The Struggle over Place: Redeveloping American Can in Southeast Baltimore

Andrew Merrifield


Stable URL:  
http://links.jstor.org/sici?sici=0020-2754%281993%292%3A18%3C102%3ATSOPRA%3E2.0.CO%3B2-U

*Transactions of the Institute of British Geographers* is currently published by The Royal Geographical Society (with the Institute of British Geographers).
The struggle over place: redeveloping American Can in Southeast Baltimore

ANDREW MERRIFIELD
Teaching Fellow in Geography, Department of Geography, University of Southampton, SO9 5NH

Revised MS received 17 August, 1992

ABSTRACT
This paper attempts to understand the social construction of place through a study of the ‘politics of space’. It does so by way of a case study of socio-economic restructuring in a Southeast Baltimore waterfront neighbourhood. Specifically, the paper explores the contradictions and social conflict surrounding the future of American Can Company’s redundant site where speculative forces are now intent on exploiting its latent commercial redevelopment potential. The research begins from the basic proposition that although the geographical landscape exists as a material ‘thing’, it is nonetheless a conflictual social process and must be comprehended as such. I argue that by rendering less opaque the history, social relations, and struggles involved in the transformation of the material landscape, we can begin to grasp place as constituting one ‘moment’ in the overall dynamics of capitalist space production. On the basis of research findings from Southeast Baltimore, the paper invokes the necessity to reformulate the manner in which the urban landscape is evaluated. This has important implications for the sharpening of critical theoretical understandings of contemporary urban change, and of the dominant role played by the financial sector therein. It also raises vital political questions concerning local democracy and the empowerment of ‘place-bound’ groups and communities as they struggle against the exclusionary and ‘pulverizing’ tendencies of the current phase of capitalist urbanization.

KEY WORDS: Dialectics, Place, Urban restructuring, Social struggles, Financial capital, Baltimore

INTRODUCTION

Today the buildings on the 9.5 acre former American Can site in Canton lie abandoned and derelict. But buildings tend to shroud their past (Harvey, 1979). Lefebvre (1991), for example, writes of the way in which ‘monumental space’ always ‘embodies and imposes a clearly intelligible message. It says what it wishes to say – yet it hides a good deal more’ (p. 143). For Lefebvre, ‘spaces conceal their contents by means of meanings, by means of an absence of meanings or by means of an overload of meaning . . . spaces sometimes lie just as things lie, even though they are not themselves things’ (p. 92). This takes us back to Marx’s (1967a) conception of ‘fetishism of commodities’, an insight that explicated the way in which the world of commodities as material things conceal social relations, struggles and activities. Berger (1967) beautifully captures the spirit of fetishism for the geographical landscape: ‘[s]ometimes a landscape seems to be less a setting for the life of its inhabitants than a curtain behind which their struggles, achievements and accidents take place’. Overcoming the fetishism of the urban landscape,


Printed in Great Britain
The struggle over place

The struggle over place therefore, means tracing out its meaning as a social process and reaching out dialectically for understandings that go beyond the realms of the immediately apparent, the experiential and the local.

This is the cue I intend to follow in the present paper. For the American Can complex in Southeast Baltimore does indeed have a particularly intriguing meaning and history entombed within its walls (see Fig. 1). By 'demystifying' the past, furthermore, we can also begin to grapple with the present and potential future of these buildings. And it is in this sense that the legacy of American Can can be taken as a metaphor for the complex processes shaping advanced capitalist cities today: deindustrialization; the massive 'explosion' of the financial sector (Magdoff and Sweezy, 1987); frenetic speculative real estate development – frequently spear-headed by the financial sector; strategies of 'civic boosterism' on the part of urban governments in response to intensifying inter-urban competition and 'good business climate' dictates (Logan and Molotch, 1987; Harvey, 1987); and the sporadic outbreak of community activism on behalf of local neighbourhoods who are left behind to pick up the pieces (Mollenkopf, 1983; Crenson, 1983; Bond, 1991). These processes are, however, inherently conflictual, and the experiences at American Can exemplify the contradictory nature of contemporary capitalist urbanism. Thus the study offers a fascinating interplay between global forces and historically produced local forms; a veritable interface between macro and micro scales – between, if you will, space and place – together with all the trials and tribulations that such autonomies imply.

Both place and space are here conceived as the embodiment of real material properties. The distinction does not derive from a concrete/abstract dualism to the effect the 'place' is a concrete, more easily identifiable reality (e.g. a city or a specific location) while 'space' is some sort of abstract concept (see Cox and Mair, 1989 who likewise recognize the error in positing space-place as an abstract-concrete dichotomy; see also Graham and St. Martin, 1990). Rather, the space-place relationship is here considered as a dialectical process. Space is commanded and appropriated by capital and represents the realm of a rootless, fluid reality consisting of flows of capital, commodities, money and information that may take on a global dimension. But the inextricable dilemma for capital in its control of space expresses itself when these actual flows become grounded in a specific territory in order to fulfill exigencies of production, realization and distribution of surplus value. It is thus in 'place' – which can be taken as a sort of stopping of space, or one specific 'moment' in the dialectics of space – where capital becomes vulnerable to 'place-bound' groups who may be intent on struggling over and attempting to dominate their own absolute territory. Place then emerges through social struggle and imposes itself as a potential barrier for capital to overcome. Social struggles have hitherto inscribed themselves in place and the efficacy of capital's power to organize and control a specific place is usually predicated on its superior ability to command space (see Lefebvre, 1991; Harvey, 1989a; Swyngedouw, 1991, 1989). This viewpoint is implicit in, and hopefully crystallized by, the present case study. By rendering less opaque the underlying material practices that shape a specific group of buildings, therefore, the paper invokes the need to reconsider the manner in which we evaluate the physical appearance of the urban landscape. It also seeks to address vital political concerns pertaining to the exclusionary nature of the production and appropriation of space as an exchange value, and the attendant implications for the empowerment of place-bound groups, communities and movements as they battle against the 'pulverising' (Lefebvre's term) tendencies of capitalist urbanization.

Community opposition to capitalist urban redevelopment practices is, of course, nothing new. Yet it is important to recognize that the particular forms that these conflicts take are never static and vary in different historical contexts (Castells, 1983). More recently, the conflictual nature of the contemporary capitalist urban process has received close attention in critical literature. Davis et al. (1990), for example, chart how localized oppositional groups have aroused something of a 'fire in the hearth' in many North American cities. Shifts in the patterning of global capital accumulation and division of labour over the last decade or so have placed enormous pressure on the local employment base of American cities (Cox and Mair, 1988; Harvey, 1987; Fainstein et al., 1986; Szelenyi, 1984). These restructuring processes force most forms of grassroots activism into retreat. And as city governments have attempted to shrug off old images through boosterist and entrepreneurial strategies to maintain their tax base and competitive advantage, community groups have had to reorientate their oppositional responses accordingly. As Davis et al. (1990) illustrate, however, the fortunes of local action have been mixed.

Davis, elsewhere, has shown how Los Angeles is exemplary of the current urban restructuring (Davis,
Los Angeles has simultaneously undergone selective deindustrialization, a return of sweatshop labour processes, huge inflow of foreign capital to Manhattanize the downtown business district, and a burgeoning of the corporate service sector. Inflated land values and real estate speculation have therefore produced both 'windfall' profits for the rich, and the growing marginalization of the poor (notably those of colour and newly arrived immigrants). Yet this extreme social polarization, as Davis's narrative presaged, recently provoked explosive social and racial unrest in the form of large-scale urban riots.

In New York City, too, Smith (1992) portrays a similar state of affairs. In the Lower East Side of Manhattan, for example, antigentrification activities brought together housing and squatting groups and a growing homeless population to battle over the future of Tompkins Square Park (see also Wallis, 1991). The park has become a veritable bivouac for the city's homeless in recent years and has been defended from police evictions through periodic rioting. But the park, once deemed a 'cesspool' by former Mayor Ed Koch, is now set to be 'tamed' and 'domesticated' by the city authorities to facilitate the further gentrification and rehabilitation of the area (Smith, 1992, p. 62). Here, urban decline, deindustrialization, divestment, unemployment and homelessness have paved the way for redevelopment and economic and cultural 'revitalization'. Thus the neighbourhood is emblematic of the 'new urbanism' and 'lies at the vortex of... global and local forces' (ibid. p. 65).

