The Lecture Contains:

- **Henri Lefebvre**
  - The city and the 'general law of capitalist accumulation'.
  - Circuits of capital.
  - 'Abstract and Social space'

- **David Harvey**
  - Second Circuit of Capital and other social factors
  - A global view of metropolitan development

- **References**
The concept of **uneven development**, as developed by Karl Marx, has been applied by the theorists of the socio-spatial school in order to explain the city building process. According to Marx, a major contradiction of capitalism lies in the simultaneous emergence of concentrations of wealth and capital, on one hand, and poverty and dispossession, on the other. This ‘**general law of capitalist accumulation**’ as Marx termed it, highlights the capital-labour conflict. It was in the 1970s that the Marxian tradition was revived in urban sociology. In this lecture we will discuss the socio-spatial approach as developed in the works of Henri Lefebvre and David Harvey.

From this perspective the capitalist mode of production was based on a spatial dynamic. Urban analysis was influenced by the work of Henri Lefebvre for whom the unevenness in accumulation and ownership is expressed spatially in terms of inequalities in the residential pattern and in the provision of urban services. Lefebvre dealt with the organization of space as a material product, delineating the relationship between social and spatial structures of urbanism. Edward Soja summarizes the socio-spatial dialectics in the following way: **“The structure of organized space is not a separate structure with its own autonomous laws of construction and transformation, nor is it simply an expression of the class structure emerging from the social (i.e. aspatial) relations of production. It represents, instead, a dialectically defined component of the general relations of production, relations which are simultaneously social and spatial.”**

---

1Edward W. Soja 1980
Henri Lefebvre

Lefebvre’s accomplishments can be viewed as encompassing four major areas:

1. He went back to the work of Marx and Engels and showed how it was possible to use economic categories such as capital investment, profit, rent, wages, class exploitation, and uneven development in the analysis of the city. Thus he argued that the city development process was as much a product of the capitalist system as anything else.

2. For Lefebvre social activities are not only about interaction among individuals but about space as well. Social activities take place in space. The city building process creates certain space. Places produced by similar social systems tend to resemble each other, such as the close resemblance of suburbias in California or Australia will resemble each other.

3. Lefebvre had shown that Karl Marx’s work on the city was limited and he introduced the concept of circuits of capital pointing out that real estate is a separate circuit of capital.

   The buying and selling of land, whether it is developed or not, is a major force in the production of space. Capitalism is not only what happens inside the industries but it extends its relations of profit-making to the ownership of land and its market turned that asset into ‘real estate’. Agricultural land’s value depends on how fruitful the location is for the production of useful products. The value of urban land, in contrast, is entirely contained in its attributes of location. It has little intrinsic value, unlike farmland, except for its potential as a place where societal activities can occur. Consequently urban land acquires its value in part through society. Its worth depends on the collectivity. For example, it is possible to buy a piece of property within a city or suburb, just hold it while other pieces of property are developed, and then sell it at a higher price than bought without making any improvements at all. The greater price obtained is the product of collective societal activities in the adjacent area.

   In other words, the valuation depends on the collective action of others.

   The collective component of metropolitan real estate’s value is privately expropriated in a capitalist society. This is the basic contradiction of capitalism. Some of the value is recovered through taxation. Property taxes are one of the main sources through which the school system is maintained in capitalist societies. Real estate under capitalism is the most powerful factor influencing the shape of metropolitan regions.

4. The primary circuit of capital is production of commodity. For example, an investor of capital uses money for hiring of workers and the production process in the factory and then sells the goods in a market for profit. Much of the wealth created in capitalist society is of this type. But for Lefebvre there was a 'second circuit of capital' that is real estate investment. For example, the investor in land chooses a piece of property and buys it; the land is simply held on to or is developed into something else. It is then sold as housing project or real estate market.
The circuit is completed when the investor takes the profit and reinvests it in more land-based projects. It was seen in the USA that investment in land was an important means for the acquisition of wealth. But at the same time, investment in real estate pushed the growth of the cities in specific ways.

5. Finally, Lefebvre discussed the role of government in space. The state uses space for social control. Government will place police stations and fire stations in such a way that they are always close to the people and respond to distress. The state controls a large amount of land and utilizes it in its administration of government. It dispenses resources and collects taxes according to spatial units. For example, the upper class areas will have civic amenities.
The important point that Lefebvre makes is that the way investors, businesspeople and the state thinks about space is according to its abstract qualities, that is, in terms of profit. This is called ‘abstract space’. At the same time, people use the space of their environment as a place to life. Lefebvre called this interactively used space of everyday life ‘social space’. Thus the uses proposed by government and business for abstract space, such as in the planning of a large city or suburban development of new houses may conflict with the existing social space, the way residents currently use the space. Lefebvre said that the conflict between abstract and social space is a basic one in society apart from that between classes. So he departs from the Marxian perspective that holds class conflict as the basic force in the history of capitalism.

