Contemporary Discourses of Urban Entrepreneurialism and Event-led Regeneration in Tokyo: A Case Study Approach

Grace Gonzalez Basurto

Journal of Inquiry and Research

Volume 111

Page range 151-164

Year 2020-03

URL http://doi.org/10.18956/00007914
Contemporary Discourses of Urban Entrepreneurialism and Event-led Regeneration in Tokyo: A Case Study Approach

Grace Gonzalez Basurto

Abstract

The article examines Tokyo’s current form and function as an ‘entrepreneurial city’. To this end, it focuses on Tokyo’s ongoing event-led regeneration (i.e., stemming from the Tokyo 2020 Olympic and Paralympic Games) as a prime example of urban entrepreneurialism. The article provides evidence in the infrastructure and housing sectors. Urban entrepreneurialism is particularly employed by “mature” global cities, like Tokyo, in order to remain relevant and/or materialize an all-winning policy formula to reactivate their local economy in the long-term (vis-à-vis shrinking/aging populations and/or economic downturn). The article employs David Harvey’s theoretical framework on the urban process under capitalism (1985) and urban entrepreneurialism (1989) in order to examine the (discursive) rationale and consequences of the current entrepreneurial mode of urban governance in Tokyo.

Keywords: Tokyo, urban entrepreneurialism, meta-liberal, event-led regeneration

Introduction

The article examines Tokyo’s current form and function as an ‘entrepreneurial city’. The entrepreneurial city model is constructed and enacted through risk-taking initiatives and profit-seeking urban governance mechanisms to address economic downturn and inter-city competition on a global scale (Harvey, 1989; Jessop, 1997; Hall & Hubbard, 1996). Vast evidence in the urban studies literature (see for instance, Mooney et al, 2015; Boykoff, 2014; Watt, 2013; Cohen and Watt, 2017; Flyvbjerg and Stewart, 2012) suggests that cities both in the global North and South have adopted models of urban entrepreneurialism. Accordingly, the form and function of the urban environment is leveraged by municipal/metropolitan (and national) governments to boost speculative projects.

Urban entrepreneurialism is particularly employed by “mature” global cities, like London and Tokyo\(^1\), in order to remain relevant and/or materialize an all-winning policy
formula to reactivate their local economy (Gonzalez Basurto, 2017:435) in the long-term (vis-à-vis shrinking/aging populations and/or economic downturn). This strategy essentially caters and facilitates global flows of capital (and capital accumulation) temporarily through the redeveloping of the city’s built environment. In this sense, national and local governments increasingly serve as intermediaries not only to dissolve barriers among circuits of capital (see below), but also to foster the speculative nature of this mode of accumulation within cities’ socio-economic and socio-spatial systems.

The article employs David Harvey’s theoretical framework on the urban process under capitalism (1985) and urban entrepreneurialism (1989) in order to examine the (discursive) rationale and consequences of the current entrepreneurial mode of urban governance in Tokyo. More concretely, the paper focuses on Tokyo’s ongoing event-led regeneration (i.e., The Tokyo 2020 Olympic Games) as a prime example of this practice. Event-led regeneration in cities (both in the global North and South) has steadily been used as a proxy for urban entrepreneurialism. Event-led regeneration can be described as an urban policy that uses mega-events to regenerate (or redevelop) inner-city areas in the form of permanent new infrastructure (Smith, 2012) whilst propelling a model of trickle down economics. In other words, it entails a basic stimulus wrapped in the form of mega-events to catalyze planned developments, boost trade, and attract inward investment, especially in periods of economic downturn (DCMS, 2013: 31; Harvey, 1989) and/or stagnation.