This present study, then, aims to contribute toward an understanding of these far-reaching general urban transformations and the 'new urbanism' lying at the 'vortex of global and local forces'. To do so, the paper will proceed as follows: First, the redevelopment of the American Can site will be briefly placed into its broader context of economic restructuring of the city-wide space-economy. Second, analysis will shift attention toward the historical and geographical specificity of the Canton neighbourhood and the American Can company itself. Third, I will delineate the redevelopment of the Canton site, outlining the developers' recent plans for
the project and relationship with the City authorities. From there, I will highlight the community response to these proposals, in particular its struggle for empowerment in the decision-making process as well as the conflicts emerging from its desire to preserve the traditional character of their neighbourhood. Lastly, I will flesh out some tentative conclusions and implications for the future of cities and their communities as they respond to changes in the global economy.

URBAN RESTRUCTURING BALTIMORE STYLE

The much vaunted rebirth or ‘renaissance’ of Baltimore — that is to say, the fact that it is widely touted as a paragon of how declining, deindustrialized American cities can be revitalized — has been well documented, both favourably and unfavourably (see, for example, Lyall, 1980; Levine, 1987a; Berkowitz, 1984, 1987; Harvey, 1989b), so I will take the liberty of limiting myself to a brief recapitulation.

Baltimore was in the fifties the East Coast’s second largest industrial region (behind New Jersey’s Chemical Alley) in terms of the intensity of industrial development and dollar volume of business (Reutter, 1988). The steelworks and rolling mills at Sparrows Point during this period were one of the largest industrial workforces in the country (Reutter, ibid.; Zeidman, 1992). Other ranking industries included clothing manufacture, making tin cans and hardware, meatpacking, printing and publishing, and chemical manufacturing. But the city’s industrial base was a branch plant economy, and hence was always vulnerable to inclemencies in the macro-economic climate. By the early 1960s (and continuing unabated into the 1970s and 1980s), plant closings, technological reorganization and economic distress associated with the falling rate of profit and intensifying overseas competition promoted large-scale structural changes for the workforce of Baltimore’s mature heavy industries in particular. In 1984 only 696 manufacturing firms remained from the 1738 that prevailed during the 1950s (Garland, 1980). And between 1970 and 1985, manufacturing employment in Baltimore was slashed almost in half, from 97 600 to around 52 000 (Szanton, 1986). Additionally, the city’s port facilities were becoming increasingly obsolescent because of a lack of significant capital investment and the insigence of organized dock labour, who were struggling to defend their jobs in the face of the new containerization technology.

Against this depressing backdrop, large sections of the city’s industrial and dockland spaces — the immobile ‘fixed capital’ comprising warehouses, factories and buildings — underwent rapid ‘place-specific’ devaluation (Harvey, 1982). Abject and forgotten, these derelict structures were relegated to the junkyard of a seemingly archaic Fordist industrial era. However, by the mid-1960s there was already an awareness that these redundant industrial relics — and the dock-related spaces of the ‘Inner Harbor’ especially — were becoming ripe for renewal and that they could be comprehensively revalorized for a range of ‘higher order’ uses.

The eventual Inner Harbor redevelopment focused on commercial development: attracting tourists, higher income shoppers, and service sector employment was an unequivocal goal. This included a cultural mass consisting of an aquarium, a new science centre, marinas, promenades and the shopping arcades of Harborplace. These new attractions were supposed to augment the city’s tax base and to lure the middle classes back downtown; attempting to stem the continuing suburban ‘white flight’ (see Orser, 1992) by making city living attractive for the ‘right sort of people’ (Levine, 1987a; Harvey 1987). The Inner Harbor plan was defended by William Donald Schaefer who as Mayor of Baltimore (1971–86) became a redoubtable advocate of waterfront redevelopment.

By the mid-1980s, with virtually all available space in the Inner Harbor developed or targeted for development, significant ‘ripple effects’ occurred in contiguous neighbourhoods as private capital investment materialized to the east and south. Residential gentrification has accelerated considerably after 1973 in Fells Point and Canton to the east, and Federal Hill in South Baltimore (see Fig. 2). Property values in these areas rose rapidly from around the $15 000 level for row houses during the 1970s to $150 000 in selected instances (Baltimore Magazine, 1986). And this property inflation and concomitant recolonization of the downtown areas by mainly younger white, service sector professionals has put intense pressure on the existing working class population.

The saturation of redevelopment potential in the vicinity of the Inner Harbor has meant that in more recent years the redevelopment ‘frontier of profitability’ (Smith, 1986) has disseminated to the Canton waterfront, now labelled the ‘Gold Coast’ because of its hitherto unrealized redevelopment potential (Fig. 2). But for local working class residents the urban frontier has explicit political ramifications: as the
frontier of profitability impinges on everyday life the issue has become one of political struggle — a struggle for control of their own homes and empowerment in dictating the form of development in their neighbourhood. Lefebvre (1991) expresses this relationship as the dialectic between 'conceived' space — the dominant space of planners, technocrats, bourgeois urbansists, and capital, which is always set in accordance with an objectified representation of space — and the directly 'lived' everyday life space of 'inhabitants' and 'users' ... and hence passively experienced [space] (p. 39) which is usually limited to certain representational images and memories whose content thus tends to be sensory and sensual (p. 50). Conceived space is, therefore, 'tied to the relations of production and the 'order' which those relations impose' (p. 33). Lived space, conversely, is '[r]edolent with imaginary and symbolic elements' and has its 'source in history — in the history of people as well as in the history of each individual belonging to that people' (p. 41). For Lefebvre, this dialectical relationship attains cohesiveness and continuity within spatial practices ('perceived space'). Hence, argues Lefebvre, the complex interconnection existing between the conceived-perceived-lived contributes to the production of space itself. Nevertheless, it is evident that the conceived space of representation always has the initiative in capitalist spatiality and seeks to impose this hegemony through the suppression and appropriation of lived space.

Lefebvre's insights here alert us to the way in which space is insinuated with conflict: those groups in society who possess power and knowledge are able to command space and impose what they know or conceive of upon what is lived in place. For our own purposes, however, the implications for conflict are clear enough; any political mobilization by a community in defence or reappropriation of 'lived' space usually contravenes the flow of 'conceived' space of the economic frontier. What is of further importance here is that this lived, everyday life space (occurring in place) not only 'embraces the loci of passion, of action and of lived situations' (Lefebvre, p. 42), it also implies a certain experience of time; one that contrasts markedly with the temporal dynamics of the hegemonic conceived space. This, as we shall see later, has vital consequences for actual struggles over place. In the interim, let us apply flesh to Lefebvre's conceived-lived dialectic by shifting attention from Baltimore's general process of restructuring toward the specificity of the Canton neighbourhood and of the American Can Company itself.

CANTON AND THE LEGACY OF AMERICAN CAN

Founded in the late eighteenth century, Canton is the oldest industrial neighbourhood in Baltimore (Rukert, 1978). With the establishment of the Baltimore &
Ohio Railroad Company in the late 1820s, Canton became what Olson (1980) describes as the 'nation's earliest, largest and most successful industrial park'. The construction of the Union Railroad in 1871 sparked further industrial development and reinforced Canton's reputation as a thriving industrial and port area. It rapidly became the centre for iron and steel works, copper smelting plants and, more notably, for the canning industry, which had begun in the 1840s.

Indeed, during the second half of the nineteenth century (Southeast) Baltimore had acquired the distinction of canning more food than any other city in the nation. The area along the waterfront at Boston Street in Canton, for example, became known as 'Canner's Row' (Rukert, 1978). The growth of the canneries – and later of can manufacturing – in the latter quarter of the nineteenth century also succeeded in affecting the prevailing social and cultural profile of Canton neighbourhoods in quite distinctive ways: these industries created thousands of unskilled jobs and were a powerful magnet for attracting large numbers of immigrants from Europe especially. The rapid expansion of the canning industry, therefore, transformed Canton and nearby areas into a teeming industrial neighbourhood; a densely populated white ethnic working class area comprising small redbrick row houses inhabited by tight-knit communities of Polish, German, Welsh, Greek, Italian, Lithuanian and Ukrainian descent. And the majority of its residents either worked in a nearby cannery or can factory or had a relative/friend who did. This was particularly so for the American Can Company, which rose to become one of the largest can producers in the world.

