The Politics of Urban Innovation

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by Lloyd Axworthy
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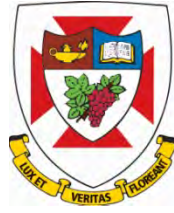
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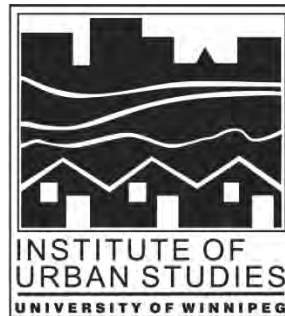
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The Institute of Urban Studies is an independent research arm of the University of Winnipeg. Since 1969, the IUS has been both an academic and an applied research centre, committed to examining urban development issues in a broad, non-partisan manner. The Institute examines inner city, environmental, Aboriginal and community development issues. In addition to its ongoing involvement in research, IUS brings in visiting scholars, hosts workshops, seminars and conferences, and acts in partnership with other organizations in the community to effect positive change.

THE POLITICS OF URBAN INNOVATION

by

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November 1969

The debate on cities has reached a point where people of all political stripes agree that change must come. Furthermore, many useful proposals for new breakthroughs in housing, transportation, planning and design are beginning to appear. There are a number of interesting theories on the use of modular techniques, systems building and multiple use of land. The technology of urban transportation is becoming very sophisticated. There are even suggestions on how to develop cities with people in mind and an awareness of social and human requirements. Good ideas are really not what we lack.

But there is a long jump between ideas and their execution. Proposals for new housing forms, mass transit, planned land use or expressions of deeper sociological concern do not automatically mean that new forms of housing, better transportation and more compatible urban environments will blossom forth across the land.

The real question is how do you translate the proposed innovation or reform into reality? How do you make that critical leap from idea to application? The examination of reform -- of building real low-cost houses for the poor, of building new cities; of revitalizing old cities, of coping with urbanization, of developing humane, decent living environments for people must go beyond examination of new technologies, new designs, new construction techniques, or new social and economic knowledge.

The critical factor is implementation. Do we have a system of management and policy making for our cities capable of using new knowledge and skills? Is our capacity for innovation, our ability to act decisively

sufficient to meet the task of properly dealing with the complex issues of urban change? Is the present system of government and private enterprise able to take the new theories, ideas or proposals and put them into effect?

The answer is obvious. No. We have neither a comprehensive national strategy for our cities nor the effective means of carrying it out, if one did exist. The machinery that is presently used to process decisions and administer programs related to urban needs has all the power and precision of the original 1901 model of a Singer sewing machine. The application of new and inventive solutions to urban ills will not come until there is a major overhaul in the governmental and private apparatus that controls, finances, constructs and manages the development of our urban areas.

Where does the present system break down?

The problems of cities are dealt with by a system of government seriously divided between various jurisdictions, which prefer to work in competition rather than co-operation, and which appear more concerned with defending the prerogatives and power of their respective government than they are with solving problems. There is little examination on rational grounds as to which level of government - municipal, regional, provincial or federal is best suited for handling which part of the problem. Instead, reliance is placed on arguments of tradition, convention, ancestral rights, or just plain political muscle as justification for holding on or expanding present activities in fields such as housing, urban transport, land use and urban economic development. Politicians and officials find it easy to engage in the time-honoured game of "buck passing" as it is really very difficult to pin direct responsibility for inaction. The result is a system distinguished by its illogic, lack of co-ordination and inefficiency.

Even amongst the respective levels of government, there is a further breakdown of responsibilities and fragmentation of function. In the federal government alone, CMHC, the Department of Finance, the Department of Transport, the Department of Regional Expansion, the Bureau of Standards in Industry and Commerce, Public Works, Crown Assets Corporation all make decisions that have a significant effect on housing and urban development. Yet, there is little co-ordination, decisions are basically made in unrelated fashion, resulting in programs working at cross purposes, with no accepted set of objectives or priorities.

