

**Book symposium: Pike et al.'s *Financialising City Statecraft and Infrastructure***

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## ***Financialising City Statecraft and Infrastructure: a reader's guide***

Andy Pike, Peter O'Brien, Tom Strickland, Graham Thrower and John Tomaney\*

Centre for Urban and Regional Development Studies (CURDS), Newcastle  
University, UK

\*The Bartlett School of Planning, UCL, UK

### **Motivations, aims and arguments**

As part of its investment strategy, Portsmouth City Council in the UK has acquired a DHL distribution centre near Birmingham, a Waitrose store in Somerset, a Matalan warehouse in Swindon, and leased its Isle of Wight ferry link to Canada Life. Why was a local government in southern England buying commercial properties outside its area and letting its local infrastructure to an international insurance company? Political-economic curiosity about such phenomena was a central motivation for writing *Financialising City Statecraft and Infrastructure*. The current episode of financialisation is marked by the increasing involvement and influence of financial actors, relations, rationales and practices on people, firms, states and places. Local governments in the UK and elsewhere are embroiled in such financialisation. Attempting to cope with fiscal stress with often limited powers and resources, local governments are being drawn into economic and financial strategies, instruments and commitments that extend and deepen their relations with new actors and sites within and beyond their administrative areas – including distribution and retail firms, commercial properties, new types of funding and financing techniques and various

kinds of financial institutions. Amidst this financialisation, further impetus for the book came from seeing national and local governments struggling to fund, finance and govern urban infrastructure, the erosion of the collective good dimensions of infrastructure and its uneven transformation into financial assets and revenue streams, the explanatory limits of existing urban governance archetypes and transformation frameworks, enduring managerialism especially in highly centralised states such as the UK, and stirring interest in alternatives.

Who owns, runs and pays for infrastructure? This question crystallised our concerns. Responses to it determine infrastructural provision, its costs, and which people and places can access it and on what terms. The book's aims are twofold: to investigate and better understand the engagements of financialisation with city governance and infrastructural provision and to identify the wider and longer-term implications of such financialisation for urban and regional development, politics and policy. A central contention is that explaining contemporary city infrastructure and its governance needs a better understanding of financialisation.

The book works with an interdisciplinary understanding of infrastructure systems that provide the services we all rely upon for our day-to-day lives. Services such as heat, light, hydration, shelter, connection and mobility enable our basic daily tasks of cooking, eating, resting, washing, communicating with each other, and moving around on bikes, boats, cars, foot, trains and trams. Infrastructure underpins and connects sites for fundamental human and social activities in the home, and places to live, learn, work and play across the world. Infrastructure is made up of inescapably geographical interconnections between people, physical artefacts,

processes, resources and services. Crucially, amidst financialisation, infrastructure is interpreted as undergoing an uneven transformation from a public good that only the state provides to a financial asset that involves state and finance actors in its funding, financing and governing.

The book makes three main contributions. First, it provides a geographical political economy of financialising urban governance and infrastructure. Financialisation is understood as a socially and spatially variegated process (Strickland, 2016). It is designed, negotiated, contested, managed, and regulated by multiple national and local state, quasi-state and financial actors. As a process, it unfolds unevenly in particular geographical, temporal, political-economic and institutional settings. Rather than passive and inactive, these contexts are both causal *and* constitutive in shaping how, why, when, where, and with whom the financialising process operates.

Importantly, these settings reveal where financialisation has not proceeded and where it has been attenuated and blocked. Inter-relations between the agency of the actors involved in these situations shape the reach and nature of whether, how and where the financialisation process unfolds. The introduction of the idea of city statecraft as the art of city government and management of state affairs and relations with multiple actors and their geographies provides a way of capturing and explaining financialisation as this socially and spatially variegated process and its shaping by the participating actors. This understanding directly challenges the sometimes overly-totalising and aspatial notions of financialisation deployed as all-encompassing and catch-all explanations at the root of each and every change. Such accounts lack specificity on the relations, logics, processes and practices involved that mediate the unfolding of the financialising process in certain temporal,

spatial and institutional circumstances (Peck and Whiteside, 2016). Financialisation cannot be meaningfully deployed as a conceptual and theoretical edifice designed to fill the gap where identification and explication of actors, relations, rationalities, processes and geographies should sit. Such critical engagement with the financialising of city statecraft and infrastructure underpins a more grounded and measured conception of financialisation-in-motion that recognises its social, spatial and institutional constitution, unevenness, implications, and limits (see, for example, Aalbers, 2015; Boustani, 2018; Christophers, 2019; Fields 2018; Keenan 2017; Lai, 2018; Sawyer, 2017; Strickland, 2016).

Directly addressing the relative neglect of the state as an object *as well as* agent of financialisation, the second central argument and broader contribution of the book is in critically scrutinising and illuminating how national *and* local states have been subject to *as well as* led the financialising process. The national and local state and city infrastructure have not become wholly and simply financialised by financial actors through some kind of abstract, external and remote phenomenon. Instead, public, private and hybrid actors are embroiled in a recursive process in which they are actively financialising *and* being financialised in their relations with other actors in socially, spatially and institutionally uneven ways. Recovering and adapting Bulpitt's (1983) statecraft, the new conception of city statecraft developed in the book offers a way to investigate and reveal how, where, when and why local states are engaging with financialisation or not. It enables examination of exactly how city governments are "active agents" in the process of municipal financialisation (Weber, 2010: 257). City statecraft illuminates how they are reacting and responding to the financialising relations, logics, and structures with financial actors into which they are being drawn

*at the same time* as demonstrating how they are actively searching for, (re)creating and (re)producing such connections, rationales and arrangements. Breaking with existing transformation frameworks and archetypes, conceiving of the more active and open *financialising* of city statecraft and infrastructure allows closer scrutiny of the reach, pace and pervasiveness of the process in the current episode of financialisation and the identification of its characteristics and uneven unfolding in social, spatial and institutional terms. Using this understanding of statecraft, the empirical analysis reveals the socially and spatially uneven mixing and mutating of managerial, entrepreneurial and financialised city governance in austerity and limited decentralisation across England and elsewhere in the UK.

Third, how infrastructure is funded, financed and governed explains its socially and spatially uneven provision and discloses implications for local, regional and urban development, politics and policy for cities and regions in the UK and beyond.

Financialising city statecraft and infrastructural fixes do not happen in isolation in specific urban contexts: the process and experiences are related to and sit within their national and wider international political economies. They reverberate over the longer-term, reaching far into national and sub-national political economies and intertwining the fortunes of places. City statecraft entangled in funding, financing and governing urban infrastructures are integrally related and connected through the mixing of entrepreneurial, financialised and managerial practices. Such that infrastructure fixes constructed for one city and/or city-region are intertwined with those elsewhere. The level, nature and form of such fixes condition and shape what can be done in other cities and regions in terms of their infrastructure development, politics and policies. National and local state and other actor narratives, strategies,

rationales, practices and instruments are constructed and operate in a related web. Their combined effect can be to reinforce rather than reduce geographical inequalities in city infrastructure provision especially – as with the London and its city-region in the UK case – when a nationally important and globalised city-region dominates. The risks, uncertainties and commercial/economic focus introduced into city infrastructure and its governance through financialisation reproduce, entrench and heighten such spatially uneven outcomes. The book reveals and documents the UK's spatially skewed national political-economy of city infrastructure provision and governance. Urban infrastructure fixes for the London global city-region risk undermining the UK government's attempts spatially to 'rebalance' the national economy and reduce its social and spatial inequalities. Against the geographically biased prioritisation of the London global city-region, city statecraft in the rest of the country is compelled uneasily to combine speculation, risk-taking and prospective venturing with co-ordination, planning and regulation.