In Canton, American Can was the principal employer amongst all the local can producers. It thus became a focal point of everyday life and lived space for several generations of Canton dwellers and symbolized the neighbourhood's blue-collar tradition. This feature emphasizes, too, how a representation of space – a capitalist factory – is inextricably bound up with representational space – lived terrain of community daily practices – inasmuch as the former often overlaps and dissolves into the latter in contradictory fashion. Let us examine this characteristic by focusing on the legacy of American Can in Canton more closely.

American Can and the Canton connection
Established in 1901, the American Can Company became known as the 'Big Can Trust' since it formed a consolidation of over 100 can manufacturers and had a 90 per cent control of the US canmaking business. After the Second World War, American Can emerged as the largest can company in the world (Stolk, 1960). In 1956, the company began to scramble on the corporate takeover bandwagon, acquiring a handful of companies as diverse as lithographic ink producers to plastic tube manufacturers (Moody's Industrial Manual, 1986). Also that year branch plant can operations began in Brazil; a harbinger of 'Third World' cost-cutting penetration that would continue unabated during the sixties and seventies.

As the company entered the 1980s, however, it was becoming apparent that its food packing and general can making operations were declining. The company’s Annual Report (1985) suggests that this was due to 'overcapacity and an extremely competitive environment contributing to reduced margins and continued loss of certain markets to competing technologies'. Falling profit rates, pressures of technological reorganization, and shifts in the international division of labour, lay at the root of the problem for American Can (Annual Report, ibid.) as it did for many US manufacturing firms generally. And the ensuing capital flight and divestment of productive capacity in the wake of 'overaccumulation' (excess capacity in terms of capital and labour) was not merely an American phenomenon; it was of course haunting all mature manufacturing sectors throughout the advanced capitalist world from around the mid-1970s onwards (Magdoff and Sweezy, 1987). By 1981, American Can had initiated a 'fundamental repositioning' (Company Report, 1985) through rationalization strategies and entry into 'new lines of business and major market segments with higher profit margins and greater growth potential' (Moody's, ibid.). For manufacturing production, this meant continued emphasis on Third World operations with '[i]njcome of on-going metal container operations [internationally] increasing due to improved results in Venezuela and Korea', and 'cost reductions associated with organisational streamlining' (ibid.). Nevertheless, the new lines of business with greater growth potential for American Can were in the financial service sector. As the 1985 Company Report notes, 'financial services has been especially noteworthy. This sector generates more than half of our operating profits' (emphasis added).

Magdoff and Sweezy (1987) observe that the shift in corporate emphasis from industrial to pecuniary pursuits has been equally global in nature. But the relative importance of 'making money' and pleasing
company shareholders through speculation as opposed to making money by ‘making goods’ has grown in the US economy since the mid-70s (pp. 21–22). For these writers, the ‘financial explosion’ is inextricably linked to ‘stagflation’ (rising inflation coupled with economic stagnation) in the industrial sector. Moreover, the ‘more the financial system has moved away from its role as a facilitator of the production and distribution of goods . . . the more it has taken on a life of its own, a fact that can be seen most vividly in the mushrooming of speculative activity, which is closely tied in with the debt explosion of the last ten years, as well as the day-to-day operations of financial firms’ (ibid. p. 21).

Charting the impact of these developments on the Canton plant itself, however, is difficult. Data on specific employment trends are hard to track down. This said, it seems reasonable to posit that during its heyday – around the late 1950s – the Boston Street site employed around 2000 unskilled/semi-skilled workers and by all accounts remained one of the company’s most productive operations. But increasingly the plant was becoming burdened with technologically obsolescent fixed capital that dragged down profits. The Canton works contained some of the company’s oldest industrial facilities (its inherited 1895 building, for instance, was one of the oldest industrial structures in Baltimore) and it is evident that throughout the seventies this prevented the site from adequately responding to changing conditions in the world market. Such was the extent of technological reorganization and job cuts that by 1979 American Can at Canton employed only 400 local residents. Yet as the company entered the mid-1980s, there are strong grounds for arguing that the site’s death knell was decisively sounded when the company’s newly appointed Chief Executive Officer (CEO), Gerald Tsai (a former head of a New York securities firm), began to roll the dice with their productive assets and become embroiled in the complexities of flagrant financial alchemy.

The 1980s were, of course, the ‘decade of the deal’, and became a ‘remarkable ten years of American business history’ (Business Week, 15th January 1990). Given imprimatur by Reagan’s deregulation and tax bill legislation, $1.3 trillion was estimated to have shuffled around the US economy through mergers and acquisitions facilitated by leveraged buy outs (LBOs) (that is, corporate acquisitions carried out with towering debt loads). One method that powered the LBO binge was by issuing so-called junk bonds or low grade paper issued by smaller companies below ‘investment grade’. And the most prolific junk bond dealer was the now ‘legendary’ Michael Milken of Drexel, Burnham and Lambert. By issuing junk bonds, this simply enabled small time predators to usurp corporate giants using other people’s money, usually with startling debt ratios. It also earned enormous fees for Michael Milken and Drexels.3

The junk bond phenomenon was to have a dramatic effect on the trajectory of the American Can Company from around the mid-1980s, as well as on the subsequent redevelopment of the redundant Canton site itself. It is, however, a tangled tale of financial transactions which requires unravelling if we are to elucidate the forces determining the fate of the site and of the surrounding community.

Junking American Can
In The Predator’s Ball (1989), Bruck describes how in March 1985 around fifteen hundred faithful ‘junkies’ attended the Annual Drexel High Yield Bond conference in Beverly Hills. Among the many people Milken had befriended there was one Nelson Peltz. And a month later, Peltz was to become a Milken player when he and partner, Peter May, two unknown heads of Triangle Industries, a $50 million net worth cable and conduit company, acquired for $465 million the National Can Company (one of the largest can makers in the United States with annual revenues of around $1.9 billion) in a deal almost wholly financed by Drexel’s junk bonds. The acquisition of National Can by Triangle became one of the first ‘hostile’ super-leveraged buy outs of the 1980s, and had a debt leverage ratio of a staggering eleven to one (Bruck, ibid.). Peltz, nevertheless, pointed to the potent side of high debt and leverage: ‘with leverage, management get tougher, they go out and make sales, and they do all the things that build America’ (cited in Business Week, 5th December 1988).

In November 1986, Gerald Tsai, American Can’s newly appointed head, sold American Can Packaging Inc. (the worldwide packaging operations of the American Can Company) to Peltz’s Triangle-owned National Can Company (the former now becoming the ‘American National Can Company’) for $560 million with money raised again by Michael Milken (Business Week, 1988). As for the remainder of the American Can empire, the following year it was to merge with Commercial Credit, a Baltimore-based consumer loan enterprise, to become the ‘Primerica Corporation’ (see Fortune Magazine, 24th October 1988). Evidence suggested that Tsai’s American Can
had experienced severe financial difficulties. Tsai, too, was a controversial head of American Can and during his leadership sold 30 businesses and acquired 15 to reshape a once major American manufacturer into a financial enterprise. As one competitor opined ‘Tsai put together the perfect financial company (sic), but he had difficulties operating it’ (Fortune, ibid.).

When Primerica was brought into being, things continued on the downside; long-term debt, for example, soared to $2 billion in 1988 (or 58 per cent of capitalization, compared with 31 per cent at the end of 1986) (Fortune, 1988). Tsai attempted to reduce debt by selling off subsidiary stock. But after the stock crash in October 1987, there were no takers. Thereafter, Primerica ‘guzzled cash’ (Fortune, ibid.). And in the aftermath of the stock market collapse, operating income from financial services fell 40 per cent (ibid.). So in February 1988, Tsai cut his losses and sold the entire common stock of Primerica to Peltz’s Triangle Industries for $214 million cash. The latter, with the help of Milken, had now reached to stratosphere of American industry not by years of hard work in building companies and creating products, but by putting what little they had on the line, rolling the dice and issuing mountains of debt (Bruck, 1989, p. 141).

