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The Reagan presidency reversed a half-century of federal aid to cities. Poor minority communities were particularly hard-hit, since this was accompanied by a white flight to the suburbs and the replacement of better paying industrial jobs requiring little education with poorer paying service jobs requiring more education. Meanwhile wealthy communities prospered. To address urgent social problems, urban politicians are advocating strategies such as industrial policy, public entrepreneurship, and guerrilla welfare.

The Reagan presidency oversaw a fundamental change in American urban policy—the demise of the drab, industrial city and the rise of its glittering, postindustrial successor. Reversing a policy stance established during the New Deal, the Reagan administration failed to develop federal legislation to ameliorate the social and economic dislocation concomitant with the very substantial shifts in capital and population which have occurred. In place of a visible and coherent urban policy, the Reagan administration preferred an oblique, but highly successful, strategy in urban affairs. This strategy decimated categorical grants to cities for the purposes of economic and community development, exacerbating an already-marginal standard of living for the poor who were experiencing significant loss of benefits through means-tested programs. Less recognized at the time, tax cuts and deregulation served to accelerate the flight of capital from the industrial, "rustbowl" in favor of the postindustrial, "sunbelt." A decade after the inauguration of Ronald Reagan, the two issues most prominent in urban America follow from this strategy: the emergence of an underclass in older cities, and the massive Savings and Loan scandal attributable to speculation in the booming metropolitan areas of the West and South.

Urban Policy and Social Welfare

Since its inception during the Progressive Era, urban policy has been inextricably bound to the American welfare state. The predecessors of modern social service agencies were established in America's industrial heartland before the turn of the century: the first Charity Organization Society in Buffalo in 1877; the first Settlement House in New York City in 1887 (soon followed by the most well-known Settlement—Hull House—in Chicago in 1889) (Axinn and Levin, 1982). The Progressive penchant for efficient administration directly influenced the next generation of social service agencies, as evident in the Milford Conference Report, which detailed the structure and process of both public and private agencies (National Association of Social Workers, 1974). This implicitly urban format for service provision was replicated in virtually every city, leading Wilensky and Lebeaux to conclude that "virtually all welfare service" was dispensed through this model (1965, p. 231).

Progressives' concern for effective administration complemented their campaign for good government, an attempt to rid municipal governance from the corruption associated with the likes of Tammany Hall's Boss Tweed and George Washington Plunkett. "Good Government" became a rallying cry for such luminaries as Jacob Riis, Lincoln Steffens, and Upton Sinclair. Together, the "clean administration" Progressives and the "good government" Progressives laid the groundwork for what was to become the New Deal. It is significant that many of the architects of the American welfare state were tenants of Jane Addams' Hull House, among them Edith and Grace Abbott, Julia Lathrop, Florence Kelley, Frances Perkins, and John Dewey. Harry Hopkins, a lightning-rod for many of FDR's initiatives, had resided at New York's Christadora House Settlement (Karger and Stoesz, 1990, p. 339).

Federal urban policy began with passage of the Housing Act of 1937, which provided assistance to states and cities for purposes of eliminating unsafe and unsanitary housing. After the War, the Act was amended so as to focus on slum clearance and urban renewal (Karger and Stoesz, 1990, p, 243). The broad authority granted to local government coupled with the lack of advocacy by minorities and the poor resulted in federallyfunded projects which severely damaged working class communities (Gans, 1962), often replacing them with housing projects which resembled vertical concentration camps. In 1954, the Act was again amended, eliminating a requirement that residential housing be a substantial portion of federally-supported projects. As a result, African-Americans claimed, by an ironic semantic shift, that the "urban renewal" provision of the Act actually meant "Negro removal."

The War on Poverty, declared by President Johnson, ushered in a series of domestic programs which were intended to improve the plight of minorities and the poor. Because these populations disproportionately inhabited urban areas, programs targeted for them were beneficial for cities. Among them, the Manpower Development and Training Act of 1962 financed education and job training for the poor; the Civil Rights Act of 1964 enhanced the life opportunities for racial minorities; the Food Stamp Act of 1964 improved nutrition of the poor; the Community Mental Health Centers Acts of 1963 and 1965 funded psycho-social services for the poor; the Medicaid and Medicare amendments to the Social Security Act provided health insurance for the poor and elderly; and the Economic Opportunity Act of 1965 provided an umbrella for several important initiatives, including Head Start, the Job Corps, the Legal Services Corporation, Model Cities, and the Community Action Program.