As a corollary, the socio-economic and socio-spatial impacts of recent Olympic and Paralympic Games (e.g., the London 2012, Sochi 2014, and Rio 2016 Olympics) derive mainly from an event-led regeneration. For instance, the economic contribution of the 2012 Olympics to the UK Gross Domestic Product (GDP) mainly concentrated on the construction, tourism, labor market, and housing sectors. Approximately 80% of the estimated employment was created in construction work, with the main contribution within the Olympic-related construction projects being indirect (that is, the employment generated in the construction industry’s supply chain), particularly between 2008 and 2017 (Oxford Economics, 2012). Specialized literature in event-led regeneration (Mooney et al, 2015; Boykoff, 2014; Watt, 2013; Cohen and Watt, 2017; Flyvbjerg and Stewart, 2012; Davis, 2011) suggests Tokyo (through the 2020 Olympics) is following and enforcing this pattern.

The organization of the article is as follows: The second section reviews the theoretical foundations of the secondary circuit of capital and its relevance for capital circulation and accumulation. The third and fourth sections problematize the use and analytical development
of neoliberal urbanism and urban entrepreneurialism in the specialized literature of Urban Studies. Here, the article proposes the concept of ‘meta-liberal’ city to tackle the use and misuse of the neoliberal label in policy and academic circles. The fifth section provides a snapshot of Tokyo’s entrepreneurial rationale and ongoing event-led regeneration through examples in the infrastructure and housing sectors. Lastly, the article offers new plausible directions for research on the socio-spatial restructuring of contemporary cities vis-à-vis 21st century capitalism.

Some Theoretical Considerations on Circuits of Capital

This section reviews the relationship among Marx’s general law of accumulation, the nature of the secondary circuit of capital, and the relevance of the urban process for capital flows between the primary and secondary circuits through money/credit supply (in advance of production and consumption) by financial and state institutions. For the purpose of this article, the secondary circuit of capital is defined as the built environment for production (e.g., infrastructure such as docks, sewers, and bridges) and consumption (e.g., housing) (Harvey, 1985; Harvey, 2017).

Fixed capital in the built environment is immobile in space in the sense that the value incorporated in it cannot be moved without being destroyed (in order to make room for renewed accumulation) (Harvey, 1989:6). Besides its function for production and consumption, the secondary circuit serves to temporarily fix over-accumulation problems in the first circuit. That is, by switching capital flows from the first to the second circuit (Harvey, 1989:6). Investment in the built environment by individual capitalists is less desirable as the built environment is, in many ways, used ‘collectively’. In addition, the built environment is “long-lived, difficult to alter, spatially immobile and often absorbent of large, lumpy investments” (Harvey, 1989: 16). Therefore, investment and over-investment in the secondary circuit is made (by state institutions) for the needs of capital. However, structural issues arise when investment in the built environment is made largely for financial reasons (speculation in urban property markets). Housing is a prime example of commodity production for the ‘consumption fund’ and conduit for rapid accumulation. Rent control and social renting in this sense, curtail the potential of housing as a field for investment and accumulation (Harvey, 1989:28) (see fifth section). In general, governments often create “stimuli” (fiscal and otherwise) for capital to invest in the secondary circuit through...
appealing housing/real estate developments.

The Meta-liberal city? Urban Neoliberalism and Beyond

Neoliberalism has neither a unitary logic nor a realizable state of completion; that is, it intersects and articulates with other forms/approaches to urban governance/processes (McGuirk, 2011: 259). An elaborated critique of the over-reaching and empirically imprecise “neoliberal” label by Storper (2016), for instance, suggests that current urban policies and governance do not denote a neoliberal nature, as a neoliberal goal would be to pursue efficient and competitive markets. Furthermore, for Storper (2016), economic neoliberalism has simply become a polysemic attribution given by scholars who are critical of markets, deregulation, and capitalism in general (Fawcett, 2014; Turner, 2008 in Storper, 2016). Accordingly, part of the scholarly endeavor here would be to redefine and clarify the characteristics of urban entrepreneurialism along the lines of Millennial capitalism (Comaroff and Comaroff, 2000). Moreover, from a neo-Marxist perspective it could be argued that the modern capitalist state (and its institutions) reflects a realm of class struggle, often serving as an “active agent and element in securing the circulation of capital” through effective demand mechanisms (e.g., investment in science and technology, the military, and collective physical infrastructures) (Harvey, 2017:15-16). Therefore, the levels and variegation of state intervention (Brenner and Theodore, 2002, 2005; Pinson and Journel, 2016) ought to be viewed through a contextual prism of contingencies, such as economic crises or (post-war) reindustrialization. In a nutshell, the state should not be currently envisioned as being hijacked by rent-seeking, cronyist/plutocratic, opportunistic elites (Mirowski, 2013; Storper 2016). The state (and its institutions) represents, writ-large, the economic interests of the owners of capital as a whole. Thus, contemporary strands of urban governance, like urban entrepreneurialism, reflect a meta-liberal stance that alters (and positions itself beyond) the liberal condition of capitalist markets.