But profits for Peltz’s behemoth proved elusive. Weighed down by a $2.4 billion debt, in the first nine months of 1988 Triangle lost $40 million (Business Week, 5th December 1988). This undoubtedly had an adverse effect on their American National Can operations, which incurred major losses. So much so that later on in 1988, Peltz in a complete ‘180-degree turnabout’ (as Business Week put it), sold Triangle’s American National Can division to the French state-owned aluminium giant Pechiney for $3.5 billion, pocketing a cool $834 million in the process for a 63 per cent share. Later, Peltz was to describe the sale as bittersweet’, adding remorsefully, that ‘I didn’t plan to do it, but the offer was so high it would have been completely unfair to the shareholders to turn it down’ (ibid.).

While these high-powered dealings had been in motion, however, American National Can (then Triangle-owned) released in August 1987 a low-key announcement confirming that,

American National Can Company is planning to close its feeder plant in the Canton section of Baltimore during the first quarter of 1988 ... a number of factors converged to compel the closing of the Maryland plant. The extremely competitive marketplace that we serve demands that we maintain our low-cost producer status ... (Information Release, American National Can Company, 5th August 1987).

In fact, as far back as July 1987, it had transpired that Triangle had already sold the Canton site to a real estate developer for $10.5 million. Such a manoeuvre illustrates how, in the light of on-going spatial transformations occurring on the ‘Gold Coast’ waterfront, the land upon which the Canton complex is affixed is more valuable as purely speculative real estate asset—that is, as a form of fictitious capital—than as directly productive capacity. It is fictitious in the sense that it corresponds to a title to a future (potential) ground rent which, like all speculative assets, represents itself as a transfer payment from the anticipated fruits of labour (cf. Harvey, 1982). In sum, this whole nexus of financial ‘finagling’ (to borrow a word used by one commentator in Forbes, 1989) represents the most blatant liquidation of productive assets and of labour in order to earn inflated fees for dealmakers, not to mention the lucrative payoffs received by other corporate leaders also involved in these complicitous speculative transactions. Milken and Peltz’s billion dollar empire in their command over flows of financial capital and information thus expressed itself as a formidable social power which could transgress time and space to an almost boundless degree. And such a mechanism effectively brought about an imminent devaluation of the Southeast Baltimore plant and the surrounding community. However, devaluation of fixed capital in place is merely one ‘moment’ in the dynamics of capitalist space production. And at a subsequent point in time this process provides the foundation for reconstruction and revalorization. Devalued fixed capital can thus furnish a new material basis and cradle for further capital investment. The geographical landscape then becomes a material palimpsest conceived in accordance with the ebb and flow capital circulation and accumulation. But it equally becomes a landscape imbued with much social upheaval.

REDEVELOPING AMERICAN CAN IN CANTON

In the state of buildings at any period one may discover, in legible script, the complicated processes and changes that are taking place within civilisation itself — Lewis Mumford, The Culture of Cities (1938)
Canton’s American Can plant finally closed down in May 1988. After almost 100 years of productive activity, therefore, the complex became yet another disused industrial facility located within the 350 acre Canton Historic District, a designation bestowed in 1979 by the Historic American Building Survey. The site was now in the possession of a Washington-based developer called Michael Swerdlow, whose task thenceforth was to develop the complex. According to the Company booklet, Michael Swerdlow Companies was established in 1976 and ‘has achieved a notable professional competence in real estate development industry’. ‘Currently’, the booklet notes, ‘the company directs its energy toward large-scale speculative developments’. Michael Swerdlow has carried out commercial development at the University Center in Washington and has contributed to office development at Triangle Plaza in Chicago. The Triangle connection here is, however, more than a coincidence. For, interestingly, Triangle’s own real estate arm was working in close collaboration with Michael Swerdlow at Canton and Nelson Peltz, Chairman of Triangle Industries, was also cited as one of Michael Swerdlow’s referees for his application to receive federal aid for the Canton scheme. Furthermore, according to a revealing article in Forbes (11th October 1982), Michael Swerdlow is a ‘bright New York real estate entrepreneur’ who has broad business connections. ‘His current association’, Forbes (ibid.) claims, ‘is with Drexel, Burnham and Lambert’. Hence, we find that Swerdlow’s operations in Canton come comfortably dovetailed between Michael Milken, on the one hand, and Nelson Peltz of Triangle on the other. Like his two associates, Swerdlow has an eye for ‘special situations involving undervalued assets’ (Forbes, ibid.). And it seems that one undervalued asset lying ripe for his own brand of speculative revalorization is the old American Can site located on the Canton ‘Gold Coast’.

Michael Swerdlow’s initial ‘Phase 1’ concept for the American Can complex, a project he was now calling ‘American National Plaza’, was to consist of an ambitious commercial and residential development that anticipated combining a 22 storey condominium tower, supermarket, cinema, restaurants, retail units and offices, linked with structured car parking. The subsequent phase tentatively expresses the intention of having another condominium tower together with office space and a hotel. For its part, Phase 1 was projected to cost around $52 million and, crucially, had a prerequisite that all existing buildings on the site had to be demolished.

This was a highly speculative scheme; one destined to be the most expensive on the Canton waterfront so far, and one of the largest in Baltimore. Assessment of the project’s economic viability, of course, involved some recognition of the likely future trends in Southeast Baltimore over a specific time frame. As I noted earlier, the ‘frontier of profitability’ in Baltimore has shifted eastwards where it has proceeded to transform abandoned dockland and industrial spaces into alternative commercial uses. This has been true for Fells Point and, more latterly, for Canton. As property values have risen redevelopment has taken on a dynamic of its own. Canton, then, has experienced and is experiencing an explosion of commercial and residential development – which thereby seems to perpetuate its reputation as being the Inner Harbor of the 1990s. While the movement of capital is clearly at the cutting edge of urban change on the Southeast Baltimore waterfront, it is equally apparent that a comprehensive understanding of this process also requires consideration of contemporary cultural and social transformations, and how these in turn become entwined with market demands.

In the early ’80s, it was the Inner Harbor that captured the imagination of a new, sleeker ‘post-industrial’ Baltimore. The Inner Harbor’s initial commercial success was to spur further private investment in upper income housing, office and commercial development that was eventually to creep out into contiguous areas. Beyond that – and especially the mile or so east on the Boston Street waterfront in Canton (see Fig. 2) – there was seemingly little to immediately whet the appetite of investors. Then, in the true ‘pioneer spirit’, local businessman and developer, Louis Grasmick, purchased 3.5 acres of vacant land on Boston Street for $200 000 and constructed 40 new townhouses. Upon completion in 1983 the new ‘Anchorage’ townhouses were quickly snapped up for investment by business acquaintances and friends of the developer, thus generating rapid price rises. Eventually all Grasmick’s new properties were sold off for between $185 000 and $200 000 (City of Baltimore, undated). Later, the same developer built a 14 storey condominium tower called ‘Anchorage Tower’ to the east of his earlier townhouse development. This $15 million complex was completed in 1987 with the different units selling at between $125 000 and $425 000 (ibid.). The height, scale, and form of development, however, exhibited little
sensitivity toward the prevailing neighbourhood rowhouse character. These two new developments, too, attracted new groups of higher income residents to the neighbourhood, producing a breach in the socio-economic composition of Canton. Nevertheless, the apparent financial success of Grasmick’s Anchorage projects ‘woke everybody’s eyes up that the waterfront does not end at the Inner Harbor. There is this “Gold Coast” that offered terrific opportunities for investment’.6

After the implantation of these two schemes and their rapid increase in market value, more and more of the former industrial properties along Boston Street were snapped up by developers and transformed into residential/mixed use developments, foremost of which have been condominiums, yachting centres, marinas, up-market townhouses and other residential gentrification activities. And all of these projects, importantly, are within a stone’s throw of Swerdlow’s proposed scheme.