Lefebvre Henri (1974) argues that space is not neutral and passive. Space is produced and reproduced and thus in a class divided society it represents the site of struggle. Moreover, all sorts of different spatial phenomenon—region, land, territory, site, and so on—should be understood as part of the same process of spatialization. This comprises three elements:

First, there are ‘spatial practices’. These range from individual routines to the systematic creation of zones and regions. Such spatial practices are over time concretized in the built environment and in the landscape. The most significant spatial practices are those of property and other forms of capital. Second, there are representations of space, the forms of knowledge and practices that organize and represent space, particularly through the techniques of planning and the state. E.g. monuments at the heart of the city. Third, there are collective experiences of space. In other words, these spaces of representation are experienced by the people. As Andy Merrifield points out, “Left unchecked, a market and for profit system always and everywhere flourishes through the abstract conceived realm.”

It could be said that by using spatial analysis Lefebvre was offering a critical analysis of modern capitalism.

\[\text{Merrifield 2002: 90}\]
David Harvey

David Harvey a Marxist geographer was influenced by Henri Lefebvre’s writings on the urban analysis of Marx and Engels. He explains the complex process through which profit is made from the real estate in urban context.

First, he points out that urban development is not a monolithic process of growth. The ‘second circuit of capital’ is composed of a variety of arrangements, each with its own set of social factors, conflicts, and possibilities in determining the level and quality of investment in real estate.

Second, the second circuit of capital consists of a combination of private financial institutions, community banks and assorted government programmes that support housing in different ways. Thus, real estate is not a pure case of private enterprise but involves the government in direct ways.

Third, it was found out that the housing market discriminates against certain social groups such as in America it is the African Americans. Inner-city African Americans have it the worst. They must finance most of their transactions by cash payment since banks will not lend to them. Only the middle and upper classes have free access to loans.

Finally, the discrimination against the poor and the African American people is also revealed in the data on government-sponsored insurance. Inner-city and ethnic areas cannot obtain such support. In short, the real estate market reinforces the inequities and uneven development of the society.

Harvey took a detailed look at the capitalist class and how it made money within the space of the city. He said that those who are involved in primary circuit of capital (manufacturing and commerce) are interested in location within the urban environment and in reducing their costs of manufacturing.

Capitalists in the second circuit hold a different set of priorities relating to the flow of investment and the realization of interest on money loaned or rent on property owned. These differences are reflected in the different ways capital investment circulates within the two circuits.

Whereas investments in factories is often located in places with cheap housing, capitalists in the second circuit often refuse to invest in poorer areas and seek out only the higher-rent districts of the city. As a consequence, areas of the city can become run-down and abandoned not because of the actions of industrial capital but because of actions taken by investors in real estate. In the Baltimore study, both suburbanization of the population and central city decay were linked to the priorities of the second circuit of capital, assisted by government programmes. Thus according to Harvey the built environment under capitalism serves production, circulation and consumption.
According to Gottdiener and Hutchison whose analysis has been followed above, this new urban sociology is better equipped in understanding the current trends in the changing urban skyline. Economic factors such as flow of real estate investment and the changing structure of manufacturing in a global system affect the socio-spatial features of daily life. The socio-spatial approach can be distinguished by the following characteristics:

**First**, it considers real estate development as the leading factor of changes in the metropolitan region.

**Second**, the socio-spatial approach considers government intervention and the interest of political will in growth as a principal factor in metropolitan change. Traditional urban ecology and other approaches ignore the role of government.

**Third**, the socio-spatial approach takes a **global view** of metropolitan development. Most local areas today are tied to the activities of multinational corporations and banks. Changes in the way they invest affect every resident. By emphasizing global economic changes, however, the socio-spatial approach also seeks to understand how local and national factors interrelate with international links. It also explains regional development better. The railroad tycoons competed with one another by building the infrastructure that opened up the great landmass of the USA to development but they also established towns and developed real estate as they went along. Finally, over the past several decades, we have seen that the shifts to suburbia and the Sunbelt were fueled in part by the phenomenal expansion of the single-family home industry and the development of lands outside the large central cities of the Northeast and Midwest.

City should be studied from a **historical** perspective, whereas the theories of urban sociology mainly look at the modern industrial city. It should also be **comparative**. Cities did and do exist at different times and in different places. The nature and characteristics of different cities need to be explained and the theories of urban sociology need to take care of these variations.
References


Further Reading