Drawing from the book, this article provides the anchor for the commentaries that follow. Three wider themes are discussed: actor-oriented geographical political economy; spatialising statecraft; and, the urban, regional and local ramifications of financialising city statecraft and infrastructure fixes.

### **Actor-oriented geographical political economy**

A geographical and historical political economy provides the book's theoretical underpinning. Geography is seen as causal and constitutive and history critical



through the legacies and path dependencies that inevitably shape unfolding evolutionary pathways (Furlong, 2019). This geographical political economy is rooted in empirical studies, theoretically-informed and informing, and seeks to challenge conceptualisation and theorisation with grounded research (Pike et al., 2016). It tries critically to engage, learn from and contribute to (sub)disciplines – economics, economic geography, local government studies, local, regional and urban development, political science, spatial planning and urban studies – to craft its conceptual and theoretical framework. Explanations attempt to leaven overly-abstracted theorisations and nuance structural-functional readings directly from the workings of the political economies of capitalism to concrete manifestations. Key is breaking with ideas of financialisation as a monolithic, all-consuming, homogenising and unstoppable juggernaut. Instead, the approach develops more finely grained and measured explanations than ‘financialisation did it’-type accounts.

The conceptual and theoretical position taken underpins the reading of financialisation as a socially and spatially variegated process. This geographical political economy is *actor-oriented*: sensitive to individual and institutional agency within wider structures and the practices and work of actually doing the financialising. And, second, it is *process-based*: explaining how ‘financialisation-in-motion’ unfolds over time and space as incomplete, partial, ongoing, messy and contested amongst the actors involved. An active, incomplete and ongoing process of financialising is conceived of rather than an inactive, completed and somehow end state of *financialised* city statecraft and infrastructure. The research is as interested in where it is happening as where it is not: how, why and by whom is such financialising being attenuated, limited and blocked?

Crucially, the conceptualisation taken situates finance and financialisation in their deeper relational context rather than being bedazzled and distracted by focusing upon their surface appearances in myriad manifestations and ever-changing models, languages and acronyms. This approach sees financialisation as profoundly and inescapably geographical and historical; it enables explanation of its uneven unfolding, layering and (re)combining *on and in* a variegated political-economic and institutional landscape (Peck and Whiteside, 2016). Although differentiated in its expression in time and space, it retains generalisable characteristics that enable it to be identified as financialisation and compared across cases. Indeed, in the UK focus of the book, the contradictions and tensions between the national and local states' centralism, conservatism and risk-averse administrative culture *and* promotion of innovation and novelty as well as the lack of funding to repay the financing act as constraints on further and deeper financialisation. Central to this interpretation are distinctions between funding (paying for the infrastructure over time) and financing (organising the capital investment in infrastructure and meeting its costs) and the collision of public, municipal and commercial, private finance each with their own actors, social relations, rationales, objectives, accountabilities, frames of action and geographies.

This geographical political economy of financialisation underpins the multi-level approach and methodology for tackling the agency of multiple actors working at different scales and networks and the specificity and particularity of the critical case of the UK. 'Following the money', the aim is to understand exactly how actors attempt to turn the flows of labour, capital, materials and information enabled by

infrastructure into formats that could then be monetised and engineered into financial assets (O'Neill, 2019). As an empirical study of a single country, does it provide a more than the UK story? Yes, because it explicitly acknowledges the particularity of the UK's political economy and variegation of capitalism, it is not objectifying the case but using it as illustrative and theory-challenging, and the UK has historically been in the vanguard as a laboratory for such new ideas and experiments.

### **Spatialising statecraft**

A central task in considering the state as an object *and* agent of financialisation was conceptualising and theorising the state as a complex social relation. The geographical political economy approach taken sees the state as work in progress, constantly being (re)made as actors attempt to cohere and stabilise its structures and devise and implement its imaginaries, strategies and projects. Such a conception exposes the limits of transformation frameworks and governance archetypes, especially given their recent proliferation in 'financialised', 'asset price', 'speculative' and 'austerity' urbanisms. Bulpitt's (1983) 'statecraft' was recovered and adapted to explain the mixing, hybridising and mutating of urban governance. Why Bulpitt? He provides a useful and inspiring set of ideas but needed critique to incorporate geography, extend beyond central-local relations and encompass multiple actors beyond the state. Statecraft was complementary to actor-oriented geographical political economy in situating current change within longer-term trajectories and focusing upon actors constantly searching for governing arrangements, devices and fixes to implement their agendas and narratives. The

intentional strategies and actions of actors mix with 'muddling through' pragmatism. This renewed statecraft better handles indeterminacy and contingency to explain the complexity of the unfolding changes: local and national states forming and being formed by such deeper changes; concrete shifts bursting beyond existing and emergent typological containers.

Moving away from categorising the UK's experience in relation to the existing transformation framework, the aim is to interpret this particular instance of statecraft in geographical and temporal context. Informed by theorising conjunctural instances (Peck, 2016), in the particular moment in the UK during the 2010s, the statecraft is characterised by the informal governance of deals and deal-making. This statecraft mixes entrepreneurialism, financialism and managerialism and is generated and conditioned by the UK's centralised governance, conservatism and risk aversion and its simultaneous promotion of municipal commercialism (O'Brien et al., 2019). At other times and in other places, statecraft may have different attributes and take different forms. Their precise form is an empirical question that can be interpreted using the concept of statecraft. While cities are the focus in this book, investigating other scales and networks is possible ranging across the neighbourhood, local, city-regional, regional, pan-regional, national and supranational.

### **Ramifications of financialising city statecraft and infrastructure fixes**

Financialising statecraft and infrastructure unfolds in *and* between places. Relations and processes intertwine multiple actors at multiple scales and across networks,

changing the nature of those places *and* their relationships with other places (Deruytter and Derudder, 2019). Infrastructure funding, financing and governing arrangements have implications for whose goals and interests are addressed in territorial development, planning and service provision. How such statecraft plays out over space and time influences the geographies of infrastructural provision in profound and uneven ways.

In this geographical political economy, the implications of financialising city statecraft and infrastructure are shaped by ideological as well as economic and financial interests and rationales. Evident in the UK case is antipathy to public ownership and management, scapegoating the state for under-investment and causing the infrastructure 'crisis' and attempts to reframe infrastructure items and systems from failing public goods under state provision to potentially lucrative assets with value to be unlocked by finance. In socially and spatially uneven ways, the financialising process has been tying some local actors into contractual agreements with myriad organisations and multi-decadal time frames from which it may be costly and expensive to extricate or renegotiate as priorities and conditions change. Such changes hard-wire risk and uncertainty into local states. The spatially skewed infrastructure narrative and imperative in the UK is privileging the London global city-region as the main engine of national economic growth and tax revenue generation, reproducing geographical inequalities in infrastructure provision and framing what can be done in other places across the UK.