A virtual forest of rules, regulations, codes, by-laws and zoning ordinances which may have originally been designed for public protection, have resulted in a stifling of imagination and creativity, heavy additional costs and policies of exclusion and segregation in our urban areas. Labyrinth is the only word to describe the system that has evolved for the handling of urban administration. We have a corpus of rules that emphasizes protection and paternalism at a time when we are crying for a release of creative energy.

It is critical that there be basic, hard data on the housing market, so that government and private enterprise can effectively plan investments, develop projects and properly use manpower, but we do a much better job of analyzing the hog market than we do in analyzing where our people will live. There needs to be a constant flow of up-to-date information on market changes, housing needs, shortages and over supply, prices and cost, combined with the analytical methods and forecasting techniques, to adjust investment choices, financial policies and future requirements. Good management depends upon

sophisticated methods of planning and decision, as any large corporation

making cars or lightbulbs will testify. But we treat housing as if it

were a corner store operation. You cannot really begin developing new forms

of housing until you know more accurately the purposes of the development.

There is a starvation in research and development. Aside from the

efforts of CMHC and the CURR, there is really no concerted attempt to fund

and support experimentation and exploration. Private industry appears to be

content with tried and true formulas. This means missed opportunities for

developing new work by spinning off new products. For example, the business

of rehabilitation of existing homes is virtually unexplored. It could be a

prime business opportunity, if effective, cheap means of fixing older homes

through industrialized methods, components forms, electrical circuitry

could be tested and researched. Many talk about the possibilities. Few

experiments are attempted.

Private industry can hardly be blamed, however, if they judge the

usefulness of research by what is presently being produced in our universities

and by other "thinkers". The academic world appears to have forgotten that

housing and urban redevelopment are real immediate problems requiring applied,

practical problem-solving research. Instead, the universities produce volumes

of journal articles or abstract treatises highlighting the urban world of the

year 2000, instead of looking at the difficulty in rehabilitating the rundown

downtown areas next door to their new faculty club.

The contribution of the professional "thinkers" in the urban area

are too often based on the conventional wisdoms of thirty years ago, or borrowed

from some British, Swedish or American source. Universities can play an
essential role in sponsoring the kind of experimental exploration that can
help government and industry develop new methods suited to contemporary
Canadian housing needs and urban issues. But, the academic response has
been well described by an American sociologist who says, "They lecture
on navigation while the ship is going down."

The minor contributions of the university are symptomatic of the
more widespread disease of communal inertia. Over the years an elaborate
network of private planning committees, welfare councils, professional
associations, "beautiful city" type reformers and executive directors
of vested interest groups have become connected with government officials
and planners, to become the acknowledged institutionalized spokesmen and inter-
preters of urban needs. They display a high degree of proprietary interest
and have really created a closed shop. The results of this tight little
network are innumerable conferences which usually invite the same speakers and
hear the same message, and produce a volume of grand proposals, usually care-
fully detailed in coloured pencil, which are rarely practical. The cosy
"old boy" system that stands watch over the city and which claims responsibility
for producing actions suffers from constipation of the intellect and a paralysis
in spirit. If there is going to be change then a different stream of institut-
ional arrangements is necessary. The initiative for opening the system must
come from our present government, which is the only source strong enough
to avoid having to go through the system.

Finally, one cannot forget the timidity and conservatism in the
financial system. We have a tax system that encourages slums, we have a

mortgage system that neither attracts enough money nor invests it where it is needed, and we have investment policies, both public and private, that shun the experimental and unorthodox. There is little development capital available for the entrepreneur in our cities, and little adventure in the heart of the moneylender, public or private.

This citation of sin is not complete but should be enough to show that Canadians will not make any serious progress in the development of more useful, effective dynamic cities until there is a break in the log jam of competing confused programs, creaky, overly rigid bureaucracies, antiquated rules, lack of exploration incentives, and the absence of any compelling spirit of adventure to probe the new or unknown.