The Community Action Program (CAP) quickly became the most controversial facet of the War on Poverty. Because local CAPs administered programs independent of municipal governance, they were viewed skeptically by city officials. However, when CAPs were required to have one-third representation by the poor in decision-making, and the poor challenged the power structure in many cities, mayors reacted strongly (Moynihan, 1969). The instability generated by "citizen participation" in poverty programs was punctuated by urban riots of the mid-1960s which were attributed to prevalent racism and an absence of opportunity for the poor (National Advisory Commission on Civil Disorders, 1968). Turbulence in federal urban policy was addressed in the Housing and Community Development Act of 1974, which reassigned virtually all of the CAP programs to other agencies, dismantled CAPs as they were known, and relegated participation of the poor to an advisory function. Reinforcing the role of metropolitan government, the 1974 Act incorporated a range of programs—including urban redevelopment and beautification, Model Cities, neighborhood improvement, and historic preservation—which were budgeted at $11 billion for 1978–80. By 1981, the Department of Housing and Urban Development (HUD), the primary agency through which urban policy was implemented, subsidized about 3.5 million housing units (Karger and Stoesz, 1990, pp. 244, 245).

The Reagan Era

With the inauguration of Ronald Reagan, a half-century of progress in federal urban policy abruptly came to an end. The federal reversal of aid to cities was the result of a dual strategy—divesting the federal government of its responsibility for social problems while assigning that task to subordinate levels of government (federalism), and delegating as much of the program function as possible to nongovernmental providers (privatization). By the end of the decade, federalism and privatization had had a profound impact on the welfare of America's cities and their peoples.

For the record, it is important to recognize that the Reagan legacy in urban policy was not completely remiss. During the early 1980s, much legislative attention was directed at an initiative which promised to lure industry into the nation's, most economically depressed communities. Pioneered in Great Britain and imported to the U.S. by Stuart Butler, a British analyst recruited by the conservative Heritage Foundation, the Urban Enterprize Zone (UEZ) concept was poised as the Republican antithesis to a series of Democratic urban programs. In designating UEZs, government would offer business special considerations, such as tax rebates, reductions in the minimum wage, and waving certain occupational and health protections, in order to induce firms to relocate in poor areas. Aggressively promoted by then-Representative Jack Kemp, UEZ legislation attracted the endorsement of such disparate groups as conservative ideologues, Democratic mayors, and civil rights organizations (Stoesz, 1985). Yet, a combination of neglect on the part of the Reagan administration and what was later to prove glaring incompetence in the administration of the HUD, under the direction of Samuel Pierce, who was later charged with misappropriating $2 billion in low-income housing aid (Ostrow, 1990), effectively killed any prospect that UEZs would become national policy. Ironically, the UEZ concept remains the most viable urban policy option for the Bush administration, and it is HUD Secretary Jack Kemp who is again promoting the idea in the face of even greater obstacles.

Federalism and privatization provided a powerful rationale for the withdrawal of the national government in urban policy. From 1980 to 1988, federal spending for housing decreased from $27.9 billion to $9.7 billion (Leonard, Dolbeare, and Lazere, 1989, p. 32). As a result, the supply of low-income housing failed to keep pace with the number of poor households. While the number of poor renter households increased by 3.2 million between 1974 and 1985, the number of low rent units fell by 2.8 million (Greenstein and Leonard, 1990, p. 21). This, of course, contributed significantly to increases in homelessness during the same period.