## **'City-fying' financial statecraft**

Philip Ashton

College of Urban Planning and Public Affairs, University of Illinois at Chicago, USA

An unfortunate undercurrent in contemporary scholarship on finance within critical geography has been to point a finger at “the state” as agent of financialization without any substantive theorization of the state as a complex social relation. This book is a curative to that, and emerging and established scholars will have much to learn from its geographic political economy approach to finance, urban governance, and infrastructure investment. Rather than emphasize finance as a process that unfolds *out there*, they adopt an actor-oriented approach that draws together new, emergent, and existing actors and practices, and connects them back to wider structures and institutions that shape their emergence and practices.

This careful approach is particularly evident in the authors' notion of *statecraft*. Following foundational work by UK political scientist Jim Bullpitt in the 1980s, this invokes an evolutionary approach to the state, one that situates experiments in financialization within a longer trajectory marked by institutional path dependencies. Here, finance in its experimental form does not suddenly appear, uniformly leveling the surface of everything that it touches; rather, it maps onto an institutional landscape inherited from highly centralized postwar Keynesian policy and reshaped by earlier rounds of devolution, financial deregulation, and privatization from Thatcher onwards. Of note in the book are sets of “decentralization devices” that slowly rolled out a variegated political landscape for experiments with local finance,

including City Deals, Growth Deals, and Devolution Deals. These often did little more than promote cost–benefit quantification and prioritization techniques to create “objective” business cases to pitch deal proposals back to national government agencies. Nevertheless, within the UK’s highly centralized governance system and its conservative, risk-averse administrative culture, these experiments mixed and mutated entrepreneurial, financialized, and managerial practices of governance to expand the flow of private capital into new spheres of policy making.

This bounded, evolutionary account challenges sweeping, a-historical accounts of financialization, and it provides a novel lens into the tensions and contradictions inherent in governing cities through finance. Within this account, private finance becomes a sphere of maneuver as states learn how to adapt public powers to these new conditions, opening novel avenues for policy action while simultaneously setting in motion new problematics and unexpected institutional trajectories (cf. Lagna, 2016). At the same time, the book only gestures at certain aspects of the financialization of city statecraft that will benefit from further engagement by critical geographers and urbanists. “Bullpitt-ian” accounts of statecraft prove strongest in analyzing central-local relations in the UK system, but in the process reproduce a somewhat formal approach to intergovernmental relations *between* institutions and a Whitehall-meets-City Hall account of financialization. This leaves open the questions of what other paths of state formation are set in motion by infrastructure financialization, and what vocabularies are appropriate to their analysis.

Here, the book opens a conversation that can connect novel institutional arrangements and inter-governmental relations in UK infrastructure policy with other

foundational accounts of state action within urban governance. For instance, city statecraft around infrastructure investment or urban redevelopment often works through complex deal-making apparatuses that encompass a constellation of other financial and non-financial actors engaged in isolating revenue streams out of public “assets,” performing valuation and risk assessment, securing collateral for complex structured finance packages, producing and circulating legal agreements, and monitoring performance and compliance. A critical concern here might be how these apparatuses transform the local state, not only by vesting public action in extra-statal networks, but by reconstructing localities as financial agents working in and through these networks. This aspect of city statecraft requires that we move beyond questions of institutional form and instead look “inside” the state itself and investigate how financialization remaps critical functions and dynamically reconfigures city powers; following Fèlix Adisson (2018: 89), the goal here would be to “uncover the manner through which the rationalities and the tools of financial markets insert themselves into the sphere of public action.” What happens to other functions, discourses, and knowledges as deal-making becomes a primary state-strategic project and localities begin to govern through new instruments, techniques, and calculative capacities? In Jessop’s terms, this casts finance not as a fixed set of “tools” that are wielded by public agents, but rather as one of “a set of practices and strategies, governmental projects and modes of calculation, that operate on something called the state” (2007a: 37).

Time is another dimension of city statecraft that might come into sharper focus through close engagement with the book. It is now commonplace within critical geography to see reliance on financial instruments as “fictitious” due to the



displacement of claims to payment onto surplus value that has not yet been created (Moreno, 2014). However, we might just as easily see that displacement as itself a form of statecraft through which different state strategic projects engage diverse temporal horizons (Jessop, 2007b). Here, the nature of experimental financialization— namely, its elevation of a nexus of private contracts as building blocks of infrastructure governance – suggests that any account of city statecraft need to account for how these governance arrangements enact protracted and time-intensive relationships between localities and a broad range of investors, creditors, and financial counterparties. The authors broach this question of the future by calling for more work on how “financialising arrangements may magnify budgetary and fiscal dependencies, or risks and vulnerabilities of the local state” (Pike et al., 2019: 277). Scholars interested in building out this aspect of city statecraft might then focus more intently on how these governance arrangements distribute uncertainty through future events ranging from the straightforward (refinancing debt, or the sale of equity interests to new owners) to the complex (insolvency or bankruptcy, operating default, or contract renegotiation). This engagement with city statecraft might more fully address the challenge from Riles (2011: 166) to approach governance through finance as “a compact for a short-term political arrangement, a kind of private constitution with a time horizon – something perhaps best analyzed alongside other short-term private and hierarchical political institutions.”

## **The craft of weakening the prospects for human fulfilment and wellbeing**

Sabine Dörry

Luxembourg Institute of Socio-Economic Research (LISER), Luxembourg

*Financialising City Statecraft and Infrastructure* is a diligent, historically derived and highly insightful dissection of infrastructure procurement, funding, financing and governance in the UK's cities. It is timely in helping to explain the dynamics and consequences that contributed to the Brexit vote in 2016. Echoed in the conclusion of this remarkable book, '[t]he fear is that in the current episode of financialisation power has shifted to financial interests, actors and markets in ways that risk [leading to] eroded democracy, increased inequality and heightened instability' (p. 286). This situation feels like we are headed toward a slow death of the wider social, cultural and political opportunities that infrastructure could provide for human fulfilment and wellbeing. It marks the importance of the book.

As a financial geographer, institutional theorist and social scientist who lives outside the Anglophone world, two points in the book intrigued me most. First, how, why and with what consequences does the local state borrow against its own, increasingly risky, future? The 'City Deals' designed to market the communities' urban infrastructure to investors can clearly be positioned alongside larger shifts in the financial system. Namely, the move from public funding to private credit-based, non-bank financing. This engagement with external financial actors strongly ties in with my second point: the convoluted relationship between the central and local state. In the UK, the nature of this central-local relation leaves little room to explore financing alternatives to overcome what the authors term the 'urban infrastructure crisis'.