We urgently need a strategy of innovation. A strategy that sets out the steps required to open the flow of ideas and translate them into action. The initiative for this strategy should come from the government. It has the greatest effect on cities, and can have the most significant influence for reform.

The first priority is a rational, co-ordinated policy for housing which integrates federal, provincial, local activities, and assigns direct responsibility according to functional measures, not abstract legalisms. The federal government's role is particularly important. It must exercise its right to set national priorities, as only it can do, and create a useful system of analysis, statistical collection and investment projection, so that capital for housing, social assistance and development goes where it is needed, not just where the pressure comes from. There need not be constitutional impediments. Nothing prevents bi-lateral arrangements. For

example, it is essential that a workable program of public land development be established. It is the basis for cutting housing costs, and insuring sane urban planning. A co-operative mechanism between governments can be worked out to insure quick and easy flow of federal loans to municipalities or similar agencies within a particular province to acquire land, service it, then lease or sell to private developers as fits the demand. If some provincial governments don't want to participate, it is up to the electorate of that province to judge the wisdom of such actions and to cast their ballots accordingly. To continue the present passive federal role of friendly banker and advisor, is to deny Canadians the strength of the senior government in grappling with one of the most serious issues of our time.

If the federal government is to undertake a more active role, however, it needs superior mechanisms for policy and administration than those that now exist. It is common practice for various party policy conferences to issue the call for a federal department of housing. For various reasons, this appears to be an unpalatable step. At the same time the present state of affairs, where CMHC as a Crown Corporation is expected to provide leadership, is not working very well.

One positive move was the establishment of a full time Minister for Housing. But, he needs support. If he can't have a department, why not a Housing and Urban Secretariat. This could be a small body of new aggressive men drawn largely from outside the present civil service, who would be responsible directly to the Minister, and give him the independent competence to set policy, provide objectives, co-ordinate activities of the various federal agencies, plan research priorities, evaluate federal urban activity,

and provide data and information that can be used for planning purposes by both public and private bodies. Only by giving the Minister this kind of support strength, is it possible for him to develop the kind of programs required to overcome the stuffiness of the present system. A complementary organization could be an Urban Policy Research Council, composed of various representatives of trade, professional and citizens groups who could advise the Minister on the cities, and suggest ways and means of approaching problems.

Whatever the mechanisms, the federal government must clarify its objectives in fields of housing, renewal, transportation and economic development, and then dovetail its policies of investment, taxation, public works, land disposal research, and capital assistance to meet the objectives.

To be more specific in the ways the federal government should act, it could be particularly effective as an initiator of experimentation.

Federal land in cities could be used to develop different forms of housing techniques: experimentation with ground level high density housing; see if industrialized housing really cuts costs; Experimental conversion of existing federal buildings, warehouses and barracks could explore the possibilities of multiple use land techniques, while at the same time providing needed housing and facilities. This can be done in conjunction with those provinces and municipalities who wish to co-operate.

Perhaps the federal government should stipulate that a certain percentage of funds for subsidized housing, say 15%, must be channelled into experimental forms of housing. It could encourage different private

groups, universities, business associations, unions and churches to try
different physical arrangements and different financing methods of rental or
ownership to assist low income families. This would mean that many of the
strict rules and standards of CMHC would need to be relaxed. One of the
restrictions to building low-cost housing is the requirement to meet excessively
high building standards which add only to cost, not to basic safety or pro-
tection. In other words, the federal government should base its actions on
flexibility and performance, not on rules and manuals.