Federal grants to cities declined sharply during the Reagan administration. Between 1975 and 1980, federal aid to subordinate levels of government for community development block grants increased from $38 million to $3.9 *billion*—but had declined to $3.3 billion by 1987. Similarly, the federal contribution for community services block grants decreased from $557 million in 1980 to $354 million in 1986 (*Statistical Abstract of the United States, 1988*, pp. 260, 337). The House Ways and Means Committee reported that "for HUD's programs alone, appropriations of budget authority declined (in 1989 dollars) from a high of $57 billion in 1978 to a low of $9 billion in 1989 (Committee on Ways and Means, 1990: 1311). Still, in some respects the Reagan administration pales in its dunning of urban programs compared to that of his successor. The Bush administration budget for 1991 proposes to further reduce federal assistance for low-income housing by 4.2%. For the same year, federal allocations for community development block grants are dropped to $2.7 billion, and federal support for community services block grants plummet to only $42 million (Greenstein and Leonard, 1990, Table 1).

An Urban Diaspora

During the Reagan presidency, federal urban policy failed utterly to address problems associated with substantial shifts in demography and capital affecting American cities. During the last two decades millions of Americans abandoned older, industrial cities for the "sunbelt." John Kasarda reports that between 1975 and 1985, "the South and West accounted for more than 85% of the nation's population growth" (1988 p. 154). The consequence for select cities is depicted in Table 1 below.

Table 1

Population Changes of Selected Major Cities (in thousands)

City	Population 1970	Population 1984	Percentage Change
St. Louis	622.2	429.3	−31.0
Detroit	1,511.3	1,089.0	−27.9
Cleveland	751.0	546.5	−27.2
Buffalo	462.8	339.0	−26.8
Pittsburgh	520.2	402.6	−22.6
Los Angeles	2,816.1	3,096,7	+10.0
Dallas	844.2	974,2	+15.4
San Antonio	654.3	842.8	+28.8
San Diego	696.6	960.5	+37.9
Houston	1,232.4	1,705.7	+38.4
Phoenix	581.6	853.3	+46.7

Source: Dearborn (1988, p. 256).

Most of the explosive growth of southern and western cities was fed by flight from those of the Northeast and Midwest. Residents left behind in older cities tended to be minorities. Between 1975 and 1985, the minority population of northeastern cities increased from 33% to 42% (Kasarda, 1988, p. 156).

As the white population fled industrial urban areas, the economic base of America's cities changed dramatically—blue-collar jobs requiring less education vanished and were replaced by those of the information and services sectors. This penalized particularly the unskilled and poorly-educated minority population left behind in industrial cities of the northeast and midwest. "Unfortunately, the northern cities that have lost the greatest numbers of jobs with lower educational requisites during the past three decades," concluded Kasarda, "have simultaneously experienced large increases in the number of their minority residents, many of whom are workers whose limited educations preclude their employment in the new urban growth industries" (1988, p. 178). The interaction of white flight and technological transformation has been devastating for minorities residing in older, industrial cities, particularly African American males, as shown in the table below.

Table 2

Unemployment Rates and Proportion of Male Central City Residents Aged 16–24 Who Are Not in School and Not in the Labor Force, by Race and Region, 1985

Region and Race	Unemployment Rate %	Percentage Not in School and Not in Labor Force
All regions		
White	13.5	6.1
Black	37.1	14.1
Northeast		
White	16.7	9.4
Black	43.5	24.5
West		
White	11.3	5.5
Black	29.6	9.3

Source: Kasarda (1988, p. 187).

If the unemployment rate is combined with the labor force nonparticipation rate, the plight of young blacks is immediately apparent. For example, in 1985 68.0% of young blacks living in the northeast were unemployed or not in school or not working, compared to 38.9% who lived in the West.

The Underclass

The consequence of these developments has been the spread of an urban "underclass." From exploratory investigations of the deterioration of poor, urban neighborhoods (Glasgow, 1981; Auletta, 1982; Lemann, 1986), social researchers have developed a more sophisticated understanding of the correlates with underclass status (Wilson, 1987; McLanahan, Garfinkel, and Watson, 1988). In a synthesis of previous studies, McLanahan and her associates identified three factors contributing to underclass status: persistent and weak attachment to the labor force, intergenerational dependence, and ghettoization. Of particular interest is the latter, the increased social isolation of the very poor, as shown in the following table.

