Unwinding Privatization:  
(Re)municipalism and the Public Interest

University of Illinois at Chicago  
Zoom Conference  
December 10, 2021

The purpose of the conference is to examine responses to failures of privatization in cities, especially in the United States and Europe, and what to make of those responses. Since the 1970s municipalities have sold public assets such as water, electricity, gas, waste systems, and transport, to private companies or else transferred the management or delivery of city services to private actors. The results have been at best mixed. Of late, municipalities have been cancelling contracts, letting them expire or repurchasing the resource systems, sometimes as mandated by public referendums. On other occasions, private firms proved either unwilling to bid for a contract or canceled contracts early. This state of affairs has been variously characterized as “re-municipalization,” “new municipalism,” “in-sourcing,” “de-privatization,” and “reverse privatization.”

The conference examines: Which actors, institutions, and forms of finance, enable cities to take ownership of an asset or service previously outsourced or privatized? How sustainable are these controversial activities and what are their wider consequences? What explanations best account for these policy directions? What outcomes are missed by posing a private-public binary? What are the levels of power in the political system that facilitate the local “capacity to act”? What do (re)municipalizations portend for the future?

The event is free, but registration is required to attend. Register at go.uic.edu/MuniConference

Organized by Alba Alexander (UIC, Political Science), Larry Bennett (DePaul University, Political Science), Evan McKenzie (UIC, Political Science) and Michael Pagano (UIC, Public Administration).

Cosponsored by UIC Department of Political Science, Great Cities Institute, Institute for the Humanities, and College of Urban Planning and Public Affairs.
CONFERENCE SCHEDULE

Welcoming Remarks. Evan McKenzie, University of Illinois at Chicago
8:55-9:00 AM CST

Panel One. Origins of Municipalism: Historical and Conceptual Lessons
9:00-10:25 AM CST

Chair. Alba Alexander, University of Illinois at Chicago
Gail Radford, State University of New York at Buffalo
The Myth of American Hostility to Public Enterprise
Marco Rosaire Rossi, University of Illinois at Chicago
The Failure of the “Failure of Regulation”
Richardson Dilworth, Drexel University
Suburbanization, (Re)municipalization, and the Right to Water
Destin Jenkins, Stanford University
The Shared Logic of Municipalism and Privatization

Panel Two. Capacity to Act: Legacy and Impact of Privatization in Cities
10:30-11:55 AM CST

Chair. Evan McKenzie, University of Illinois at Chicago
David McDonald, Queens University, CA
Legacies that Bind: Opportunities and Constraints of “New” Forms of Public Service
Gregory Pierce, University of California, Los Angeles
Beyond the Strategic Retreat? Explaining Urban Water Privatization’s Shallow Expansion
Heather Whiteside, University of Waterloo
Canadian Public Land Sales and UK PFI Handback: Contradictions and Opportunities
Todd Swanstrom, University of Missouri, St. Louis
Suburbanization as Privatization: The Future of the Public City

Keynote Speaker. The Honorable Dennis Kucinich
12:00-12:45 PM CST

Moderator. Michael Pagano, University of Illinois at Chicago
Panel Three. De-Privatization in Cities: Resistance and Adaptation
1:00-2:25 PM CST

Chair. Larry Bennett, DePaul University
Andrew Cumbers, University of Glasgow
Remunicipalisation, Neoliberalism and the Return of the State
Timothy Moss, Humboldt University
The Many Faces of Municipalisation across Berlin’s Turbulent History
Emanuele Lobina, Public Services International Research Unit, University of Greenwich
Remunicipalisation versus the Zombie: A Taxonomy of Policy Containment Strategies
Germà Bel, University of Barcelona
Remunicipalisation: Are we Heading to a New “Progressive Era”? 

