost in Transformation*, describes how the upcoming political leadership abandoned their ideals of a just society for their own personal gain from macroeconomic financial liberalisation, and to guarantee the business interests of capital. The present reality is that the country claims to be a developmental state, but runs as a neoliberal democracy (Fine 2012).

South Africa was already deeply scarred with inequality from centuries of Colonialism, Imperialism and Apartheid, discussed by Terreblanche (2002) in his *History of Inequality in South Africa*. In the past nearly 20 years, poverty, inequality and unemployment has deepened (Terreblanche 2012). South Africa’s 25 million poorest people receive only 8% of total income, while the share of business profits in GDP has increased from 40 to 45 per cent in the 15 years from 1994 to 2009 (Fine 2012).

South Africa has followed the international financialization trend and added its own twists: the financial sector is the fastest growing sector, now 20 per cent of GDP; while 40 per cent of the population cannot access financial services. There has been huge illegal, yet unchecked, capital flight from the country (23 per cent of GDP in 2007), while foreign investment stands at about 15 per cent of GDP. And, maintains Fine, “... creeping abolition of capital controls to render legal what has been done illegally puts the economy on the verge of instability”. In the face of such low foreign investment, more attention is paid to growing shareholder value, while neglecting the workforce and cutting social benefits (Fine 2012).

The ruling party maintains precarious control by appealing to the cause of African Nationalism. By sweeping the populace along with “… the goal of empowering and reclaiming the dignity of Africans”, the ANC hopes to mask the rising tide of protest, insubordination, instability and disenchantment (Marais 2011).

South Africa’s urban population comprises 62% of the total population (Véron 2010).
Addendum Four

Local contests

Cape Town’s urban fabric is complex and active, and there are significant expressions of protest and ‘claiming the right to the city’. Three very different examples are mentioned, with very different dynamics. Mostly protests would emanate from the affected communities; Ashton (2013) notes that South Africans across income classes do not join forces around causes, as is the case in Brazil. Even through the middle-classes might have sympathy with a protest action, historical divides are still too strongly ingrained for them to take to the streets.

1. Poo Politics

The most recent example has been the dumping of poo on the provincial headquarters’ entrance stairs and at the Cape Town International Airport; and throwing excrement at cars on the N2 highway and at the Premier’s transport cavalcade. People are protesting against terrible basic services – particularly the right to clean, private, working, close-enough-to-be-safe toilets. The Social Justice Coalition claims that 500000 people in Khayelitsha alone are without facilities of this description. The South African Constitution promises ‘a clean and safe environment for all’. The “… dismal failure to deliver [is the] result of neo-liberal policies infiltrating every decision from planning to the budget… In South Africa over three million households and 18 million people have no access to sanitation” (Schutte 12 June 2013).

Their lives consist of experiences which are dehumanising, embarrassing, with no privacy, plagued by fear of rape or murder, unhealthy, sick children, a contaminated environment, more faeces than decent space to dispose of it; toilets are often open, no doors, clogged, severely unsanitary. These conditions are the result of poverty, often displacement, uneven rollout, weak maintenance of facilities, no delivery on promise of democracy, inequality. When poo enters the domain of politics people are one dangerous delicate step away from a full-blown social uprising (Schutte 12 June 2013).
2. Save Princess Vlei

Another citizen action is the protest against building a shopping mall in the **Princess Vlei Nature Reserve**. Here, at least, is an example of citizens giving a voice to Nature. In addition, it would seem as if citizens across typical barriers of race, income, and culture are rallying behind this cause (Save Princess Vlei website).

3. Gangsterism and PAGAD

A third example reflects the **troubled dynamics of the Cape Flats**, in particular, Manenberg – a suburb created through forced removals of Coloured citizens from the city centre during Apartheid. The youths did not find a ready home in the ANC, and instead formed their own gangs (sense of belonging), linked to drug peddling, which rapidly grew strong enough to oppose the police. During the 1990s gang-war between the Hard Livings and the Americans, a local citizen vigilante movement, People Against Gangsterism And Drugs (PAGAD) was formed, - to protest against the violent crime and drug addiction plaguing their community. In August 1996 a heavily armed group of PAGAD supporters descended on the home of Rashaad Staggie, a Hard Livings leader - he died engulfed in...
flames. His twin brother, Rashied Staggie, was subsequently jailed, but has recently been released on parole. This was enough to spark a flurry of murders and violence in the area. And PAGAD has been revived... (Davis 2013).