First, I appreciate its explicit focus on agency and the actors' multiple, intersecting roles in the financialisation dynamics of urban infrastructure. I would, however, argue that one key group of actors fails to receive necessary attention from the authors. Big law firms play an important role in both structuring and marketing debt financing for critical, long-term and almost monopolistic urban infrastructure. They make city deals complex and appealing to investors. Law firms specialised in financial structuring pride themselves on matchmaking between the growing (alternative) private credit provided by non-bank lenders and the increasing variety of borrowers with long-term financing needs. Ironically, communities and cities are not only (lucrative) borrowers, but public and semi-public entities are emerging investors. City deals are complex legal structures with particular risk-cost (premium) profiles. They require specific and expert financial and taxation knowledge which most communities simply do not possess in their portfolio of statecraftship. Increasing demand for such deals, however, fuels financial innovation. So far, and not surprisingly, the UK and the US remain the major private credit hubs with the majority of private credit managers situated in these two jurisdictions. Further, the local state's structural need for long-term infrastructure financing coupled with the lucrativeness of this fee-based business for law firms will not only increase this unequal power relationship. It will also, *ceteris paribus*, sustain and extend the market between buyers and sellers of credit. Therefore, financialising statecraft and infrastructure begs the question of how city statecraft and a specialised finance industry will develop in a deepening, mutually reinforcing financialisation process in the future. This dynamic is problematic for local states who have been borrowing against their own future because risk is now being amplified by Brexit and the ambiguous long-term implications of the UK's leaving arrangements. The local state's intense

entanglement with both financial markets and financial actors is evident in increasingly unequal public-private power relations and in the changing narrative identified by the authors from 'cities as liabilities' to 'cities as assets'. Ironically, some of the new institutional investors in these emerging city deals are the pension funds of public institutions themselves.

Second, the book is purposefully written as an in-depth UK case study, and this decision is well justified. The authors epitomise how the challenging relationship between the central state and its statecraft with the local state entails a degree of mistrust. This relationship makes it hard for communities to explore alternative financing (and funding) arrangements to address their current urban infrastructure woes. Caught in these city deals, the 'sandwiched' local state finds itself trapped into yet another layer of power. What follows? In the – admittedly brief – concluding section the authors seek to outline fiscal policy solutions. They do so, however, *within* the UK box that may provide too little innovation for their predicament. If the diagnosis provided by the authors holds true, we need braver thinking. Continued tinkering with the plumbing of adding yet more layers to (and creating more dependencies upon) a seemingly flawed local-central governance system and tapping into the increasingly desperate capital markets' demand for 'reliable' publicly backed assets may not be the bricks that build the future. The authors rightly articulate the need for better comparison with and picking more promising solutions from other countries, a conclusion I support. Thus, shifting the beam of light to other states and contexts in search of solutions might help to encourage different ways of thinking about how to recalibrate local-central state relationships. In the current situation of transitioning towards more sustainable economies, the identification of

hybrid kinds of statecraft helps formulate funding and financing models for urban infrastructures that could be better aligned with addressing policy challenges in 'left behind places' (Tomaney *et al.* 2019). Federal states like Germany, for example, have a general planning principle anchored in its basic law to provide equal infrastructural services to each community. This commitment serves the main principle of re-integrating the weakest of society and contributing to social equity via spatial equity. It is underpinned by another principle of 'Länderfinanzausgleich', i.e., the annual financial balancing between Germany's federal states, which helps to finance this ambitious aim. Though both principles are contested due to current demographic, economic and social challenges in Germany, this moment of contestation – across many industrialised countries – may be a chance to invite deeper scrutiny of city statecraft *per se*.

This book, although designed as an in-depth case study of the UK's communities and their dealings with funding and financing their critical infrastructure, should be read widely by policymakers. European countries – such as Sweden, Denmark, Luxembourg and Germany – are still proud of their comparatively well-functioning welfare systems, city statecraft and urban infrastructure. The warning, however, is clear. With accumulating debt and social and spatial inequalities, the UK scenario might well be a situation European countries face in the near future. They had better be prepared.

## **Refining the state-finance nexus through urban infrastructure**

Karen P.Y. Lai

Department of Geography, Durham University, UK

### **Introduction**

The funding, financing and governance of city infrastructure are important contemporary issues especially in the past decade with growing demands on urban infrastructure coupled with increasingly strained municipal and national finances. In adopting a geographical political-economy approach, the book by Pike et al. on 'Financialising City Statecraft and Infrastructure' weaves a compelling analysis of city infrastructure through the complex relationships between the state, finance and collective urban provision in late-capitalist economies.

Financialisation has been a key concern in financial geography, urban studies and regional political-economy. By investigating how city infrastructure is owned, gets paid for and run for people and places, this book is a valuable contribution to contemporary understanding of how financial markets, networks and institutions are inextricably connected with urban and regional development, with important implications for understanding the role of the state and the built and lived environment of cities. In some recent work, I have been arguing for a much more substantive role of state actors and strategic state interests in analysing the unfolding and impacts of financialisation across geographically variegated settings through a state-finance nexus (Lai, 2018; Lai and Daniels, 2017). This requires much

stronger recognition and substantive analysis of the multi-scalar state as both object and agent of financialisation (Engelen and Konings, 2010; Hendrikse and Sidaway, 2014). The financialisation of different spaces, and how space, place and specific actors are mobilised in financialisation processes are shaped by shifting power geometries of financial, corporate and state agents resulting in different forms of urban and economic outcomes (Pike and Pollard, 2010; Christophers, 2019). In this context, it is heartening to see such a substantive piece of work that demonstrates these arguments and relationships so clearly and across different municipal and regional settings. In the rest of this commentary, I wish to highlight two particular contributions of the book, focusing firstly on financialisation and then on statecraft, before turning to areas for further research.

### **Financialisation and infrastructure as asset class**

While formerly framed as conventional public goods that only the state can provide, infrastructure is being constructed and framed by finance actors as an asset providing services as well as revenue streams in an investment market with global reach. Substantive demand is driven by pension funds and other institutional investors seeking higher, stronger and longer-term returns and yields, which is also driving demands for other asset classes such as 'impact investment' and 'climate finance' (Christophers et al., 2018; Ouma, 2018; Rosenman, 2019). What the book engages with is therefore part of a wider story of continuing expansion of capital across ever wider segments of economy, society and environment. These seem to be driven by seemingly benign objectives, for instance, a push for greater corporate social responsibility, accounting for environmental impacts of businesses, increasing

requirements for social impact and contribution to development goals, or to diversify investment portfolio for better long-term returns (e.g. national pension fund systems). However, the market-based logics that underpin such objectives often drive financial actors to incorporate ever greater segments of social life and physical environment into the realms of financial accounting. The 'assetisation' of formerly non-economic or non-financial realms often leads to substantive changes to their operations, objectives and deliverables, to the service of financial markets and actors (asset owners), rather than the users themselves.

On the other hand, it is also too tempting to paint 'financialisation' as the culprit, when there is often limited viable alternative solutions to, for instance, infrastructural provision and urban amenities during periods of economic decline and political crises. The focus should therefore not just be about flogging financial institutions and actors for their sins but directing greater attention and efforts towards capacity building of national and local institutions, governance structures and community initiatives in ways that would empower local stakeholders to identify the goals of urban and regional development and seek feasible means of achieving those goals without being held hostage to other priorities (be they financial or otherwise).

In this respect, the book develops meaningful and more finely tuned distinctions between municipal and public, commercial and private finance, and funding and financing. These new categorisation and typologies open up formerly discrete categories of 'finance' and 'state', which will be useful for further empirical research and more realistic conversations and assessment regarding urban infrastructure financing and governance.