Swerdlow’s proposal received a positive, if lukewarm response. While the City of Baltimore generally supported the project because of the expected tax base increment, the size and density of the intended tower(s) was unpopular: ‘we did feel that his towers were too high’ was how Marion Pines summed it (interview, see Note 6). There was agreement by both the City and the local community about the need for the scheduled supermarket and entertainment and service facilities. But there was great consternation, too, over the need, scale and character of the residential components. Yet in September 1987, the Department of Housing & Urban Development (HUD) awarded the City of Baltimore a $8.5 million Urban Development Action Grant (UDAG) for Swerdlow’s American National Plaza project. With UDAGs, money that HUD has awarded for a particular development is lent out to the appropriate developer normally at a zero rate of interest. The basic idea is that federal money be used to ‘leverage’ greater private sector investment in depressed areas for projects that may otherwise be eschewed. Importantly, this money comes from federal coffers, but it is eventually paid back by the developer to the City without further federal involvement. The money, accordingly, becomes de facto revenue for the City and hence UDAGs formed a lucrative revenue source for the normally financially pressed receiver cities until they were phased out at the end of 1987.

The $8.5 million interest-free UDAG loan, therefore, would be advanced to Michael Swerdlow over a repayment span of twenty years. Moreover, the City of Baltimore would reap further benefit under the UDAG arrangement because it had negotiated a 15 per cent share of the developer’s net annual cash flow. Unsurprisingly, Baltimore City was now eager to see plans for the Canton site proceed smoothly. The availability of an $8.5 million interest-free loan is a considerable grist to the developer’s mill; but what of the other $43 million or so, where was this to come from?

Real estate developers in the United States during the last decade or so have tended to operate on the basis of ‘fictitious’ banking capital (see The Economist, 16th May 1992). Speculative trading and the debt explosion within the American real estate sector has particularly flourished in the deregulated climate of the Reagan administration. And this general scenario is, in fact, reflected in Swerdlow’s structure of financing. For his funding is based upon several loans from private backers with the bulk comprising a $30 million first mortgage secured from Citibank.7 The implication of this proliferation of banking capital within real estate is, on the one hand, that it gives considerable fluidity to the way developers like Michael Swerdlow can conceive of and roam space looking for titles to future ground rents, thereby promoting activities on land that conform to the highest and best commercial uses; on the other hand, this facility has also triggered periodic spates of speculation, as the Canton ‘Gold Coast’ attests, and fostered an urban landscape that is extremely sensitive to the temporal aspects of accumulation as dictated by interest rate fluctuations and supply and demand for money capital. All of which bodes negatively for the lived space (place) of local communities everywhere.

Finances notwithstanding, Michael Swerdlow’s plan to raze the Canton complex immediately encountered difficulty: because the project involved federal assistance, it would bring into effect Section 106 review of the National Historic Preservation Act – thus offering the possibility of protection from destruction should the City and preservation authorities see fit. This stipulation afforded considerable sustenance for community opposition against site razing since they were fervently in support of ‘adaptively reusing’ the old company buildings to house new commercial activities, particularly in the 1924 ‘signature’ building (Fig. 1) which the community held to be especially evocative of the neighbourhood’s blue-collar heritage. Community groups did not, therefore, want a moratorium on development; nor were they anti-development. The crux of
the matter was what kind of development should occur in their neighbourhood and on whose terms?

STRUGGLING FOR AMERICAN CAN

‘Kill all parasite developers’
(graffiti at the ‘Sip & Bite’ diner on Boston Street)

This definitive message, while extreme, in many ways summarizes the attitudes of many living around the Boston Street waterfront in Canton; people who believe that their opinions on the developments occurring in the neighbourhood are at best ignored or at worst treated with contempt. Certainly, if many widely touted redevelopment projects planned for the area actually take off, the greatest danger is that the Canton waterfront will be transformed into a sterilized wilderness of high-priced, high-rise condominiums and other synthetic social spaces that have been stripped bare of history.

Crenson (1983, p. 258), writing on Canton, avers that many local residents’ perspectives on the neighbourhood are conditioned by its distinctive history and they exhibit a continuity of custom and memory in the face of social change. The ensuing ‘neighbourhood homogeneity and solidarity’, according to Crenson, ‘supply a firm foundation for political organisation and integration’. This notion had been confirmed back in the late 1960s when the community mobilized to prevent the building of an extension to the Interstate 83 expressway which threatened to cut a swath through Canton. The success of the local community’s efforts under its Southeast Council Against the Road (SCAR) campaign also convinced Southeast Baltimore residents of the need for some kind of area-wide organization to deal with neighbourhood problems. (Truelove, 1977). In 1971, an umbrella organization – Southeast Community Organisation (SECO) – serving community life in Southeast Baltimore was conceived. SECO was and is a coalition organization comprising various block clubs, civic associations, senior citizens groups, and planning councils. Today, with the aid of United Way funding, there are around 70 member groups. Since the late ‘70s, as an established development body, SECO has also taken a new direction, forming a community-controlled development corporation known as Southeast Development Inc. (SDI) whose purpose is to create economic opportunities for local residents; and the SDI subsidiary has now created a ‘land bank’ for those SECO neighbourhoods threatened with gentrification and real estate specula-

lation.8 The bitter irony to bear in mind, however, is that the earlier efficacy of SCAR – the precursor of SECO – in preventing the building of the expressway in Canton paved the way for the Canton waterfront today to become the ‘Gold Coast’.

By the 1980s, the identification of a ‘common enemy’ – that is to say, rampant real estate speculation along the waterfront – brought together, in October 1987, many local communities in a broad watchdog-type organization called the ‘Waterfront Coalition’. The Coalition also frequently finds itself having to battle City Hall. Now recognized by Mayor Schmoke’s administration as the ‘united voice’ for the Southeast area, this fledgling organization encompasses eleven local community organizations as well as enthusiastic individual members, and has attempted to inject neighbourhood concerns into the planning of the Fells Point/Canton waterfront. As one spokesperson, John Cain, put it: ‘we felt that people from the community should have input into what’s happening in their community... [and] we felt that if we were to have any impact we would have to make a concerted effort: we needed a name and we had to organize’ (interview with author, 26th October 1990). Within this agenda is a ‘concern about the expendability of the working class. We are being assaulted on all sides, and [in Canton] it’s all economic pressure’ (ibid.).

The Coalition organizes twice-monthly community meetings and involves itself in ‘forcing ourselves onto the City ... by just being there; going to open meetings, going to planning meetings and giving testimony’ (interview, ibid.). Among the numerous mechanisms inspired by the Waterfront Coalition has been the ‘Harborwatch’ campaign which was formed by local residents and a group of progressive architects to monitor redevelopment schemes for waterfront areas, compiling dossiers on respective developers and investigating their frequent covert ties with the city’s politicos. Since inception, the Coalition has been concerned with issues such as height and density of the new developments in Southeast Baltimore as well as problems of public access to the waterfront. But underlying this concern is the impact on affordable housing in the neighbourhood in the wake of burgeoning gentrification. Thus the organization is a conduit for protest aimed at discovering some sort of consensus on the Boston Street waterfront (see Appendix). The impending demolition of the American Can site, according to the Coalition, was a ‘damaging threat to the physical fiber of industrial Canton’, and it would ‘vigorously lobby
against this misguided trashing of our heritage' (cited in Waterfront Coalition Information Sheet, undated).

In July 1987, community groups met with Michael Swerdlow and city authorities to express their opposition. Armed with placards, vociferous local residents vented their anger at the developer, denouncing the scale of the scheme and of the proposed demolition of the American Can site. With mounting controversy, and continuing promulgation—through local press and media—of events in Canton by the Waterfront coalition, the City Planning Department was soon forced to reject the scheme's tower component in February 1988. This event was regarded as a major victory for eastside residents (see East Baltimore Guide, 31st March 1988). Nevertheless, while the developer later capitulated to a revised towerless site configuration, he was still adamant about razing the complex. Here the developer was acting upon the advice given in a report called 'An Assessment of Adaptive Reusage Potential for the American Can Buildings' (November, 1987). The report, carried out by RTKL Associates (the Baltimore-based architects commissioned by the developer), concluded that because of awkward interior spaces, waterfront orientations, and existing fenestration patterns of the older site structures any adaptive reusage would be 'extensive and costly' and 'assuming that the practical difficulties of marketing the stores and apartments with poor orientations and aggressive sales prices and/or rents can be achieved, the project still would not yield a profit or reasonable return on equity. Therefore the rehabilitation of the existing buildings is not an economically viable alternative' (p. 17). The Waterfront Coalition, on the other hand, believed that the developer had only paid lip service to the possibility of adaptive reusage since, as the RTKL reports confirms, the physical constraints imposed by the old can manufacturing buildings would threaten the 'economic viability' of the project.