On Contemporary urban entrepreneurialism

This section tackles the theoretical-analytical foundations of contemporary cities under the guise of urban entrepreneurialism vis-à-vis scholarly debates relating to their ‘neoliberal’ turn. The entrepreneurial city focuses on economic and extra-economic entrepreneurial
Contemporary discourses and institutional frameworks to promote urban competitiveness through public-private partnerships (Jessop and Sum, 2000; Hall & Hubbard, 1996). Following Harvey (1989) and Jessop & Sum (2000), entrepreneurial cities: a) modify the urban space by creating new markets for goods/services and overall consumption (consumerist style of urbanization); b) collectivize risks and uncertainty though dense social and institutional networks (Storper, 1997; Volts, 1996 in Jessop & Sum, 2000); and c) present place-based competitive advantages to attract and retain global mobile capital. Urban entrepreneurialism is therefore rooted, partly, in the erosion of the economic and fiscal base of the city in the context of de-industrialization/post-industrialization. Consequently, local governments use public policy to create infrastructure, tax incentives, and socio-cultural attractions— in a zero-sum inter-urban competition— for resources, jobs, and capital (Harvey, 1989: 5-7). Urban governance is channeled through a public-private partnership in which the public sector assumes the risk (at the expense of the urban poor/underclass) and the private sector takes the benefits (Harvey, 1989:7). Embedded ‘neoliberal’ urban strategies entail reducing the construction and/or demolishing and selling-off of social rental housing (low-quality, low-price) as well as deregulating rents (Kadi & Ronald, 2014: 269-270). In tandem, low-income segments of the population are excluded from central areas (Kadi & Ronald, 2014; Jacobs, 2013), where access to transport, hospitals, day care centres, and other social amenities are readily available (see below). By way of facelifts, facilities, festivals, and spectacles, the city has to “appear as an innovative, exciting, creative, and safe place to live or to visit, to play and consume in” (Harvey, 1989:9). In other words, a self-perpetuating cycle of indebtedness (for the public sector) wrapped in elaborated urban imagery (Harvey, 1989:13).

Tokyo’s Urban Entrepreneurialism: A sketch of Tokyo’s spatial transformation

Redevelopment or regeneration in the context of Japanese cities (Tokyo being a prime example) refers to an urban restructuring fuelled/facilitated by the national and local governments in partnership with corporate developers, in the form of mix-use clustered skyscrapers in central and inner-areas. These developments unfold with relaxed building regulations (that is, floor space and height of buildings) and tax incentive regimes (Waley, 2007). Since the early 2000s this urban policy approach has aligned with that of the global ‘entrepreneurial city’ (Harvey, 1989). As elaborated in previous sections, urban
entrepreneurialism entails a model in which large amounts of money are spent in order to generate revenue and profit; even though this is a rationale selectively applied and the money spent is that of taxpayers’ (Hall & Hubbard, 1996; Flyvbjerg, 2005).

In this sense, event-led regeneration via the Tokyo 2020 Olympics is not only perceived by the metropolitan government as an opportunity to revamp aging infrastructure and transport systems in Tokyo, but also as “a catalyst for a stronger economy” in the capital region and the whole of Japan (Masuzoe, 2014a) beyond 2020 (e.g., through the use of renewable energy sources in the city such as hydrogen-powered vehicles). In a similar vein, The Tokyo Metropolitan Government (TMG, henceforth) has stated that the residents of Tokyo will benefit from this urban regeneration as it entails the creation of 1000 hectares of new greenery and sports/cultural facilities on the Tokyo Bay area (TMG, 2014; TMG, 2012a; TMG, 2012b).