Table 3

Trends in Social Conditions in Large Central Cities, 1970–1980

	Census Tracts with 20 Percent Poor			Census Tracts with 40 Percent Poor		
	Percentage			Percentage		
Indicator	1970	1980	Change	1970	1980	Change
Employment rate males, 16+	63.3	56.0	−13	56.5	46.0	−22
AFDC families	19.8	28.0	+40	30.2	42.0	+40
Black persons	27.2	26.5	−3	6.3	8.3	+32
Poor Blacks	28.3	30.5	+8	9.4	13.1	+40

Adapted from McLanahan, Garfinkel, and Watson, (1988, p. 130)

While poverty continued to impact poor neighborhoods (census tracts with 20 percent poor), it worsened considerably the conditions of poorer neighborhoods (census tracts with 40 percent poor).

A conspiracy of events, then, transformed the industrial city beginning in the 1970s. White flight decimated cities of the Northeast and Midwest, leaving behind larger concentrations of minorities. Technological and economic shifts reduced the demand for unskilled labor, reducing sharply employment opportunities for African-Americans. Concommitantly, federal reductions in grants to the poor and to cities failed to help those left behind make up for lost ground. As a result, the social and economic circumstance of the poor worsened considerably, further isolating them from the American mainstream. Unarguably, a consequence of the Reagan administration's unwillingness to fashion a coherent urban policy is the emergence of an American underclass. By the 1990s, areas of many industrial cities had virtually imploded (Jencks, 1988; Williams, 1988).

The Overclass

While industrial urban areas withered, postindustrial cities expanded dramatically as a result of massive infusions of capital. Rejuvenating the economy had been a primary concern for the Reagan administration, of course, especially after a blistering campaign assault on the "stagflation" that plagued the Carter presidency. More immediately, the severe depression of the early 1980s made it imperative that the administration move swiftly. In short order, Congress agreed to a sizable tax cut which benefitted wealthy individuals and corporations, and it stripped much of the regulatory red-tape from the financial industry. The latter action would ultimately lead to the greatest financial debacle in the nation's history—the Savings and Loan (S&L) scandal.

Deregulation of the financial industry had direct implications for social welfare, since poverty programs were funded through public funds. According to "supply-side economic theory", government expenditures must be reduced since federal revenues are derived from taxes, monies that the private sector needs for capitalization. In effect, "Reaganomics" held that government competed with industry for capital by levying taxes on private revenue, starving the goose that lays the golden egg. As regards welfare, eventually an unfettered economy would generate an even greater surplus which could be taxed, thereby compensating for earlier reductions in expenditures for domestic programs. However flawless it may have seemed in theory, in practice "Reaganomics" proved abrasive to the nation's social fabric. Reagan domestic policy led to a massive shift in wealth from the poor to the wealthy, creating an income gap that reached its widest point since data had been first collected in 1947 (Greenstein and Barancik, 1990). And, through the deregulation of the S&L industry, it resulted in an enormous development program—one which ultimately favors the burgeoning cities of the "sunbelt" at the expense of those of the "rustbowl."

By deregulating the financial industry, the Reagan administration was able to replace a diminished, yet enduring, government urban policy with a corporate policy which overwhelmed federal programs of the previous half-century. The amount of this "corporate urban policy" is roughly the amount taxpayers will have to fork-over to repay depositors for money lost to speculative investments, primarily in real estate—between $300 and $500 billion over the next ten years (Greider, 1990, p. 11). Because S&Ls in conservatorship tend to be located in the sunbelt, the S&L bailout represents an unprecedented, intranational transfer of funds. According to Hill, 37 states will finance the liquidation of debt incurred in the remaining 13. Of these, several stand to gain substantially: "Texas will receive 43.2% of the gross bailout funds, followed by Arkansas (7%), Florida (6.8%), California (6.7%), New Mexico (5.1%), Louisiana (4.6%), Arizona (4.2%)" (1990, p. 42). As presently conceived and assuming a final cost of $300 billion, the bailout will penalize the "frostbelt" states $123 billion.[1] In presenting his analysis, Hill identified the bailout as an "economic development program in the same sense that debt forgiveness" is offered to third-world nations, except in reverse. "The bulk of the transfer will be coming from the Northeast and Midwest, regions attempting to renew their economies. The recipients are mainly located in regions that have experienced rapid job growth," noted Hill. "Money capital is being taken from regions that are attempting to renew their infrastructure, or physical capital, and given to regions with the newest physical capital" (1990, p. 44).