Panel Four. Toward (Re)municipalism? The Future of Urban Public Services
2:30-3:55 PM CST

Chair. Jefferey Sellers, University of Southern California
Mildred Warner, Cornell University
Pragmatic Municipalism: Understanding Trends in Local Government Service Delivery
Rachel Havrelock, University of Illinois at Chicago
The Price of Water, Climate Change, Remunicipalizing Utilities
Nelson Lichtenstein, University of California, Santa Barbara
Sectoral Bargaining on the State and Municipal Levels: Revisiting a Progressive Idea
Dennis Judd, University of Illinois at Chicago
The American Municipality and the Eclipse of Local Democratic Governance

Closing Remarks. Larry Bennett, DePaul University
SPEAKER BIOGRAPHIES

Alba Alexander. Clinical Associate Professor of Political Science, University of Illinois at Chicago. Her most recent publication is (co-edited with Dennis Judd and Evan McKenzie) Private Metropolis: The Eclipse of Local Democratic Governance (2021).


Larry Bennett. Professor Emeritus of Political Science, DePaul University. His books include The Third City: Chicago and American Urbanism (2015) and the co-edited Neoliberal Chicago (2016).

Andrew Cumbers. Professor of Political Economy, University of Glasgow. Editor in Chief, Urban Studies. He holds a European Research Council Advanced Grant on “Global Remunicipalisation and the Post-Neoliberal Turn” and is the author of Reclaiming Public Ownership: Making Space for Economic Democracy (2012).

Richardson Dilworth. Professor and Department Head of Political Science Drexel University. His latest publication (co-edited with Timothy Weaver) is How Ideas Shape Urban Development (2020).

Rachel Havrelock. Professor of English, University of Illinois at Chicago. She directs the UIC Freshwater Lab concerned with the Great Lakes and environmental justice. She is the author of The River Jordan: The Mythology of a Dividing Line (2011).

Destin Jenkins. Assistant Professor of History, Stanford University. Stanford University. He is the author of The Bonds of Inequality: Debt and the Making of the American City (2021) and co-editor (with Justin Leroy) of Histories of Racial Capitalism (2021).

Dennis Judd. Professor Emeritus of Political Science, University of Illinois at Chicago. He is the author or editor of numerous books including (with Costa Spirou) Building the City of Spectacle (2016) and Private Metropolis (2021).


Nelson Lichtenstein. Distinguished Professor of History, University of California, Santa Barbara. He is the author or editor of sixteen books. His most recent book (co-edited with Gary Gerstle and Alice O’Connor) is Beyond the New Deal Order (2019).

Emanuele Lobina. Associate Professor, Public Services International Research Unit, University of Greenwich. He has researched the remunicipalisation of water services in the global North and South for more than 20 years. He is the co-editor (with Satoko Kishimoto and Olivier Petitjean) of Our Public Water Future: The Global Experience with Remunicipalisation (2015).

David McDonald. Professor of Global Development Studies, Queen’s University, Canada. He is Director of the Municipal Services Project. He is the author or editor of numerous books including Making Public in a Privatized World: The Struggle for Essential Services (2016) and Rethinking Corporatization and Public Utilities in the Global South (2014).

Evan McKenzie. Professor and Head of the Political Science Department, University of Illinois at Chicago. He is the author or editor of several books including Privatopia and Private Metropolis (2021).

Timothy Moss. Senior Researcher at the Integrative Research Institute on Transformations of Human-Environment Systems at the Humboldt University of Berlin and Honorary Professor at the Leibniz University Hannover. He is the author of Remaking Berlin: A History of the City through Infrastructure (2020).

Gregory Pierce. Codirector of Luskin Center for Innovation, the University of California, Los Angeles. and the codirector of the UCLA Water Resources Group. He is also a faculty member in the UCLA Department of Urban Planning. He has numerous peer-reviewed journal articles and major research reports.


Marco Rosaire Rossi. Ph.D. Candidate in Political Science, University of Illinois at Chicago. His research focuses on American municipal socialism movements in the Gilded Age and Progressive Era.

Jefferey Sellers. Professor of Political Science and International Relations and Spatial Sciences, University of Southern California. He is the author or editor of several books including most recently Multilevel Democracy: How Local Institutions and Civil Society Shape the Modern State (2020).


Mildred Warner. Professor in the Departments of City and Regional Planning and Global Development, Cornell University. Her work, based on comprehensive national databases of local government, is widely published in top academic journals. Her theory of pragmatic municipalism describes the range of behavior found across U.S. local governments.