Meanwhile, at the behest of the Waterfront Coalition, the Advisory Council for Historic Preservation (ACHP) in Washington was carrying out its own investigation into the American Can scheme, concluding in the process that, 'we believe that more careful consideration should be given to the redesign of the project to retain and reuse several historic buildings on the American Can Company site' (Letter to Baltimore's NPA, May 1988). The 1924 structure (Fig. 1), especially, is 'dramatically sited on the apex formed by Boston and Hudson Streets and its bold 'American Can Company' lettering announces entrance to the Canton area' (ibid.).

The ACHP were 'unconvinced by the arguments thus far against their retention and rehabilitation', claiming that the earlier RTKL assessment was 'inadequate'. ACHP investigations raised one further point which had broader implications: it concerned the notion of local empowerment in the waterfront planning process generally. To be sure, prior to the ACHP claim the Waterfront Coalition themselves had long felt that the City authorities were bereft of any 'vision' for the Fells Point and Canton waterfront area and had always invoked the need for some sort of 'Master Plan'; one, for instance, that incorporated public participation. The Coalition had already drafted and presented to City Hall their own grassroots 'Canton & Fells Point Urban Renewal Plan', though this had been ignored by the planning authorities.

In an effort to assuage the growing anxieties over American Can and the waterfront generally, later in 1988 Schmoke's administration announced plans for a major urban design study for the city's Gold Coast waterfront. The goal was to produce a 'city vision' that could formulate a rapprochement between the ambitious plans of the developers (together with all the tax incentives for the city) and the more limited desires of the local residents and small business owners. But the eventual designs were to receive a cool response: criticism centered on the amount and scale of permissible development, and Canton residents generally felt that the design 'vignettes' were pampering to developers because they would allow too much development. Many developers, conversely, thought the plans 'unimaginative', devoid of any long-term perspective.

This imbroglio over the waterfront 'Master Plan' meant that Michael Swerdlow's American National Plaza scheme was now highly visible within the public realm since it epitomized all the waterfront trials and tribulations surfacing during this period. Moreover, by August 1988 the final findings of ACHP were being aired. Based on their own on-site investigations, project reports and meetings held with local residents, ACHP recommended in their draft report (dated 31st August 1988) that '[d]emolition of the American Can Company complex will result in a significant loss to the Canton Historic District'; '[t]here is strong community support for adaptively reusing American Can Company buildings to house the new commercial activities' (at a public inquiry, for example, community groups had presented a petition signed by over 3000 residents); 'the developer did not aggressively pursue reuse of the ... buildings as part of his redevelopment
scheme; ‘restudy of the proposal should actively involve . . . the council, the residents of Canton Historic District and representatives of local community groups; ‘the Mayor should make a final decision responsive to citizen input as to which development is to be followed’. This said, the ACHP did not have the teeth to ensure that these recommendations were implemented. Their status is more of a lobby group that can exert influence with respect to historic preservation, but ultimately it remains up to the City to enforce any preservation order for the American Can site. And the City, given its financial stake in the project, appeared unwilling (and indeed perhaps unable) to make this necessary commitment for fear of scaring off the developer completely.

The Coalition continued to lobby at City Planning Commission meetings, attend all public land use hearings, and organize their own community meetings throughout much of 1988 and early 1989. The unresolved controversy over the complex also meant that actual construction had yet to begin. Then in July 1989 workmen involved in asbestos removal at the complex reported that they had discovered a highly toxic polychlorinated biphenyl (PCB) spillage. Several tons of copper bass had been stolen from some electrical transformers and this had activated a release of 80 gallons of PCB chemicals. To add to the confusion, at the beginning of August fire also broke out on one of the complex stairways and rumours circulated that kerosene soaked rags were ignited by vandals. According to Baltimore Police Arson Office, however, ‘there is no reason to suspect gas was poured on rags and ignited’ (cited in East Baltimore Guide, 14th September 1989). Swerdlow himself was making accusations that these two instances of vandalism were jeopardizing the viability of the project. Though the denunciation with respect to arson seemed incongruous: as Steve Bunker of the Waterfront Coalition asked ‘who would benefit if the buildings burned down?’ (cited in ibid.). Clearly not the local community who have been campaigning to save the historic buildings all along.

But all this finally proved too much for the developer. In September 1989, Michael Swerdlow Companies announced that they were pulling out of their proposed project for the American Can site. The developer claimed that vandalism had threatened his financial arrangements – though it is curious why a bank would refuse to lend money on a vandalized property that was destined to be demolished anyway. From Baltimore City’s point of view – who would now lose its own financial stake and lucrative UDAG money – NPA Commissioner, Marion Pines, simply believed that ‘what finally happened was that the developer just ran out of gas . . . he just got so tired of the whole process . . . Maybe he just decided that there were better ways for him to spend his time and money’ (interview with author, 4th December 1990).

In more damning fashion, Waterfront Coalition’s John Cain suggested that ‘the economy killed the project. The stupidity of the project killed the project . . . He [Swerdlow] would really be in deep shit if he had started’ (interview with author, 26th October 1990).

Indeed, during the course of events at American Can – the complete chronology of which spanned two years – the real estate market in Baltimore (as elsewhere in the country) had undergone a sea-change. The pressure exerted by the Canton community – who had played the gadfly role throughout undoubtedly proved effective in disrupting and stalling affairs at American Can. Two years is a long time in an inherently cyclical real estate sector and Swerdlow’s prospective project had during this period become the bone of much contention and the target of unrelenting criticism from local community groups. The resultant delay and inconvenience, matched with the growing realization that real estate in the Baltimore/Washington area was entering a recession, clearly spurred the developer into cutting his losses. The logic behind the Swerdlow withdrawal, therefore, is found in the complex interlinkage forged between real estate slump and community opposition and neither in itself provides adequate explanation.

The changes of fortune on the Canton ‘Gold Coast’ have been well documented in a special report in the Baltimore Sun (1990a): ‘two years ago they couldn’t sell them fast enough. A champagne brunch on the Boston Street waterfront brought dozens of eager buyers with deposits for townhouses and condominiums that had yet to be built’. But today in an extremely troubled real estate sector there is ‘the belief among many that this is not a condo town [which] has prompted developers of city waterfront homes to lower their prices, scale-back their plans or hold off on construction until the market improves or they can locate finance’ (ibid.). These circumstances would have doubtless haunted Michael Swerdlow’s American Can project, thereby raising question marks as to whether the scheme would have proceeded as originally planned anyway.
The struggle over place

A 'COMMUNITY VISION'?  

Latest news of the developer confirms that he has migrated to the sunny climes of the relatively booming Florida sunbelt where presumably there is more money to be made quickly out of real estate and where, perhaps, there is greater docility from local community groups. This strategy is thus telling testimony to the power and complicity of wielders of an essentially abstract capital (of which junk bonds, for example, are surely the supreme incarnation) over the control of space. Such a runaway manoeuvre underscores the dilemma facing 'place-bound' groups who are grappling with potentially mobile capitalist enterprises which have the armoury to conceive of and take advantage of geographical variations in real estate profitability. Ordinary people in neighbourhoods and communities are for the most part without this flexible option; and because of their relative immobility they are left with no other alternative but to struggle over and attempt to dominate their own absolute territory as a 'lived' social space. Place, as such, becomes the terrain of struggle - a potential barrier for capital of whatever stripe to overcome. Here, importantly, communities often possess the time to engage in a protracted struggle to define place. And this relative privilege can, as Michael Swerdlow discovered in Southeast Baltimore, prove a significant resource for local groups confronting capitalists who are operating under a strict systemic logic wherein 'time is money'. The experience of time within conceived space, accordingly, is bound up with the strict temporal dictates of the law of value whereas lived space lies outside such an ephemeral and unstable rationale (and this instability correlates directly with the growing tendency to treat land as a pure financial asset). Such a situation offers a certain scope for grassroots manoeuvre, even though this is always likely to be a defensive tactic for communities struggling for any notions of representational space. Ultimately, capital's command of space and power to 'pulverize' place becomes acutely manifest. As for the pulverized landscape at American Can, however, the Canton community was now left to pick up the fragments of the turbulent Swerdlow legacy.