## **The concept of 'statecraft'**

Another key contribution of the book is in pushing forward the idea of city statecraft as the art of city government and management of state affairs and relationships with multiple actors and their geographies. This is a particularly insightful and grounded way of mobilising financialisation as being socially and spatially variegated processes shaped by the participating actors (see Pike and Pollard, 2010). In doing so, this foregrounds more actor-driven and state-focused explanations that are embedded in socio-spatial relationships, which constitutes a deeply geographical approach to financialisation and city infrastructure.

I particularly like the term “financialisation-in-motion”, which highlights its fluidity, uncertainty and unevenness, and also the related emphasis on the multi-scalar state in terms of how the agency of state actors (and their capacities to negotiate and act in certain ways) necessarily differ across multiple geographical levels and units. This is vital for understanding the ways in which the processes and outcomes of financialising city infrastructure unfold in real urban and political-economic settings.

Another contribution of the book is in moving beyond the archetypes of managerial urbanism, entrepreneurial urbanism and financialism to put forward an integrated understanding of financialising city statecraft and infrastructure. This is nicely encapsulated in a table on p. 74, which details different modes of local state and infrastructure financialisation. The explanatory focus is therefore not only about the “hollowing-out” of the local state through privatisation and outsourcing or “filling-in”

through insourcing and internal ownership and management. A refined concept of city statecraft brings together “financialisation-in-motion” and multi-scalar state in the formulation of different strategies, instruments and governance arrangements for public assets. Such conceptualisation provides useful analytical clarity beyond earlier works on managerial urbanism, entrepreneurial urbanism, that would help other researchers examine the forms, extent and nature of financialisation in variegated contexts. This is also helpful to financial geographers in understanding the state-finance nexus in more material terms.

### **Moving forward**

The book is based on intensive studies of urban infrastructure, state configurations and finance actors in the UK political-economy, and it goes without saying that further empirical cases are necessary to extend and refine some of the key arguments here regarding financialisation and city-statecraft. More comparative studies will be vital, with a wider geographical scope to encompass peripheral and struggling cities, their inter-relations with more globalised and prosperous cities and city-regions, and with different configurations of state-finance interests, in order to more fully realise the conceptual potential of this book.

In the introduction, the authors claim to examine the changing relationships between finance and urban and regional development, and implications for the built and lived environment of cities. While the book has provided strong evidence in the realm of built environment, the actual *lived* dimensions of the urban environment has

been understudied. Rather than examining the provision of urban infrastructure, future research could focus on deeper and lived accounts from *users* of these urban amenities and infrastructure (such as firms, households and public sector entities) in terms of how their everyday practices and rationalities might have been shaped or influenced through such changing configurations of urban infrastructure. That would close the research loop in an even more satisfying (and arguably, more impactful) way.

## ***Financialising City Statecraft and Infrastructure – some reflections***

Kevin Ward, Geography and Manchester Urban Institute, School of Environment, Education and Development, University of Manchester, UK

*Financialising City Statecraft and Infrastructure* is a strong addition to a small but growing field that sits at the intersection of financial, infrastructural and urban geographies. Although its focus is on the UK's financial, governmental and legal systems, the book nevertheless has the potential to have wider conceptual significance. For these are interesting times as it is argued that recent decades have witnessed a qualitative change in the inter-relationship between cities, city government and financial systems of varying geographical reach, most notably in the US but increasingly a growing number of cities across the world (Weber, 2010; Halbert and Attuyer, 2016; Shatkin, 2018).

In reading *Financialising City Statecraft and Infrastructure* a number of times my take home point is that this is a stimulating and thorough read, that draws upon a particular tradition in economic and financial geographies on the one hand, and on the other hand, that body of work in anthropology, geography, political science, public administration and sociology on the state. It uses a strong empirical basis to make some much wider points about the changing geographies of the financing, funding and governance of infrastructure. On its own terms the book has a number of aims which it then delivers on in a systematic manner. It makes a contribution across a number of fields and warrants a careful and close reading and scrutiny for all of us working on these matters. That said, there were a number of areas on

which I think there was more to say (while acknowledging that my list probably says as much about me as about the book).

First, one might argue that there has been something akin to an ‘infrastructural turn’ across some bits of the social sciences over the last decade or so (Dodson, 2017). That is not to say that the term does not have a history in disciplines such as anthropology, architecture, human geography, planning, political science and sociology. Rather, recent years has seen a growth in the term’s usage. For example, a quick look at a number of recent geography annual conferences reveals that “infrastructure” appears and reappears in the titles of papers and sessions. The intellectual energy being spent on its defining and redefining is challenging all of us who use the term to think about what we mean by the term. It also asks us to be clear on how we are using the term “infrastructure”: as an adjective or a noun or both? And for me this is one of the areas in which the book is relatively quiet. Or, rather, where perhaps the term itself is not subject to the sort of scrutiny one might expect in light of the wider critical attention it is receiving.

Second, I wonder in reading *Financialising City Statecraft and Infrastructure* what the authors see as its contribution to urban geography or urban studies. As they say in their introduction, the focus is very much on the governance of urban development. How does seeing infrastructure through the city matter for how we might understand cities? There is some really interesting work going on exploring the intersection of infrastructure and the city (Graham and McFarlane, 2015; Latham and Layton, 2019; Monstadt and Coutard, 2019). While some of this work has its intellectual origins in ways of thinking about infrastructure (hard/soft, formal/informal, private/public,

regulated/unregulated), it is clear that in re-thinking infrastructure there is also a need to rethink the urban.

Third, on the issues of funding and finance, I really like this aspect of the *Financialising City Statecraft and Infrastructure*. It is very strong at detailing the various instruments that are used by city governments – and other levels of decision-making – to generate infrastructure. And the book makes a very clear argument over how English city governments are, in a number of ways, authors of their own placement in the wider set of financial calculations, decisions, logics, rationalities, subjectivities and temporalities. Using the notion of statecraft to great effect, the book argues for a more grounded of financialization – what is termed “financialization-in-motion” (page 24). In various ways the book speaks to the well-worn structure-agency debate in the social sciences, in terms of the extent of the “wobble room” city governments have in making decisions over which of the growing number of instruments they chose to use to fund infrastructure. This is a counter-balance to some of the more extreme claims over how cities in general are disciplined by financialization. Of course, there are cities that are more likely to be on the receiving end of the sorts of process of which the book writes. I wonder whether the authors think the general framework they set out on the intersection of financing, funding and governance of city infrastructure would require any refinement to be of use to understand the particularities of the intersection of financialization and urbanisation or re-urbanization in a wider range of cities from around the world?

Fourthly, Chapter 5 writes about the English City Deals, between different combinations of city and regional levels of government and UK central government.

So the restructuring of some functions of the UK state through the formation of combined authorities, such as my one in Greater Manchester, formed through the combining of ten boroughs. I really like the chapter but I did wonder how what is being outlined and analysed relates to past work on centrally-prescribed localism, for example. So, the work on which I cut my intellectual teeth in the mid to late 1990s (Peck, 1995; Peck and Tickell, 1996), on dismantling some of the claims made by successive UK Conservative central governments over the existence of local business communities wanting to participate in urban politics.