Heather Whiteside. Associate Professor of Political Science, University of Waterloo and Fellow at the Balsillie School of International Affairs. She has published several books on the political economy of privatization, including most recently Varieties of Austerity (2021).
ABSTRACTS

Panel One. Origins of Municipalism: Historical and Conceptual Lessons
Gail Radford. State University of New York at Buffalo

Title: The Myth of American Hostility to Public Enterprise

Widespread efforts to establish publicly owned and operated municipal services in the late nineteenth and early twentieth century U.S. are commonly thought to have faltered in the face of America’s allegedly pro-capitalist political culture. However, ideology does not explain why U.S. cities did not move toward what one Progressive writer termed the “self-owned city.” Proposals for municipal economic activity proved popular with the public in cities such as Milwaukee, Schenectady, Chicago, Detroit, New York City, and Cleveland. In some places, voters elected socialist mayors or city council members. In others, particular proposals for municipal enterprises garnered strong support.

The significant barriers were legal and financial. For a long time, judges insisted on an extremely narrow definition of legitimate public activity. Even after courts became less antagonistic toward government activism, stringent constitutional and statutory restrictions on borrowing (which exist into the present) made it practically impossible for cities to raise the capital necessary to set up agencies that could produce goods and services for public use within the framework of general-purpose government. The obstacles led to a massive detour – the public authority. The circuitous route and unfortunate destination of that detour is a long story, not to be told here. But a consequence is that to pursue re-municipalization means not just countering outright privatization and outsourcing, but also the devolution of municipal and state purposes to public authorities.

In any case, the historical record, reinforced by the political success of people like Bernie Sanders and my home city’s India Walton, suggests that Americans are pragmatic and situational, and willing to back public enterprise when it looks like a good way to meet public needs. The record also suggests that success in re-municipalization may depend less on changing hearts and minds, and more on analyzing and overcoming organizational and institutional obstacles.

Marco Rosaire Rossi. University of Illinois at Chicago

Title: The Failure of the “Failure of Regulation”

In 1910, the Milwaukee Social Democratic Party was swept into power. For two years, the socialists in Milwaukee had complete control of Milwaukee’s city government, the school board, and the county government, along with several party members in the state legislature. Despite this political authority, the socialists found it challenging to enact their primary objective: the municipalization of Milwaukee’s economy. To understand the Milwaukee Social Democratic Party’s failure to realize its goals, this paper will examine the guiding ideology of the party, known as constructive socialism, and how it functioned within the confines of Milwaukee’s municipal government. Specifically, it will explain how municipalization faced four main obstacles: lack of home rule authority; municipal debt; lack of progressive taxation options; and political will among the population. To deal with these obstacles, the socialists took a gradualist approach to municipalization, choosing to municipalize only a few minor enterprises, and often focused on various forms of pseudo-municipalization. These included aggressive franchise enforcement, the implementation of social efficiency policies, and the creation of community forms of collectivization. The experience of the Milwaukee Social Democratic Party demonstrates that even with political leaders dedicated to municipalization, it is difficult for municipalities to successfully take ownership of industries unless legal, political, and economic preconditions exist.
Richardson Dilworth. Drexel University  
**Title: Suburbanization, (Re)municipalization and the Right to Water**

The current global trend toward remunicipalization is most pronounced in water utilities, and I therefore focus here on water in telling a story of how the distinction between public and private municipal service provision has evolved over time. There are six points I make in my story. My first point is that the very meaning of this divide has changed over time. For instance, there emerged in the nineteenth century a division between larger cities served by municipally-owned waterworks and smaller suburban communities served by private companies, yet many of those private water companies operated more like cooperatives, even if they were not identified as such.

My second point is that the early distinction between private water providers in the suburbs and municipal waterworks in larger cities was not only a self-reinforcing process, but one in which private water provision became culturally suburban as it was increasingly associated with independence from the central city, which often used its water supply to compel annexations. Third, the extent of the distinction between suburban private water providers and central city municipal waterworks depended in part on geography and early infrastructure investment. For instance, I suggest that one reason the largest American water company emerged from the suburbs of Philadelphia is because that central city never built an aqueduct system such as that which supplied New York City. The spatial and physical determinants and dynamics of the public-private distinction in water lay the groundwork for my fourth point, which is that corporate consolidations in the private water sector can also be conceived of as a despatialization of water in the sense that suburban water, though it was typically drawn from some local source, came increasingly to be provided by companies that themselves had no concrete spatial identity. By contrast, water provided by the municipal governments of big cities remained distinctly grounded in a unique space of ownership. Fifth, the corporate control and despatialization of suburban water set the groundwork for understanding water as an abstract human right devoid of spatial constraints – as the United Nations declared in 2010 – and one that was most often deployed specifically against the corporate control of water.