Whilst the 1964 Olympics represented a catalyst of urban change in Tokyo, the current public policy discourse on the 2020 Olympics focuses on the development of a globally recognized urban brand (by reorganizing the functions of the urban space) (Gonzalez Basurto, 2018). Tokyo’s 21st century urban facelift includes a new train station opened along the Japan Railway (JR) Yamanote Line, in central Tokyo, to provide a more convenient access to Haneda Airport and other Olympic venues (Masuzoe, 2014b). This station will be equipped with video screens to hold public viewings of the 2020 Olympics (The Asahi Shimbun, 2014). A new boulevard between the Shimbashi and Toranomon business districts, the “MacArthur Road” is the first step towards turning Tokyo into a more bicycle-friendly and, at the same time, eco-friendly city by increasing the length of bicycle lanes in central Tokyo. However, the design of this boulevard has been criticized as its disconnected narrow bicycle lanes force bicycle riders onto sidewalks (Templado, 2014). Thus, this situation creates congested sidewalks and potential accidents involving pedestrians and bicycle riders. Other additions to Tokyo’s built environment include a new Metro station in the Hibiya Line and a new bus terminal, in Minato Ward, to improve the connection to the Olympic venues located along the Tokyo Bay (Kyodo & Jiji, 2014). This area will be significantly developed in the lead up – and after- the 2020 Olympics, including promenades and outdoor cafes à la Champs-Elysées.

Interestingly, the relocation of Tsukiji market, the world’s largest wholesale fish/seafood market – and a very popular tourist destination located in central Tokyo – has also sparked controversy. The 80-year-old market was considered internationally renowned because of its lively atmosphere, stemming from its early morning auctions and plethora of restaurants
and produce shops outside the market’s entrance (jogai shijo). The relocation costs were approximately five and a half billion US dollars and it is part of the urban generation for the 2020 Olympics (Takahashi, 2019). Whilst the new site –located in Toyosu, about 4 kilometers away from Tsukiji– is 80 percent bigger, more efficient, and equipped with temperature-controlled buildings and cold chain and processing infrastructure (Rai, 2014; The Guardian, 2018), its former use as a coal gas refinery required a major cleanup to remove toxic soil and pump out groundwater (Nagata, 2008; Kyodo News, 2007). Issues related to soil and groundwater contamination continued as of January 2017, and a projected (recurrent) annual loss of revenue for the new Toyosu fish market of approximately 9 billion yen (USD $82.17 million) delayed the market’s relocation (TMG, 2017a). Consequently, the TMG paid “hundreds of millions of dollars” to clean up the Toyosu facility and speed up the relocation (The Guardian, 2018). Notwithstanding the above, projections by the TMG (2017b) keep placing annual losses for the new Toyosu fish market between 10-15 billion yen (USD$81.86-137.78 million). Other persistent problems include: poor traffic access for vehicles and food transportation, accidents involving heavy machinery, high humidity and molding in offices, lack of constant refrigeration (cold chain) for delivered seafood and produce, and little change in the concentration of toxicity in the facility’s groundwater (Tokyo Central Market Labor Union and Toyosu Market Association in Takahashi, 2019).

As the Tsukiji market sat in a prime real estate area, given its proximity to Ginza, the TMG initially considered to turn the area into a casino resort, with MGM Resorts International, a Las Vegas-based company, being a potential developer (Bloomberg, 2014). Whilst the relocation of the market took place in October 2018, the Tsukiji site will be temporarily used as a base for vehicles to transport athletes during the 2020 Tokyo Olympics. It is worth pointing out that, as the owner of this 23-hectare area, the TMG has devised its redevelopment in a piecemeal fashion in order to brand the Tokyo Bay area as a hub for international tourism (Jiji, 2019).