And yet despite these four points where I think the book might have done more, *Financialising City Statecraft and Infrastructure* is a worthy addition to the area of urban economic and financial scholarship and the authors are to be applauded for their careful and details academic scholarship.

## Converting Infrastructure into a Financial Asset

Rachel Weber

College of Urban Planning and Public Affairs, University of Illinois at Chicago, USA

In 1927, the American philosopher John Dewey wrote, “The state must always be rediscovered... the belief in political fixity, of the sanctity of some form of state consecrated by the efforts of our fathers and hallowed by tradition, is one of the stumbling blocks in the way of orderly and directed change” (Boydston, 1988: 256-257). In other words, the state’s remit is never stable: the public sector may have a monopoly on infrastructure provision in one historical period, but then in another one, it may cede power to private actors to deliver the same or similar services. The authors of *Financialising City Statecraft and Infrastructure* take to heart Dewey’s suggestion to rediscover the state, tracking and explaining recent transformations in the arrangements governing infrastructure finance. There is a lot at stake: “how infrastructure is owned, run and paid for expresses the political-economy of a state’s collective provision and settlement with its citizens” (Pike et al., 2019: 270-271).

Their book provides a comprehensive inventory of infrastructure provisioning strategies in the United Kingdom in recent years. The authors employ the concept of statecraft in ways that others have used the term “governance” – i.e., to emphasize the agent-centered, diverse, and somewhat improvised nature of infrastructure finance whereby responsibilities are shared between state and non-state actors. The authors point out how the capacity for certain administrations and asset classes to



attract financial sector interest is uneven. In some cases, the central government obstructs private investment activity by providing cheap and secure forms of debt to local authorities. In others, local authorities pre-empt a potential financial partner by investing in the project itself. At other times, states are pressured into selling off revenue streams to private sector.

In our work on Chicago's experiments with long-term asset leases for transportation infrastructure, Phil Ashton, Marc Doussard, and I also observed challenges to the state's ownership and management (2012; 2016). When the legitimacy of the state to provide transport systems was challenged on ideological grounds, its holdings were viewed in a pejorative manner. Pundits complained about the public sector's poor management skills and inability to generate sufficient revenue from its own assets. The only one left to save the day, of course, was the private sector. During the early waves of infrastructure privatization, advocates promoted every asset as a glistening stockpile of exchange value capable of being unlocked, but only by private investors.

How do assets like an antiquated bridge or parking garage go from being viewed as inefficient and crisis-riven to marketed as highly desirable investments to the financial sectors? As the authors point out, on the surface, infrastructure looks like a seriously flawed commodity: the overlapping, interdependent, and costly nature of large-scale systems makes private ownership seem illogical. I would argue that the transformation of infrastructure into a "good investment" can be traced to the financial sector itself and to the availability of debt capital to purchase and operate these assets. When the cost of debt is reduced because of quantitative easing or

low interest rates, even the most problematic asset can look attractive. In the case of transportation concessions in Chicago, we found that investors like Macquarie and Morgan Stanley used financial engineering tricks to allow them to further reduce interest rates or defer payments (Ashton et al., 2012). The acquisitions looked financially rewarding because investors were able to put up very little of their own equity.

The authors point out how there has been no shortage of financing for infrastructure in the UK but that privatization there has been stymied by uncertain repayment streams. In addition to cheap debt, private investors also want predictable income streams. They want uncontested access to future tolls, fees, and tax revenues, and they want to know that these cash flows will grow. Confidence in the future arises if assets are located in growing markets or if investors possess proprietary rights to raise fees and tolls. Converting a problematic asset into one that can promise predictable cash flows often requires the state to prep the assets and make them investable. The state can exclude classes of people (like those who cannot pay the new fee schedule imposed), dampen competition (by permitting only one provider), unbundle the different services provided (transit to the airport versus transit to everywhere else), or create legal-institutional arrangements that transfer ownership and use rights of the income streams to the investors. In Chicago the municipal government helped prop up the value of privatized assets throughout the life of an extended “transaction.” The City used its planning and regulatory authority to protect investor’s income streams and prevent operator default – for example, by loosening rush-hour parking restrictions so the private owners of parking spaces could reap the benefit of additional fees.

Converting infrastructure into an investable asset also requires different sources of expertise and intermediation. The City of Chicago relied heavily on specialized underwriting boutiques to assure investors of the security of locally embedded assets (Ashton et al., 2012). They hired consultants to convert abstract risk relationships into feasibility reports, forecasts, coverage ratios, and cash flow projections, which made risks more legible to investors and therefore seemingly more surmountable. As the authors also mention, splintering governance of urban assets is expensive to govern. Consultants charge fees and transaction-related charges. In 2010 alone, Chicago paid a record \$74.7 million in fees last to banks, law firms and other businesses that helped it borrow money and arrange privatization deals.

And, still, after all that preparatory work, there's no assurance that a buy side for the asset will materialize. The authors include a chart of world's largest infrastructure investors and mention all the "dry powder" (funds raised but not allocated) sitting around in storehouses. How much of that private money is really interested in purchasing a hydropower network in Wales? More details about the specific financial partners and operators would give a sense of just how "thick" the market is for these assets and if investors were any different in terms of risk and return preferences and time horizons from the ones encountered elsewhere across the globe. "Market demand" is often a figment of the imagination, especially in the context of the great expectancy and build-up surrounding these deals. Privatization advocates may imagine a queue of investors waiting to snatch up these assets once they are released from inept public ownership and management. But they have been disappointed by the poor showing of potential bidders. And when the private market

does express interest, it can be inept, corrupt, reckless, or more interested in flipping the asset for short-term profits. The financing investors use to put together deals the purchases is often more sensitive to volatility than government sources would be, leading to ongoing negotiations between public and private actors. There are few clean breaks.

The authors admit that it is hard to judge the effects of these schemes in the present day. Infrastructure may be having its moment, but we won't know how risky or protracted these public-private partnerships are going to turn out to be or whether these schemes do a better job of improving service delivery than traditionally financed until we are still several years out. By that time, perhaps new forms of statecraft will be in play.

## Historicizing financialization and the postwar 'infrastructure ideal'

Heather Whiteside

Department of Political Science, University of Waterloo, Canada

Pike et al.'s book *Financialising City Statecraft and Infrastructure* (2019) aims to better understand financialisation and its relationship with city infrastructure and governance. Keynesian era legacies are important for Pike et al., as is how infrastructure financialization plays out in particular contexts. History and governance matter in this book, issues taken up in a most illuminating way in Chapters 3 and 4 on English city statecraft and historical layering through the wax and wane of a postwar 'infrastructure ideal'. However, I would argue that it is worth taking a step back, way back, to grasp just how unique the postwar infrastructure ideal is. Clearly a product of Keynesian thinking – that government can and should moderate capitalist slumps through public works and services – the Keynesian moment, just like the infrastructure ideal, is historically layered, too. Keynesianism does not merely fill a vacuum or step into a void. John Maynard Keynes himself, while a student at Cambridge, witnessed central government stimulus initiatives for small-scale public works through the *Unemployed Workmen's Act* of 1905.

