



Samuel Stein, *Capital City: Gentrification and the Real Estate State*, London: Verso, 2019.
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Samuel Stein's *Capital City* provides a standout guide to the contemporary political economy of urban development and housing in the United States. Aimed for both a popular audience, movement activists, and urban planners alike, Stein writes a lucid, inventive prose, lit with strident flashes. Alongside other recent surveys on the political economy of housing, particularly Raquel Rolnik's *Urban Warfare* (2019) and Peter Marcuse and David Madden's *In Defense of Housing* (2016), *Capital City* is distinguished both by its widely-gauged writing style, and its focus on the US, New York City in particular, and the role of professional urban planners.

Moreover, Stein's work stands out from many predecessors in its steps beyond the "right to the city" approach, popularized in the work of Henri Lefebvre (1968) and David Harvey (2003, 2012), and now transmuted into a thousand subspecies across the academic, activist, and NGO landscape. While this approach has inspired rich claims on the state (Attoh 2011), it has often been less focused on understanding structural power within that current, fraught state it aims to bend.

In contrast, *Capital City* extends key lessons of state theory to propose a substantial and original concept of the "real estate state". Stein argues that as major US cities deindustrialized over recent decades, real estate became the leading fraction of capital and built a wide-reaching hegemony through the state. As international investment firms and developers have reengineered cities for their profit, real estate value has grown to 60 percent of *all* global assets, and untold millions have been displaced from cities turned "threadbare". For many geographers, this theory of a state increasingly tied to spatial power will likely be particularly generative.

Although *Capital City* generally does not explicitly work through prior theoretical debates, Stein links many steps of his argument with ideas from currently prominent scholars like Ruth Wilson Gilmore, Fernando Coronil, and Fred Moten. However, the book's major

proposition of the “real estate state” has its heritage, implicitly but unmistakably, in classic works of Marxist state theory. *Capital City’s* depiction of real estate capital as a newly leading fraction in a “historical bloc” applies the Antonio Gramsci (1971) via Nico Poulantzas (1978) lineage of theory on hegemonic coalition building through the state. Ralph Miliband’s (1969) focus on the social origin and professional conditions of state officials is developed in Stein’s focus on professional planners.

These two strands find synthesis in *Capital City’s* argument that planners are central mediators in real estate’s hegemony over state and common sense alike. Stein argues that planners, despite their frequent Left bent as individuals, are structurally pressured to “make capitalist development appear to be in the rational best interest of workers and bosses alike”. The book implies planners build hegemony as they plan and justify spatial production; this and other means by which planners conjure common sense are worthy of fuller exposition. The second chapter’s succinct review of epochal schools in US urban planning will be widely useful as an introductory survey, one which ties City Beautiful and New Urbanism alike to the public planners’ bind to raise private profit. But what pressures set this bind?

To answer, *Capital City* turns to a version of Fred Block’s concept of the structural dependence of the capitalist state on “business confidence” (Block 1977), and extends it to contemporary municipal governments. In the US state, Stein argues, the municipal level is hugely dependent on property tax revenue and private investment, and thus ultimately on real estate values. No matter the hopeful intent of city officials, they quickly find they are “allowed to do little that won’t raise property values”. Municipal governments have strictly limited legal avenues to raise capital – essentially able only to take out loans from private investors, beg for dwindling federal and state funds, or scrap for investment from private developers.

This structural arrangement is a “net of finance ... that places enormous power over city governments in the hands of financiers, bondholders, and debt speculators”. Credit rating agencies further “discipline” city policy to the tastes of the investor class. When push comes to

shove, “the forces of property present only two options ... gentrification or disinvestment. ” Here is the double bind, structurally cast, of the real estate state.

Capital City's political economy is written with a consistent attention to how racial injustice is remade by the reign of real estate. Given its subtitle beginning with “gentrification”, many readers will look closely for *Capital City*'s approach to racialized oppression and displacement. Stein sums up that, in the United States, “real property has always been patterned by racism and sexism ... a force that feeds off long-standing structural inequalities”.

Yet the text alludes to an even more active, co-productive relationship between real estate and oppressions of gender and race. As *Capital City* swiftly recounts US urban development through native dispossession, redlining, racist policing, urban renewal, and recent mass evictions, it points to how racism does not “pattern” by happenstance, but is instead a systemic force actively wielded by elites for private accumulation and mass division. This evokes a further question: how does urban space, formed through racial oppression, reproduce and reshape that oppression? Although answering this question is beyond the immediate focus, Stein's work points to a potent synthesis between his approach to state and spatial production, and theories of racial capitalism from Ruth Gilmore (2002), Clyde Woods (1998), and Barbara and Karen Fields (2011), among others.

While the book claims “the hidden work of social reproduction” as a “central preoccupation of city planners”, for evident reasons of focus, it does not closely map displacement at the level of home and gendered, intimate relations. The state and spatial transformations Stein describes might be seen through new scale via Melinda Cooper's *Family Values* (2017), which studies the joint neoliberal and social conservative project to balkanize social reproduction into the realm of disciplined, normative families. As private family wealth has become increasingly crucial to social access and basic survival, how does this stratified mobility reshape urban development and political possibility? How does the ravenous spatial production of the “real estate state” work in tandem with the gendered, social control of family

relations? These questions, suggested throughout the text, are ripe for further study.