Presently, the NHA is an exclusionary document that sets precise re-
quirements for the kind of low-cost housing with defined interest rates and
conditions to meet. It is also shaded to emphasize either the building of
high rise apartments or expensive single family units. Its failure as a docu-
ment can be seen by the fact that in 1968, only 6% of NHA loans went to those
having an income under $6,000 per annum. The Minister for Housing should
have greater freedom of decision to support projects that vary from the con-
ventional mould. Perhaps a separate capital development fund that could be
used to finance a series of low-interest loans or grants for various kinds of
new housing developments would be useful. One might look for lessons to the
field of international development where the World Bank has the option of
issuing loans at a range of interest rates for projects which suit the
particular needs of different areas. The same kind of assistance should
be available to suit the different needs of our various urban areas. This
requires greater adaptability to regional urban needs which vary, and where
there is a disproportionate amount of funds directed towards Ontario. There
is almost no attention or money directed toward the housing needs of the
low income, working class family.

This kind of assistance is particularly important as a source out of which a network of small housing or neighbourhood development enterprises can grow, many of them taking the form of neighbourhood housing corporations operated and managed by neighbourhood residents. One of the reasons that we make so little progress in the field of low cost housing is that it has been an activity of government bureaucracies. They do the planning, the building and often the management. This inhibits the kind of flexibility and inventiveness that could grow out of having many smaller corporations attuned to particular needs, trying many different ways to meet the problem. I believe Jane Jacobs in her new book highlights the advantages in growth and new enterprise that result from having a decentralized system of production.

What I am pleading for here is that government should become an effective manager of larger priorities and sponsor of development funds, but that private enterprise, universities, non-profit groups, or resident corporations be given the freedom and incentive to undertake the projects and explore the alternatives. This decentralization may in fact be the prelude to the emergence of forms of neighbourhood government, where local concerns are dealt with by public bodies based on constituencies small enough that private citizens have free and open access to where decisions are made about their basic needs. The concept of neighbourhood government, or district city halls based on constituencies of no more than two or three thousand families, may in fact be one of the many important new devices for developing a system of flexibility and innovation, as well as improving the workings of our democratic system.

In any event, the present system must be basically altered so that the maximum in inventiveness can be encouraged. Martin Meyerson of the State University of Buffalo expressed the same thought this way: "The new urban reform ought to focus on process rather than on the service to be rendered. It should aim to create an environment in which change can take place and should try public remedies on a well-founded experimental basis, rather than through massive across-the-nation, all-or-nothing types of programs."

There is one final question, however, and that is, are such reforms possible? If the experience of the Housing Task Force and the later negotiations over new legislation is any test, then the difficulty of instituting significant reforms in this field or in any field of domestic, economic, social policy must be faced. The way we make decisions is suited more for patchwork amendments and shaded compromise than it is for making bold, fresh advances. We have developed an institutional hurdle race that is better designed to exhause the runner than to encourage a swift race. There are a hundred veto groups -- a well connected network of private interests, government officials, well-entrenched experts and competing governments which make it an arduous task to make clearcut reforms. If the Task Force report, for example, had simply advocated doing more of the same thing, spending more money to perpetuate present mistakes, it would probably have enjoyed a wider degree of acceptance. The fact that it challenged a number of pet notions and conventional wisdoms meant an instant barrage of attack. Reform can only occur when there is a readiness by enough people to discard obsolescence and search for better ways.

A sign that this is happening is seen in the discontent and indignation of a growing number of average Canadians. Whether it be the angry residents of public housing, the young couple who cannot afford to buy, or the miner who can't bring his family north because there is no room, there is dissatisfaction with the way things now work, and a demand for change. The feeling is shared by a number of businessmen, developers, government officials, and professional architects who find that their own urges to test, explore and advance are also doomed to frustration.

There is thus an emerging force for reform. The questions are who will lead it and where will it go? There must be a direction, a set of constructive proposals which go beyond the superficialities of the political party platform, or the annual conference resolution, or the pieties of the after dinner speaker.

This is the pre-eminent political task. The role of the party, the role of the politician is to give shape to unarticulated needs, and find answers to the questions of how and why. If there is to be a new system of innovation to handle the issues of the city, it can only come about through the political process, and through a political structure and devise different better ways of handling problems. The real imperative for dealing with our cities is not so much new ideas, far out theories, or technological solutions, they for the most part exist or can be developed. The real need is for a new politics of reform.