The book selects England for eight reasons, including that it plays a lead and longstanding role in privatization and financial engineering, all of which are excellent points. I would add a ninth concern, something that does not appear in its list of justifications but which underpins contemporary infrastructure financialization: the UK

is the birthplace of capitalist thought and practice. Thus, through this short commentary, I hope to extend the horizon of historicization relevant to the postwar infrastructure ideal through a few snapshots of key evolutionary moments in British capitalism and infrastructure governance relating to roads, canals, railways, and cities.

Adam Smith rode on horseback from his home in Kirkcaldy, Scotland, to Oxford University in 1740 – the journey being described by biographer John Rae as a “serious and expensive undertaking” (Rae 1895: 63) with a return trip likely to cost over half his annual Snell stipend. What is a six-hour drive today (without gridlock) likely took the better part of three weeks in Smith’s day. Mid-eighteenth century British roads were in serious disrepair, without major investment since Roman times (this being the tail end of the feudal era with roads the responsibility of often-absentee landlords). Despite a lifelong devotion to his mother, Smith would not return home for another six years; soon after, a series of lectures given at the University of Glasgow beginning in 1751 would lay the foundation for *The Wealth of Nations*. With the need for infrastructure investment an obvious issue of the day, in Book V (1776, Chapter I, Part III: 1), Smith argues that public works “for facilitating the commerce of the society” ought to be a core responsibility of government. But how to pay for the roads, bridges, and canals that are, “in the highest degree advantageous to a great society”? Smith argues for tolls governed by trustees, rudimentary public-private partnerships that would anticipate contemporary financialization by two centuries.

Liberal theories *for* capitalism are intertwined with developments *in* capitalism. Complicated public-private arrangements and speculative financial frenzy are characteristic of financialization today just as they were of infrastructure-related developments springing from nineteenth century land enclosures and the industrial

revolution. The *General Enclosure Act* of 1801 altered feudal road obligations and prompted the creation of turnpike (toll road) trusts which, just like today, devolved into private profiteering and a series of scandals, a situation only temporarily resolved through the 1888 *Local Government Act* that granted county councils responsibility over roads.

As on land, so on water. 'Canal mania' from the 1790s-1810 saw many private fortunes won and lost through investor speculation on canal infrastructure revenues urged on by the need to move a greater quantity of goods in connection with the industrial revolution. Paul's carding machine (1748), Hargreaves' spinning-jenny (1770), and Crompton's mule (1779) may sound hopelessly quaint today, but their influence on infrastructure and finance is on par with Ford, Microsoft, and Amazon (or Laing O'Rourke, Balfour Beatty, and Bechtel).

Railway speculation was next in line, amnesia a friend of capitalism. Peaking between 1844 and 1847, and culminating in the Panic of 1847, speculative fever led to unfounded enthusiasm and inevitable collapse. Demand dropped, credit dried up, and railway shares were dumped, leaving many with worthless paper. Middle class savings were particularly hard hit. (Sound familiar?) As a writer at the time put it, "Daughters delicately nurtured went out to seek their bread. Sons were recalled from academics. Households were separated; homes were desecrated by emissaries of the law" (quoted in Wolmar, 2007: 105). The railroad business initially featured many competitors (in 1846 alone, 272 Acts of Parliament were passed to set up railway companies), but, as is the way with capitalist crises, panic nursed oligopoly. It would

take another one hundred years, until 1948, for the railway system to be nationalized, undone in one-fell-swoop through Major's 1993 *Railways Act*.

With cities expanding in the 1870s and beyond, English urban infrastructure became developed largely through what Pike et al. (2019: 104) call 'locally raised income', which would seem to suggest discordance with previous and contemporary trends. Here the book flags initiatives by industrial and civic leaders like Joseph Chamberlain in Birmingham and Alfred Waterhouse in Manchester. But how 'local' is *their* income? Chamberlain, mayor of Birmingham in the 1870s, made good on his promise that "the town will be parked, paved, assized, marketed, Gas and Watered and improved" (Kelly and Cantrell, 1997, 83), signature prowess underwritten by a business producing industrial metal screws that dominated English markets and worldwide exports. Waterhouse (whose family gives their name to the still prosperous PriceWaterhouseCoopers) duly designed Manchester Town Hall along with other important buildings serving the city. And the city, crucially, served the industrial revolution and slave trade. It is no coincidence that Britain's first railway hauled spice, cotton, and tobacco from Liverpool's port, returning with textiles and pottery from Manchester's factories.

*Financialising City Statecraft and Infrastructure* convincingly argues against easy assumptions that financialisation is (or is not) occurring. I agree and would push to extend this sentiment through greater historicization. 'Local' and 'national' in the UK must contend with a long and checkered history – the Union, British Empire, slave trade, industrial revolution, and agricultural enclosures. More than a gesture to historical context, a longer vantage point also makes clear that the Keynesian era is



an aberration in the *longue durée* of capitalist governance. Today's infrastructure issues are best thought of as capitalist problems: the long-distance circulation of commodities, endless accumulation, financial speculation, monopolization, and tangled public-private relations. The 'infrastructure ideal' emerges out of this long run mix, whether it be the capitalism of Adam Smith or John Maynard Keynes.

## What and where next?

Andy Pike, Peter O'Brien, Tom Strickland, Graham Thrower and John Tomaney\*  
Centre for Urban and Regional Development Studies (CURDS), Newcastle  
University, UK

\*The Bartlett School of Planning, UCL, UK

Building upon and inspired by the book and commentaries, rather than seeking the last word in simply responding to the points raised, several potentially fruitful research routes are evident (see also O'Brien et al., 2019). Defining and conceptualising what we mean by infrastructure is an initial priority (Ward, 2020).

Wider interest in materiality and its intersection with social worlds raises questions about existing approaches (Trentmann, 2009). These differing views are further complicated by disciplinary and professional perspectives with engineers seeing 'systems of systems' and interdependencies, economists interpreting public goods and externalities and financiers perceiving assets and revenue streams.

Appropriately historicising the evolving political-economic conjunctures that give meaning to 'infrastructure' adds further and important layers to this task (Weber, 2020; Whiteside, 2020). One promising way forward is to ask what are the differences that infrastructure's materiality makes to its financialising and governing?

Some assets and income streams are more primed for financialising than others: through the physical nature of the infrastructure, existing systems for tolling or fees and location in dense urban areas (Weber, 2020). Others require preparation by state and finance actors to interpret and translate their qualities to make them 'investable': splitting or 'unbundling' systems and services, restricting competition

through single provider (monopoly) contracting, allowing fee scheduling to exclude specific social groups and/or places and enabling flexibility in the legal personalities and geographies involved to minimise tax exposures (Pryke and Allen, 2019; Weber, 2020). Developing multi-level approaches helps to explain by *inter*-linking the micro-social through the meso to the macro and back again: for instance, inter-connecting the level and nature of revenue streams generated by an infrastructure item and its throughflows of resources and people to local government treasury management strategies to national economic and monetary policies. While an ambitious and wide research frame, it is potentially rewarding but needs cross-cutting and inter-disciplinary dialogue, methodological experimentation and international comparative work to move forward – challenging and testing its theoretical and conceptual worth in different empirical settings and geographical and temporal contexts (Lai, 2020; Ward, 2020; Whiteside, 2020).