While the S&L scandal has substantial implications for urban policy, it also affects the national culture. If one aspect of the Reagan legacy in urban policy is the rise of the "underclass" due to cutting benefits to the poor, its corollary is the rise of the "overclass" as a result of tax cuts for the wealth, and fiscal wheeling and dealing. Here, Sidney Blumenthal's acerbic portrayal is worth reprinting.

> The overclass is the distorted mirror image of a caricature of the underclass. It is not the old establishment of Prescott Bush, George's father; it is, rather, the demimonde of rentiers who, under Reagan, elbowed their way to the top, where they hastily built mahogany-paneled offices to create an aura of settled legitimacy. This overclass piled up vast wealth shuffling junk bonds, paper assets, and real estate. Its monuments are not factories but Atlantic City casinos and boarded-up department stores. The overclass battened under Reagan; under Bush it sought to consolidate its respectability (1990, p. 20).

In an exhaustive analysis of the excesses of the Reagan era, Kevin Phillips (1990) profiled the American "plutocracy" which emerged during the 1980s. "Corporate executives and investors were the prime 1980s beneficiaries," he concluded (p. 166).

Yet, the contradictions posed by an ostentatious overclass are not so facilely reconciled with a stricken underclass. Consider that the $1 billion in indiscretions of Silverado S&L—in which the President's son, Neil, is implicated—easily exceeds the $691 million proposed by his father in aid for the homeless for 1991. Or, that the amount taxpayers will absolve Lincoln S&L's Charles H. Keating, Jr. of $2.5 billion, eclipses what the Bush administration proposed for the Women, Infants, and Children Supplemental Food Program for 1991.[2]

Reconstructing Urban America

As a result of the feoeral retreat from urban policy, momentum gained on several fronts to address the increasingly dire straights of many American cities. Since the programmatic articulation of these orientations has yet to be broadly demonstrated, they are largely expressions of ideology. Still, a post-Reagan urban policy is likely to be influenced by present discussions around "industrial policy," "public entrepreneurship," or "guerrilla welfare." While these differ in important ways, they share an important dimension—an acceptance of the premise that the federal government is not the sole actor in resolving urban problems.

Industrial Policy

Citing the decline of American industry in an increasingly competitive global economy, several analysts have called for the creation of a national industrial policy. Leaving the particulars aside, such a policy would be negotiated through a troika consisting of government, industry, and labor. Since an industrial policy would attempt to bolster existing industry threatened by international competitors as well as foster the emergence of new enterprises, it has direct implications for urban policy. Through a national urban policy, decaying urban infrastructure could be rebuilt, blue-collar workers retrained for new high-tech jobs, communities where heavy industry had predominated could be transformed to showcases for light manufacturing and information technology. As exemplars, proponents of national industrial policy point to Japan and West Germany which have benefited mightily from a high degree of economic management during the post-war era.

To some extent the prospects that urban America will benefit from an industrial policy are contingent on which form of economic management is proposed. Drawing from leftist theoreticians (O'Connor, 1973; Gough, 1979), some analysts called for an industrial policy heavily influenced by a national government (Thurow, 1980; Kuttner, 1984, 1987). Others, showing allegiance toward labor and community, advanced more populist initiatives (Bowles, Gordon, and Weisskopf, 1983; Alperovitz and Faux, 1984; Harrison and Bluestone, 1988). To the right, Kevin Phillips proposed a variant in which the corporate sector was dominant (1984). Playing a middle ground, Robert Reich opted for greater coordination among principles, a de facto industrial policy without calling it as much (1983, 1987).

Yet, for all the intellect aimed at developing a national economic recovery policy, a decade of deliberation failed to deliver such a policy. In fact, at the national level, government pursued a laissez-faire tack, seeking further integration of the U.S. economy in international capitalism. At the state level, the sole effort to develop industrial policy was rejected by Rhode Island voters in the mid-1980s (Reich, 1989, pp. 255–57). Short of a major economic dislocation—attributable to a global depression, the consolidation of the European Economic Community in 1992, or, quite possibly, the S&L crisis—the prospects of the U.S. forging an industrial policy remain slim. In its absence, the industrial cities of the Northeast and Midwest will continue to lose capital and population.