Where the first two chapters of *Capital City* deliver its central theoretical contributions and historical surveys, the third and fourth provide vivid illustrations of the principles in localized practice. Based on Stein's direct experience as a planner and activist, "New York's Bipartisan Consensus" recounts urban development under the city's Bloomberg and di Blasio administrations – a telling study in how purportedly countervailing municipal rulers come to work for real estate profit. "The Developer President" recounts the Trump family's long run on the parasitic, racist edge of real estate development. Avoiding the risk of thin topicality, the chapter offers real insight, giving a developer's-eye view of a century of US housing and urban policies – and how each could be cruelly gamed.

In the final chapter, the book attempts initial answers for "what is to be done?". Beginning with policy demands, *Capital City* calls for universal rent control, tenant protections, a slate of taxes on real estate profiteers, social land acquisition, and massive public investment in high-quality social housing. Speaking from my own experience in housing justice organizing across the country from Stein, it's meaningful that these demands are not pulled from a lone imagination, but are in increasingly wide currency as movement demands, and among Left elected officials. Less familiar, but intriguing for conversations on a Green New Deal, is *Capital City's* brief call for urban re-industrialization as a political counterweight against real estate.

This policy wishlist is compelling because it goes beyond the necessary depiction of immediate human consequences for policies, to argue how they might strengthen the long-term power of a diverse urban working class. Stein argues for seeing certain reforms as "grooves carved into the state's institutional materiality", a phrase atypically dense for the text, but which summons Gramsci's (1971) "trenches" in the "war of position" and Andre Gorz's (1968) "non-reformist reforms" as it offers a key criteria for targeting demands. *Capital City* proposes its policies as structural victories towards cities organized on the principles of socialized land and richly democratic planning.

But how could such sweeping demands and principles practically be achieved? On the question of strategy, *Capital City* opts for a mass politics with plural forms, finding necessary power to be built in labor unions, tenant organizations, and direct occupations of land and housing. At its greatest stretch, this pluralism offers something like a halfway version of *Endnotes'* (2013) "post-productivist" focus on tenant power, when he claims that municipal dependence on real estate profit gives the rent strike structural leverage "just as" labor's leverage to strike at logistical chokepoints.

Capital City's claim of strategic equivalence for tenants and workers raises more questions than are answered. Does paying rent carry the same kind of structural power as creating surplus value through labor? Are restive tenants in hot rental markets not more easily replaced by the landlord, compared to the challenge to a boss of replacing workers with rare skills and relationships? Compared to unionized workers whose steady paychecks feed a strike fund, how could tenants become as structurally prepared to bear the potential legal costs of rent strikes, retaliatory evictions, and sustained battle with their landlords? Does real estate hegemony in municipal governments make them particularly entrenched against direct claims by tenants, as opposed to less frontal lines of attack? Following the earlier sections' incisive dialectical method, prying the tensions and contradictions of political economy, this strategic argument deserves more development in its vision of leverage at the site of consumption and social reproduction.

Recent scholars of social reproduction organizing point to a promising way forward. Instead of finding a separate but equal power in the spheres of production and reproduction, these strategists identify a specific, interdependent relationship for the two. Considering the 2012 Chicago teachers' strike, Jane McAlevey's *No Shortcuts* (2016) and Tithi Bhattacharya's "How Not To Skip Class" (2015) argue that unionized, formal workers *do* have unique leverage in their ability to strike on productive labor. But it is formal *reproductive* workers with a further form of leverage, who can use their working relationships with a broader community to become a fulcrum in a communal fight for just social provision. This strategy has served well in the

historic US teachers' strike wave since 2018, and in nationwide fights for safe hospital staffing, Medicaid expansion, and Medicare for All driven by healthcare workers.

How this labor-centered strategy could translate to fights for socialized housing and planning remains a critical question – one that *Capital City's* lucid and innovative political economy of the “real estate state” could greatly help to answer. Such further testing at the crucible of strategy could, in turn, strengthen the theory of state. After all, Poulantzas' and Miliband's state theories became most nuanced and convincing when they turned – as participants and interlocutors – to the concrete strategic challenges in Chile, Portugal, France, and Italy in their era (Miliband 1973; Poulantzas 1979, 2008).

If any crucial part of the current urban conjuncture is left beyond *Capital City's* scope, it may well be the climate crisis. Combining Stein's “real estate state” with analyses of urban risk and spatial devaluation through climate change, such as those by Leigh Johnson (2015), Nathan Sayre (2019), and Ashley Dawson (2017), might pry open important new contradictions in this vulnerable political economy. If the new hegemony is founded on real estate, and real estate is increasingly wracked by climate devastation, then what new openings and perils lie in store for our strategy forward?

Capital City makes landmark contributions for theory, teaching, and housing movements alike. We can eagerly await sequels and retorts that test these insights in struggle, across the gutted and gated battlefields real estate has made of our cities.

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