Re-engaging the enduring political economic conundrum of the value and rent relationship is a second route ahead (Purcell et al., 2019). Much insight has been gained conceptualising infrastructures as owned property generating monopoly rents and as assets acting as receptacles for value extracted as rents by property owners (Ashton et al., 2016). Social relations, power and control are central in such political-economic accounts that investigate how infrastructure is framed and stabilised by actors to enable the creation and extraction of value and rents by commercial actors, especially validation and authority through state authority and legal means (Ashton, 2020). The infrastructure contract and deal are central as spatial-temporal fixes for actors trying to stabilise their value for rent extraction but disturbed by the ceaseless dynamics of accumulation, competition and innovation in capitalism. There is a risk,

however, that an overly strong focus upon rents privileges the owner and controller of the property rights over the infrastructure and encourages economic, reductionist and determinist accounts. Taking a wider political-economic view sees property owners as centrally important but not the whole picture. Studies have revealed how value is created by and can be extracted as rents by different actors at particular points and places of infrastructural provision: not just in the realm of formal legal ownership. Value is created in circulation (e.g. the movement of resources and people through infrastructure systems), consumption (e.g. payments for the use of services generated by the infrastructure assets as revenue streams) and regulation (e.g. authorising and protecting the rights of a business to own and operate an infrastructure system) (Ashton et al., 2016). More work is needed to flesh out how the rents and value relationship is negotiated, accommodated and structured for infrastructure in places over time between the interests and claims of multiple state and finance actors in this wider geographical political-economic frame.

A third key area is clearer theorisation of the state as a complex social relation to explain the financialising of the local state. While critiqued and adapted in the book, Bulpitt's statecraft retains some limitations as a political science conception and account of central-local government relations and party politics in Britain over a specific time period (Ashton, 2020; Whiteside, 2020). It can provide explanations of the emergent experiments and forms of financialising city statecraft and infrastructure but stands charged with being unable or struggling to understand what they mean. Missing is a deeper, more foundational theorisation of state agency to move beyond institutional form and arrangements to explain from 'inside' the state how financialisation is 'remapping' key functions and reconfiguring city powers as

local governments attempt to 'govern through finance' (Ashton, 2020). As national and local states are being remade as financial agents – what Phil Ashton calls 'statemaking' – they are taking on new roles in governing property through legal means and managing investment strategies. The research task is to understand how actors, logics and tools of commercial and/or private finance get inside the state and interact with municipal and public finance and its actors. As the book reveals, such statecraft comprises strategies, practices and projects constructed in geographical and temporal settings. It goes some way down this road in explaining deal-making as a particular governing conjuncture and changing financial roles in local government from administrative, bureaucratic and procedural to visionary, strategic and transformative; 'bean counter' city treasurers becoming senior executive Chief Financial Officers. Other paths of state formation may be set in motion by such evolutions and will deserve further scrutiny. It is potentially fruitful, then, to bring this adapted version of Bulpitt's statecraft *and* Jessop's (2007b) state-strategic project conceptions together. Jessop's theorisation might act as a way of deepening statecraft's account.

Stronger theorisation of state agency through linking an adapted version of Bulpitt's statecraft to Jessop's strategic-relation approach can help positively address the question of whether this statecraft provides an explanatory and comparative framework beyond the UK in different state settings, geographies and temporalities? (Lai, 2020; Ward, 2020). This statecraft bolsters the conception and interpretation of state actors and institutional agency to complement Jessop's more abstract conception. Multi-level approaches and methods are required, zooming in and out from micro-level valuations to macro-level geopolitical shifts and back again. Such

theoretical linkage and methodological innovation can better address statecraft by actors within *and* beyond the state too (Dörny, 2020). Covering the initial ground, the book focuses more on the state and municipal finance actors in statecraft (the supply-side of the market for infrastructure) while recognising the commercial and/or private finance actors (the buy-side of the market) including banks and infrastructure, pension, private equity and sovereign wealth funds and their institutionally and geographically differentiated appetites for risk, return and maturity (Thrower, 2018, Weber, 2020). Critical is, first, opening up the research frame to encompass key actors especially the intermediaries – such as consultancies, law firms, treasury management advisors and professional associations – as ‘carriers of financialisation’ and market makers whose knowledge and expertise is mobilised and paid for in fees in the engagement and accommodation of commercial and municipal finance. This task will require extending beyond the cast of global North productions to those in the global South such as international aid and financial institutions (Mohan and Tan-Mullins, 2019) and logistics networks and universities (Kanai and Schindler, 2019), and exploring the intertwining of financial and non-governmental actors working inside the state (Farmer and Poulos, 2019). And, second, it requires deepening the inquiry critically to look beneath and behind the rhetoric and interrogate the substance of state and finance actors’ claims about ‘market demand’, ‘value’ and ‘worth’ in the infrastructure domain (Weber, 2020).

Last as a route forward are the politics of infrastructure financialisation and alternatives. A sense of the limits and ramifications of financialising infrastructure and its governance is becoming more apparent (O’Brien et al., 2019), uncovering the slow death of potential opportunities for human fulfilment and wellbeing (Dörny,

2020). To add to this critical scrutiny, more investigations are needed of whether places get different kinds of infrastructural provision depending upon how it is funded, financed and governed. A central question is do places get the infrastructure that they can fund or that they need? Recovering and reinvigorating its collective and public dimensions, the book prompts thinking about articulating a people, rather than finance, oriented response to the wider question of 'what kind of infrastructure and for whom?' (Pike et al. 2017). Answers to which might consider aspects of the foundational economy of the infrastructure of civilised everyday life and collective consumption (Calafati et al., 2019).

The aim is to open up the politics of infrastructure to fundamental questions of scrutiny, accountability and transparency. Against informal, technocratic and post-democratic governance, a democratised and more inclusive framework for citizen engagement is envisaged. Critical is recognising and addressing social and spatial inequalities in infrastructural provision: challenging the gender-blindness of infrastructure planning and heightening its geographical sensitivity to the predicaments of certain social groups and places (Siemiatycki et al., 2019; While et al., 2016; Crisp et al., 2017). Linking to the multi-level approach advocated above, this people-centred focus necessitates closer attention in future work to the lived as well as the built environment (Lai, 2020): how people dwell in places and use the infrastructural provisioning of services and physical artefacts under different state-finance arrangements. Crafting plural responses to alternative, collective and sustainable infrastructural provision for people and places is the goal. Looking within and beyond the UK as a pioneer in neoliberal thought and the focus of the book is a necessity to inspire innovation, novelty and experimentation (Dörny, 2020; Whiteside,

2020). Ways to achieve it include: providing analysis and evidence to build capacity to devise innovative responses and new models of collective and public ownership (Cumbers, 2012); confronting the contradictions between the wider social and public goals of national and city governments and narrower economic objectives of financial actors; demonstrating pragmatism in reaping the proceeds of financialisation for progressive ends and offsetting austerity (Christophers, 2019); and, contesting the extension of financialisation to formerly non-economic or non-financial realms (Lai, 2020).



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