Finally, if in the nineteenth century private water companies were often small-scale cooperatives that provided the means for suburban water companies to stay independent of predatory political machines that controlled big city waterworks, by the turn of the twenty-first century it was central city municipal waterworks that were being preyed upon by global water companies, the primary customers of whom were mostly in the suburbs (at least in the United States). The fact that the very political meaning of the public-private divide in water provision has reversed itself over the course of two centuries suggests the limits to any explanation that simply sees recurrent “cycles” of privatization and municipalization.

Destin Jenkins. Stanford University  
**Title: The Shared Logic of Municipalism and Privatization**

This paper concerns the stories we tell about municipalism and privatization; it considers the suffocation of key inflection points, the elision of entire fields of study, and the consequences of deracialized emplotments for comprehending the sale of public assets and private management of city services. The paper also ruminates on that which connects municipalism and privatization—white supremacy—even as it presents the moral case that, if municipalism and privatization are tools of urban governance, only municipalism holds the promise for multi-racial democracy and the equitable distribution of resources and life chances. Finally, it presents and considers the implications of a counternarrative for addressing the questions at the heart of this panel: how were
municipally-owned enterprises pursued, enacted, and stunted? To what extent did the defiant, segregationist rejections of municipalism at mid-century—arguably one form of privatization—set the stage for the privatization schemes of the late twentieth and early twentieth centuries?

Panel Two. Capacity to Act: Legacy and Impact of Privatization in Cities
David McDonald. Queens University, CA

Title: Legacies That Bind: Opportunities and Constraints of “New” Forms of Public Service
One of the most potent legacies of the privatization era has been the heightened commodification and commercialization of essential services such as water, health care and electricity. These deep ideological and institutional shifts are sometimes hidden and overlooked in the struggles to de-privatize, resulting in new “public” services that may be organizationally different than their private sector predecessors, but which operate much the same in terms of practical outcomes and philosophical orientations. This paper provides a broad global overview of the impacts of commercialization, highlighting the potential traps left behind for progressive forms of municipalization as well as the opportunities provided for creating a substantially different counter-narrative on the future of public services.

Gregory Pierce. University of California, Los Angeles
Title: Beyond the Strategic Retreat? Explaining Urban Water Privatization’s Shallow Expansion
This paper explains changes in the literature on urban water privatization in low- and middle-income countries and demonstrates the need for a revised research agenda. Since the Great Recession, privatization practice has subtly evolved, but scholarship has been slow to follow. This period of shallow growth is characterized by phenomena that have gone largely understudied: direct negotiation between private firms and cities, the greater role of domestic firms, privatization by coproduction, and a new geography. This study proposes a typology for planners to assess whether and where different forms of privatization may enhance water service in this new era.

Heather Whiteside. University of Waterloo
Title: Canadian Public Land Sales and UK PFI Handback: Contradictions and Opportunities
Two cutting-edge initiatives currently unfolding in Canada and the UK add new dimensions to the privatization debate and challenge conventional (critical) analyses of alternatives to privatization: i) the sale of Canadian urban public land to First Nations collectives; ii) remunicipalization from above through UK Public Finance Initiative (PFI) handback. Examining these developments for their contradictions and opportunities, here I query the extent to which these initiatives represent progressive alternatives for cities shucking off legacies of dispossession, or whether they are instead ushering in new forms of urban inequality.