Within the Canton community, there was the temptation to view Swerdlow's withdrawal as a victory of sorts, albeit symbolic. To what extent, though, was it Pyrrhic? For Swerdlow may have abandoned his plans, but upon fleeing he informed the City that he intended to demolish the buildings and sell off the land. Thus the community may now lose out on two counts. Accordingly, local residents and the Waterfront Coalition brushed aside any penchant toward celebration and redoubled their campaign to save the complex. Now energy was directed at promoting 'financially sound alternatives for the reuse of American Can'. To do so, the local community attempted to formulate design alternatives and solicited the Neighbourhood Design Center (NDC) - a non-profit organization that arranges for voluntary services of local architectural practices for neighbourhood groups - to advise them. SDI, themselves experienced in developing commercial real estate in Southeast Baltimore, provided financial and technical assistance.

Yet throughout 1990 there was no activity at the old complex, and the precise status of ownership now became confusing: despite Swerdlow's earlier threat to demolish the buildings, it was not at all clear whether he was still the legal owner of the property. Thus the goal of the community's 'model project' was now to conceive of an alternative financially sound design scenario for the site, convince the City of its feasibility in order to obtain a historic designation order (identifying and liaising with the site owner en route), and negotiate with any potential developer and possible tenants in the meantime. The Waterfront Coalition promoted such a community design effort as a first for the City and hopefully an important democratic precedent for the Canton area; this was, they proclaimed, to be their 'community vision'.

In November 1990, their vision was presented to a packed community meeting in Canton (see Fig. 3). It consisted of a series of design configurations drafted with the assistance of architectural services donated by a local practice (under the auspices of NDC) and SDI, all of which basically consisted of permutations of: (1) the preservation of several of the historic buildings, (2) a design that is compatible with both the surrounding row houses and historic buildings and that affords the maximum of public (community) space, (3) provision for a cinema, community centre, supermarket and other small-scale retail businesses to serve the shopping needs of Southeast Baltimore residents and, (4) affordable housing (rental) within the

'If we didn't believe that it could somewhere be different', but then Peter interrupted.
'I know. But it can't start here'.
'Always somewhere else?' - Raymond Williams, The Fight for Manod (1988)
1924 building especially, to meet the needs of local senior citizens.

These ideas were widely lauded by the audience of Canton residents. And in an effort to broaden the democratic process, residents were invited to fill out a questionnaire drafted by the Waterfront Coalition expressing their views on commercial uses that they favoured, or did not favour, for the site. Even so, the lacuna between conceiving these possible alternatives in imagination and actually erecting them in reality is, of course, a massive one. The more so in the light of the current real estate climate in Baltimore. Enticing a developer, for example, to realize these design concepts is likely to be difficult. From a developer’s point of view, adaptively reusing the old can factory would obviously be an expensive and intricate affair and any developer undertaking such a large outlay (assuming that could find adequate financing which in the present slump is questionable) would want to be duly rewarded for their troubles. They would, in short, have to confront the same dilemmas that faced Swerdlow. Now, if, as the community’s vision suggests, the complex would be reused for low-income (fixed rent) housing, it is difficult to envisage how any developer could make the venture profitable – without receiving substantial federal aid (which given the recent austerity programmes is doubtful). Equally, provision for small-scale businesses incurs high risks: those catering to the Canton catchment area would be unlikely to have extensive monetary turnover, and be hard put to pay the ‘market rent’ which would generate an ‘adequate’ return on the developer’s capital. Any lower or fixed rental payments would adversely affect the developer’s own financial expectations.

More generally, it is just such an alternative that Harvey (1987), for one, has cited as being a potential response to the encroaching gentrification that has plagued most American cities throughout the last decade or so. According to Harvey (p. 281), sympathetic urban governments can enforce policies of community reinvestment and entrust that planners attempt to ensure that ‘the transformations of neighbourhood will preserve rather that destroy collective memory . . . [because] . . . [far better that a deserted factory be turned into a community center where the collective memory of those who lived and worked there is preserved rather than being turned into boutiques and condos that permit the appropriation of one people’s history by another’. While I am in complete agreement with this suggestion, as the above study has made explicit, even such a modest goal as preservation is extremely problematic. As we saw in Southeast Baltimore, place-bound communities struggling for any ‘self-valorising’ (Negri’s, 1984 phrase) alternatives must face up to the constraints imposed by a profit driven real estate and land market (itself responsive to the caprices of the broader economy and imperatives of the law of value), together with a state apparatus (both local and federal) that must in some way ensure the regulation and preservation of a capitalist system. Formidable barriers, indeed, but ones that are surely not insuperable and whose parameters can, in the short term at least, be manipulated through localized struggle, organization, and robust coalition building that is sensitive to prevailing objective conditions.

With regard to community reinvestment strategies, there are, as Baltimore’s recent experience likewise shows, acute difficulties. In September 1989, Southeast Baltimore communities began urging the City Planning Commission to endorse a community reinvestment or ‘linkage’ policy that would impose a fee on waterfront development in Canton to generate money for the needs (particularly housing) of local communities. Under the impetus of the SECO-backed Southeast Linkage Group, the idea emerged to press
the City to impose a so-called 'impact fee' on developers carrying out waterfront projects in Canton and Fells Point amounting to $2.25 per sq. ft. for any scheme exceeding 50,000 sq. ft. In so doing, it was estimated that around $4.5 million over five years would be generated and used to help finance construction or rehabilitation of moderate-to-low income housing, parkland and other infrastructural works and to subsidize existing small business in Canton and Fells Point (see Baltimore Sun, 15th September 1989). As Bob Giloth, Executive Director of SECO declared, 'this impact legislation is one more option for communities to participate in the development process'.

Even though the notion of community reinvestment represents a 'legitimation of the idea that local government is entitled to and should demand that private commercial developers contribute to a better planned and more equitable revitalisation of our central cities' (Keating, 1986, p. 141), it proved unpopular with Baltimore City officials being endorsed by only one councillor. While the Planning Commission members conceded that the legislation 'raises important issues about involvement' they were correspondingly determined not to do anything that might discourage important tax-generating private investment in the city and accordingly voted unanimously against the measure. According to Al Barry (Assistant Director of Planning), 'the possible impact fees would discourage development and force builders into the suburbs' (cited in Baltimore Sun, 1990b). To do so, they argue, may encourage developers to invest elsewhere in areas offering a competitive advantage, and vital tax revenues to fund the overwhelming demands for public services (and balance the city's budget) would therefore be lost. The real estate sector in Baltimore, the City felt, even on the best of times was too fragile to withstand the added burden on developers of any impact charge. Which of course throws up the unpalatable question of just who does city government really represent?

**EPILOGUE**

The political and theoretical implications of experiences at American Can are legion. To begin with, events in Canton, along with the barriers confronting Baltimore's prospective community reinvestment programme, exemplify the extent of the problem facing ordinary people in all American cities struggling to keep intact precious use values in their neighbourhood. As we witnessed, the property rights available to those who control speculative financial assets permit the most profound command and mobility over space, and with it the wellspring of formidable wealth and social power. The devaluation/valorization nexus can now take place at such dizzy speeds within this speculative system that Marx's famous dictum of 'all that is solid melts into air' has, perhaps, never been more appropriate. This increasing mobility and ephemerality of fictitious capital seemingly leap-frogging over space at the push of a button unleashes acute dangers. That it can, first of all, rend asunder the social fabric of particular places is incontestable. It does, however, also question the liberal bourgeois case for the purported benefits of private property ownership. This suggests that sturdy, virtuous property owning individuals form the best basis for any democratic society. Yet the argument that self-interested individuals will behave prudently, rationally and responsibly toward their own property seems a little flimsy in the light of current realities. Indeed, never have property owners - involved as they have been in a frenzied pursuit for short-term gain - so recklessly squandered their own property and productive assets as in the last decade or so. This is why the increasing hegemony of financial institutions and banks in dictating the terms and trajectory of capitalist economies is, I would argue, as much a systematic pathology for capital as a whole as it is for their political antagonists. Spaces and places, then, have become transformed into mere 'phantoms of the imagination', and the long-term impact of this highly fragile and fragmented mode of place construction behoves us to question soberly the continuation of a system that fosters, to use Marx's (1967b, p. 465) own words, 'all manner of insane forms'.