Public Entrepreneurship

Facing the political equivalent to Chapter 11, mayors sought alternate supports as the federal government reneged on its commitment to the nation's cities. States would pick up some of the slack, though some, such as California and Massachusetts, had passed initiatives which limited state tax increases. Ultimately, city leaders had little choice but to turn to the private sector, experimenting with "public-private partnerships". Labeled "public entrepreneurship" by John Kirlin, urban leaders sought "to maintain local business and employment growth—and thus local government revenues—by stimulating private sector involvement in local economic development projects and urban service delivery" (Kirlin and Marshall, 1988, p. 349).

This strategy led mayors to innovative relationships with foundations and business. For example, after experimenting with locating computer assembly facilities in poor neighborhoods, Control Data Corporation established the City Venture Corporation to further its plans in civic responsibility (McKinnon et al., 1982). In order to wean community development programs from dependency on donors, the Ford Foundation established the Local Initiatives Support Corporation (LISC) to make them economically self-sufficient. By the mid-1980s, LISC claimed assets of over $100 million and projects in 23 cities (Osborne, 1988, pp. 304-5). The Enterprise Foundation, founded by developer James Rouse in 1981, used revenues from a profit-making subsidiary to fund housing developments for the poor. By 1984, the Enterprise Foundation claimed projects in 12 cities and had targeted 50 cities for intervention by the end of the decade (Enterprise Foundation, 1983).

Such endeavors led to the creation of Community Development Corporations in several cities in order to better focus the interests of government, foundations, and business on distressed neighborhoods. In a review of such efforts, Osborne urged the creation of "development banks" to regenerate poor communities. Citing examples such as Chicago's Shorebank Corporation and the Kentucky Highlands Investment Corporation, Osborne concluded that

> the ideal community development strategy would build comprehensive development organizations, each tailored to the realities of the local community. These institutions would have significant resources. They would focus on both economic and social problems. Their goals would be investment, rather than spending. They would leverage as much private investment as possible. They would seek to build the capacity of local people and institutions. They would have built-in market feed back mechanisms. And they would have the capital and political commitment to remain in place for the long haul (1988, p. 302).

What remains to be seen of the public entrepreneurial strategy is whether it is possible to generate the capital and will to address the tenacious problems associated with deteriorating urban neighborhoods inhabited by the underclass. With present government expenditures already restricted by the deficit and future appropriations committed to the S&L bailout, public funds are not likely to be forthcoming. Private sources, either from foundations or corporations, are contingent on a healthy economy. The market crash of October 1987 and wild stock fluctuations accompanying events in the Mideast in 1990 tend to dampen the enthusiasm of business leaders for civic projects. Under the best of circumstances, private sector innovations are unlikely to produce the capital necessary to freshen the nation's economic backwaters. Still, considering the federal retreat from urban affairs and the fiscal straightjacket stifling city management, mayors have little choice but make the most of "public entrepreneurship".

Guerrilla Welfare

Inevitably, the social and economic pathology besetting many cities drove some community activists to radical tactics. Radicalism has been a continuous feature of the American urban experience, so this is hardly surprising. Much of the social programming of the American welfare state can be attributed to radical organizers of the labor movement, reflected in the New Deal, and the civil rights movement, reflected in the War on Poverty. In their classic history of public assistance benefits, Piven and Cloward (1971) demonstrated that the "generosity" of welfare programs is actually cyclical, contingent on political and economic instability, which is, to a degree, generated by radical organizers. Saul Alinsky's organizing strategies (and antics) in Chicago and Buffalo have become as legendary as his writings (1972).[3]