Todd Swanstrom. University of Missouri, St. Louis
Title: Suburbanization as Privatization: The Future of the Public City
In many ways, suburbanization has been not just a flight from cities but a flight from expansive government and extensive public commitments. In the early twentieth century the progressive movement helped to build up city governments as major providers of public goods and services. Cities competed to provide the most robust public good and services, including public health, public transit, parks, sanitation, roads, and street lighting. Suburbanites fled cities in part to escape paying high city taxes, especially if those tax revenues were going to be used to pay for public goods and services shared by people who looked different from them. Suburbs promote a
privatized lifestyle which depends on the automobile over public transit and accessing many goods through the market rather than government – think private swimming pools over public pools, health clubs over public rec centers, country clubs over municipal golf courses. Data on the St. Louis metropolitan area shows that, with the important exception of schools, suburbs spend less on public goods and services than the central city. In short, suburbanization has been an integral part of the attack on government over the past half century. The renewed interest of college-educated millennials in city living raises the question of whether city revival can help revive commitments to the public sphere.

**Panel Three. De-Privatization in Cities: Resistance and Adaptation**  
*Andrew Cumbers. University of Glasgow*

**Title:** Remunicipalisation, Neoliberalism, and the Return of the State  
The first two decades of the twenty first century have witnessed a remarkable process of global de-privatisation, referred to at the local level as remunicipalisation. In a trend largely and wilfully ignored by political and economic elites, this reflects a marked reversal of the previous tendency towards the wholesale selling off or subcontracting out of essential services – including energy, water, and transport - to the private sector. I argue here that remunicipalisation is linked to broader and deeper currents in changing economic governance; namely the purported “return of the state” and a faltering project of neoliberalism. Although the shell or carapace of neoliberalism is crumbling, there are continued tensions between a growth-fuelled, intensifying process of private wealth accumulation, which is increasingly state-driven and basic social and ecological needs which remunicipalisation, in its spatially diverse ways, brings to the fore.

**Timothy Moss. Humboldt University**  
**Title:** The Many Faces of Municipalisation across Berlin’s Turbulent History  
In this paper I show how a long-term historical perspective on a city’s infrastructures can reveal radically diverse agendas behind the call for municipalisation. At first sight, municipalisation is about transferring ownership of an enterprise – such as a utility – to a local authority. While this is indisputably true, there is more to municipal acquisition than meets the eye. I argue here that focusing on the issue of ownership, indeed, risks overlooking features of municipalisation of key political significance. I draw on historical evidence to illustrate some of the many faces of municipalisation encountered in Berlin across the twentieth century, ranging from Weimar municipalism, racist nationalism of the Nazi era, dismantling state socialism after reunification to social movements for equitable utilities today. I show how the political motives, framings and practices of municipalisation can vary hugely, even within a single city, encouraging fine-grained historical analyses of municipalism elsewhere.

**Emanuele Lobina. Public Services International Research Unit, University of Greenwich**  
**Title:** Remunicipalisation Versus the Zombie: A Taxonomy of Policy Containment Strategies  
This paper aims to shed light on the policy mechanisms of the containment (or reverse diffusion) of remunicipalisation. The focus here is on the resistance against water remunicipalisation as part of the zombification - that is, the survival of a policy that has failed and is no longer supported by the evidence (Quiggin, 2012) - of water privatisation. To achieve this aim, the paper looks at the case of Reggio Emilia, Italy, where political elites prevented the implementation of a local government’s decision to remunicipalise water services. More precisely, an influential political party (whose national policy favours privatisation) did exert veto power, effectively reversing the formal decision of the governmental authorities responsible for the reform of local water services. This interference betrayed an elitist contempt for the principle of participatory decision-making.
The grouping of local governments had in fact adopted the decision to remunicipalise after consulting experts and civil society.

The paper therefore calls for unpacking the black box of policy zombification by means of devising a taxonomy of policy containment strategies. The latter is based on the intensity of the attributes of zombification displayed by a policy and the zombification mechanisms that are more strongly associated with the survival of a failed policy. Peters and Nagel (2020) identify key mechanisms of policy zombification such as power, beliefs and ideology, the filtering of information, path dependence and the absence of alternatives. It is here suggested that the case of Reggio Emilia exemplifies the ideal type of acute zombification, whereby sheer power takes an overly prominent role relative to that of the filtering of information. Otherwise put, the emergence of acute zombification is dependent on an actor’s muscles trumping the public sphere.