But there are further lessons emerging from Canton. The recalcitrant opposition offered by the local Canton community who 'put their heads together' and refused to let their tradition and history be cleared away into oblivion by the might of the developer's bulldozer suggests that there are signs of an unwillingness on the part of communities to capitulate quietly to present processes of urban transformation. That their grievances centred on the issue of territory - or, more notably, over the question of whose space? - offers further encouragement to a popular awareness of the particular forms of appearance that contemporary capitalism is now hiding behind. Territorial concerns of this sort are, of course, important tactics for local communities struggling
for the ‘reconquest’ of place as a ‘lived’ space. However, while oppositional groups must begin with the realities of place, they must, as Marx was at pains to emphasize, go beyond the fetishisms and neutralizing tendencies of place too. The building of alliances that might unite progressive citizens in a struggle across, if you will, space, therefore, appears to be a vital pre-requisite for mounting a sustained challenge to capital over its own turf. This manifests itself as a spatial problem that must somehow be reconciled, because it is always likely to catch up with any single issue or localized oppositional movement. And it did so in Canton.

Critical theory, finally, is not without its use here. But it must be self-critical and responsive to the ‘current situation’. Above all, perhaps, it must incorporate and express a commitment to a critical reading of a universalizing capitalist system. Denying the totalizing character of the contemporary capitalist system, for example, with the financial sector at the cutting edge, merely succeeds in anaesthetizing critical sensibilities. Only by sharpening our (metatheoretical) understanding of current urban change, and of the far-reaching role played by financial capital therein, therefore, can we hope to probe hard beneath the surface confusion and ‘grasp on to something solid’. Actual case studies are, however, invaluable in helping formulate general theoretical insights on the manner in which the urban landscape is shaped in particular places and how this process is integrated into a broader web of financial, political and cultural transformation. Such an agenda is crucial for crystallizing critical awareness over what emerges as the key issue in the comprehension of capitalist place construction: the problem of mediation. For only by grappling with the dialectical mediation between ‘conceived’ space and ‘lived’ place can we hope to develop political practices aimed at discovering real democracy, local empowerment, and that long forgotten ideal of social justice. The present paper may only be a modest offering with respect to this agenda. But there is plainly an urgent need to start somewhere.

APPENDIX

This research was undertaken over a twelve month period in close collaboration with Southeast Community Organization (SECO) who made available their extensive data bank on commercial redevelopment, gentrification and community activism in the Southeast waterfront area. Selected interviews were also carried out by the author with key participants from local community groups. City of Baltimore officials, and business persons involved in Baltimore’s real estate market. Additionally, the author gained further insight into Southeast neighbourhood dynamics through attendance of community meetings and forums, particularly those on the future of the American Can complex.

It should be stressed that community groups in Southeast Baltimore are not internally homogeneous. Hence, like all grassroots activism, events here are more complex and contradictory than they may first appear. Appeals to any ‘nostalgic’ notion of community would, therefore, be grossly misleading. Indeed, while both the Waterfront Coalition and SECO are essentially bridge-building organizations resonant of the neighbourhood’s primarily working class (low-to-moderate income) corpus, their leadership and organizational structure is heavily dependent upon professional intelligentsia and a progressive petty-bourgeois element (i.e. established small-business owners) together with the first generation, better educated, higher-income new arrivals who are intent on raising the gangplanks to preclude further large-scale development.

Since the mid-1980s, SECO has been headed by Bob Giloth who has a doctorate in planning and has been involved in city planning and community politics elsewhere in the United States. Each of the seventy or so member groups in SECO, for instance, tends to handle their own parochial issues, yet has recourse to, and works in conjunction with, SECO’s annually elected board membership for larger concerns.

Those most vocal in the Waterfront Coalition comprise local business persons and, more notably, John Cain, the former editor of local newspaper, The East Baltimore Guide. In September 1991, however, Cain stood and was subsequently elected as Democratic councillor for the Southeast Baltimore ‘First District’ at the municipal elections. A native of Canton and active in local community affairs since 1984, Cain’s agenda will predominantly focus on issues such as affordable housing, socially responsible development, improved schooling, recycling initiatives, and empowerment in the neighbourhoods.

The actual struggle over the old American Can site itself became something a cause célèbre that succeeded in activating the sensibilities of most Canton residents and community organizations. Arguably, such an occurrence emphasizes how a ‘class-ideology’ will always display, as Eagleton (1992, p. 102) has it, much ‘unevenness and contradictoriness’, with a petty-bourgeois element frequently exhibiting a consciousness that is ‘typically compounded of elements drawn from the classes both above and below them’ (ibid., p. 101). Depending on their material interests, then, petty bourgeois factions can lurch either way in social conflicts forming potential alliances with ruling classes or with oppositional groups. In Southeast Baltimore, progressive petty bourgeois residents combined with working class elements to form a ‘class bloc’ which was prepared to rally over the fate of the old can site and over the future of the Canton waterfront.
ACKNOWLEDGEMENTS

Research was made possible through the financial support of the Institute for Policy Studies at Johns Hopkins University, Baltimore. At Hopkins, Neil Hertz, Bob Seidel and Anne Shlay offered invaluable assistance, as did Bob Gilo of the Southeast Community Organisation. Clive Barnett, David Harvey, Ali Rogers and Erik Swyngedouw at the School of Geography, Oxford University, and two anonymous referees, also provided helpful comments on earlier versions of this paper.

REFERENCES

Baltimore Sun (1989) East Baltimore group urges fee on waterfront growth' 15th September
Baltimore Sun (1990a) 'The Gold Coast: a special report' 24th/25th October
Baltimore Sun (1990b) 'Planners reject impact fees bill' 2nd November
Business Week (1986) 'The new aces of low tech', 15th September
Business Week (1988) 'A 180-degree turnabout for Triangle', 5th December
City of Baltimore (undated) Report on real estate in Canton and Fells Point (Planning Commission, Baltimore, Maryland)


EAST BALTIMORE GUIDE (1988) 'In answer to neighborhood concerns, designer of American Can site submit plans for shopping center with no high rises', 31st March

EAST BALTIMORE GUIDE (1989) 'Vandalism and toxic spills blamed by developer for abandoning Boston St. American Can project', 14th September


FORBES MAGAZINE (1982) 'The alchemist of chapter 11', 11th October

FORBES MAGAZINE (1989) 'The rape of the bondholder', 23rd January


HARVEY, D. (1989b) 'From managerialism to entrepreneurialism: the transformation in urban governance in late capitalism', Geografiska Annaler, 71b: 3–17

JAMESON, F. (1984) 'Postmodernism, or the cultural logic of late capitalism', New Left Rev. 146: 53–92


MUMFORD, L. (1938) The culture of cities (Secker and Warburg, London)

NEW YORK TIMES (1988) 'Large sale of Florida real estate', 4th August


The struggle over place

TRUELOVE, L. (1977) *SECO history*, Unpublished Paper, Southeast Community Organisation, Baltimore
WALLIS, B. (1991) *If you lived here – the city in art, theory, and social activism: a project by Martha Rosler* (Bay Press, Seattle)
WATERFRONT COALITION (undated) *Waterfront alert information sheet* (Baltimore, Maryland)

The Struggle over Place: Redeveloping American Can in Southeast Baltimore
Andrew Merrifield
Stable URL: http://links.jstor.org/sici?sici=0020-2754%281993%292%3A18%3A1%3C102%3ATSOPRA%3E2.0.CO%3B2-U

This article references the following linked citations. If you are trying to access articles from an off-campus location, you may be required to first logon via your library web site to access JSTOR. Please visit your library's website or contact a librarian to learn about options for remote access to JSTOR.

References

Locality and Community in the Politics of Local Economic Development
Kevin R. Cox; Andrew Mair
Stable URL: http://links.jstor.org/sici?sici=0004-5608%28198806%2978%3A2%3C307%3ALACITP%3E2.0.CO%3B2-I

Monument and Myth
David Harvey
Stable URL: http://links.jstor.org/sici?sici=0004-5608%28197909%2969%3A3%3C362%3AMAM%3E2.0.CO%3B2-F