Still, the 1980s marked a particularly mean period in the nation's treatment of the economically and socially dispossessed. Despite worsening conditions, civil disturbances of the 1980s failed to materialize on a scale of those of the 1960s. To address problems of the homeless in Washington, D.C., Mitch Snyder and other pacifist radicals, founded the Community for Creative Non-Violence (CCNV). While the Reagan administration launched its assault on poverty programs in the early 1980s, CCNV began its offensive against Reagan. Through such dramatic actions as creating a symbolic cemetery—in Lafayette Park across from the White House-of those having died of exposure, and undertaking several hunger strikes, CCNV seized the moral high ground. Ultimately, CCNVs radical tactics not only led to concessions by the Reagan administration in aid to the homeless in the nation's capital, but contributed to the passage of the McKinney Homeless Assistance Act in 1987 (Hombs and Snyder, 1983; Simon, 1990; Ifill, 1990). In Milwaukee, a classic example of the disinvestment affecting older, industrial cities, alderman Mike McGee formed the Black Panther Militia, threatening the city with violence unless $100 million was invested in the African-American community there. Milwaukee's director of the department of social services, Howard Fuller, pointed to the city's loss of 25,000 manufacturing jobs during the last 15 years as the source of growing militancy by Blacks. McGee has hinted at a terrorist strike at convention facilities or rolling burning tires onto freeways, tactics that do not seem so farfetched once the uniformed and cadenced Militia is considered. "I've been studying this. I've got 1,001 ways that we can completely disrupt white life in Milwaukee," observed McGee, "It ain't going to take a lot" (Maraniss, 1990, pp. 9–10).

The 1990s are apt to see an upsurge in radicalism in American cities. As the federal government walked away from cities and business migrated to the sunbelt (and overseas), mayors scrambled to cobble together resources to deal with a host of festering problems. Increasingly, urban factions had to compete for diminishing resources. In particular, competition increased among those trying to clean up the social debris left behind, a problem exacerbated since their constituents were economically and politically peripheral. Radical tactics were a quick and visible method of climbing to the top of the public agenda. The problem with guerrilla welfare, as Max Weber would have noted, is routinizing civil disobedience. With Snyder's suicide, it is difficult to identify a figure capable of transforming local achievements into a populist movement on behalf of the disenfranchised.[4] Insurgent tactics will probably become more plausible among frustrated urban activists, but radicalism in the U.S. has not always been progressive. Social and economic conditions which marginalize the poor, fostering the likes of CCNV and McGee, also marginalize the working class, breeding the intolerance of evangelical reactionaries and white supremacists.

Denouement

Approaching the end of the century, it is difficult to be sanguine about the emergence of an urban policy that is beneficent toward minorities and the poor. Evoking federalism and privatization, the Reagan administration was able to reverse a half-century of federal support for the nation's cities; yet, a conservative, governmental program of urban development failed to emerge. Instead, deregulation of financial institutions resulted in a massive, corporate urban aid program—more popularly known as the S&L crisis—which benefits cities of the "sunbelt" at the expense of those in the "rustbowl". To worsen matters, Reagan rhetoric was followed by Bush's ingenuous appeal to American altruism as a substitute for effective action. In a real sense, the Reagan legacy for urban policy has been "a thousand points of blight."

For their part, advocates for the urban poor have begun the task of fashioning a post-Reagan urban policy, but they have much work to do. The prospects of a comprehensive strategy through industrial policy are faint; private-public partnerships have been noteworthy, but spotty; and, radical action is even more idiosyncratic, Still, it has been out of such confusion and despair that major initiatives have been advanced in the nation's welfare experience. Social activists can look to leaders of the Progressive and Civil Rights movements for models of those who have championed efforts to deal with urban poverty while advancing social justice. However discouraging the recent past, the future is redolent with opportunity.

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Notes

1. For this calculation, a ratio used by Hill was employed. Hill's penalty for the frostbelt states was placed at $51.6 billion, but this was based on an earlier, low assessment of bailout costs.
2. Details on Neil Bush's activities can be found in Day (1990), those on Keating, in Adams (1990). Budget figures are from Greenstein and Leonard (1990).
3. For details on Alinsky, see Horwitt (1989); on grassroots organizing, see Paget (1990).
4. The most-likely candidate is Jesse Jackson; however, his political philosophy has become more mainstream as a result of his involvement in presidential politics and those of the District of Columbia.