Comparing and contrasting the experience of Reggio Emilia with cases where containment power and control of the public sphere are intricately intertwined (Lobina et al., 2019) and where opportunities for policy change appear to be absent (Lobina, 2019), the paper identifies the following policy containment strategies of water remunicipalisation: acute zombification (in which case, containment power trumps the public sphere); eclectic zombification (in which case, containment power and control of the public sphere are in a dual relationship); and, pre-emptive zombification (in which case, opportunities for policy change are absent due to bottlenecks in the decision-making process).

Germá Bel. University of Barcelona
Title: Remunicipalisation: Are We Heading to a New “Progressive Era”? Remunicipalisation of local services has emerged as a relevant policy in many countries in the last decade. The rationale behind remunicipalisation decisions and implementation resemble those that triggered remunicipalisation in the Progressive Era, by the end of the nineteenth and the beginning of the twentieth centuries. Are we, therefore, heading back to a new “Progressive Era”?

Panel Four. Toward (R)e)municipalism? The Future of Urban Public Services
Mildred Warner. Cornell University
Title: Pragmatic Municipalism: Understanding Trends in Local Government Service Delivery
At the local government level in the U.S., the process of privatization been a dynamic one of experimentation with market delivery and return to public delivery when privatization fails to deliver. National survey data show what drives this experimentation are pragmatic concerns with service cost and quality. To what extent will this process of pragmatic market management continue in the future as shifts in finance and regulatory environment favor private actors at the expense of local government?

Rachel Havrelock. University of Illinois at Chicago
Title: The Price of Water, Climate Change, and Remunicipalizing Utilities
Although observation of the aging and malfunction of American infrastructure has congealed into a widely recited maxim, questions of how to redesign it and how to pay for its upgrade remain fiercely debated topics. Despite a series of well-publicized public health and financial disasters, the privatization of water and sewer services remains a much-heralded solution. The State of Illinois, for example, has laid the political groundwork to facilitate privatization of water utilities. While attending to these trends, this paper looks at successful water remunicipalization
efforts in cities like Benton Harbor, Michigan, and a consortium of suburbs around Bolingbrook, Illinois to examine how awareness of water’s increasing value amidst accelerated climate change and the emerging importance of local control and water sovereignty contribute to the herculean efforts necessary to recover municipal jurisdiction over water supply and infrastructure. With water infrastructure untouched and, sometimes, more dysfunctional following privatization, how might remunicipalized utilities address the abiding need? A potential federal infrastructure bill presents one avenue. Another rests in new ideas around water pricing for commercial and industrial users.

Nelson Lichtenstein. University of California, Santa Barbara
Title: Sectoral Bargaining on the State and Municipal Levels: Revisiting a Progressive Era Idea
Wage boards and commissions were established by more than a dozen states in the Progressive Era. They were designed to set wages and working conditions for women and older children in traditionally "sweated" industries. Eighty years ago the Wagner Act and the rise of mass unionism eclipsed this reform impulse, but the idea had returned to the policy and political agenda in recent years because of the demise of traditional collective bargaining and the rise of a new universe of "sweated" industries and occupations. My paper considers how sectoral bargaining might once again become important to labor, reformers, and employers at the state and municipal levels.

Dennis Judd. University of Illinois at Chicago
Title: The American Municipality and the Eclipse of Local Democratic Governance
Many contributors to the literature on American local governance have employed the phrase the local state to refer primarily to municipalities and their powers. For much of the nation’s history such a singular focus on cities would have been justified; until the twentieth century the only other consequential units of governments were counties. Beginning in the 1920s, however, local governance became, at first gradually and then by leaps and bounds, fragmented into thousands of “special-purpose” local governments. Their numbers continued to grow because they provided a way of escaping the budgetary and statutory restraints imposed on general-purpose governments and because they offered a strategy for sharply separating policy expertise and project planning from the vicissitudes of electoral politics. More recently, public/private institutions of every kind share in the governance of metropolitan regions. Like most special-purpose governments, they are rarely bound by the democratic rules, processes, or norms. By contrast, mayors and other elected public officials must answer to voters, which tends to provoke whatever sturm and drang there is left in the public life of urban governance. Increasingly, the urban electorate is left debating symbolic issues that may be only tangentially connected to the distribution of the material resources that affect people’s lives. In this presentation I explore the consequences of that development.