Another outstanding case of event-led regeneration in Tokyo is the demolition of public housing in the Jingu Gaien district. What follows is a succinct description of the socio-spatial processes and effects behind this state-led redevelopment (for an in-depth analysis see Gonzalez Basurto, 2017; Suzuki et al., 2016).

Supported by the specialized literature, the TMG has increasingly acted more like an entrepreneurial land developer than a governmental entity (Jacobs, 2013:136). Both, the housing policy restructuring (Kadi & Ronald, 2014) and the waterfront redevelopment policies
are propelling a commodification of urban space (e.g., housing market) for profit extraction. As a corollary, both policies and legal frameworks have been “restructured” (e.g., Law on Special Measures for Urban Renaissance (2002) to enhance Tokyo’s urban competitiveness by way of the “repopulation” or “back to ku” of central Tokyo (i.e., in the special 23 wards) and related dismantling of the public housing finance system (Kadi & Ronald, 2014; Jacobs, 2013). Therefore, state agencies created for housing provision, such as the Urban Renaissance Agency (UR) have been actively turned into a manager of targeted large-scale projects for upper-middle income tenants/ luxury market (Kadi & Ronald, 2014) in Tokyo.

In order to accommodate the new national stadium for the 2020 Olympics and advance the redevelopment of the area, the Toei Kasumigaoka Apartments, a 10-building public housing complex standing across the premises of the new National Olympic Stadium was demolished. This public housing was, paradoxically, built for evictees of the 1964 Olympics. By early December 2015, only 10 households had yet to decide upon a housing site, as the options given by the TMG were deemed unsuitable in terms of apartment location and size/layout (Gonzalez Basurto, 2017). These households were mainly comprised of senior citizens (aged from early 70s to mid-90s), living alone and with varying degrees of physical disabilities and diminished mobility (e.g., bed-stricken or amputated). As such, they needed hospitals (for surgeries and physical rehabilitation) and daycare services in close proximity, as well as space to accommodate walkers or wheelchairs, furniture, and other belongings accumulated in the course of decades (Gonzalez Basurto, 2017).

As amply expressed by Kasumigaoka residents during the author’s focus group interviews, TMG representatives would exert ‘much pressure and harassment’ through letters, constant phone calls and visits, and ultimately, threats to cut lifeline services such as water and electricity to expedite their relocation (Gonzalez Basurto, 2017). By and large, their accounts reflect narratives of socio-spatial inequality, the multilayered dimensions of housing and urban socio-economic displacement in a mega-city like Tokyo, and the ways in which space is perceived and fought by communities standing in the way of event-led regeneration. It is worth pointing out that the only monetary compensation the Kasumigaoka residents received for relocation ranged between 160,000–180,000 yen for moving costs per household. No other form of compensation was devised by the TMG (Gonzalez Basurto, 2017).

Implicitly, the discordant, “ageing” Toei Kasumigaoka Danchi gave way to a full-gentrification of the affluent district of Jingu Gaien, an area already fitted with upscale boutiques, galleries and restaurants. The eviction of the Kasumigaoka residents echoes the
decanting and displacement of longstanding communities in the lead-up to the Beijing 2008 (Shin, 2009; Broudehoux, 2007), London 2012 (Watt, 2013; Bernstock, 2014; Giulianotti et al., 2015), and Rio 2016 Olympics (Boykoff, 2014; Cohen & Watt, 2017).

Other groups affected by the construction of the new National Stadium are the homeless/rough sleepers (predominantly middle-aged males as observed during the author’s field trips). These groups, comprised of dozens of nojukusha (semi-fixed) and ‘nomads’, as expressed by interviewees, camped for at least 10 years on premises adjacent to the now demolished 1964 National Olympic Stadium; mainly along the Gaien Nishi 418 avenue and within the Meiji Park (Gonzalez Basurto, 2017). By and large, Tokyo practices the well-documented ‘Olympic urban cleansing’ (Davis, 2011; Kennelly and Watt, 2011; Kennelly, 2013) for which the homeless and the derelict get diligently hidden or swept away, as they are considered detrimental to the city’s imagery.

In terms of social renting within Tokyo-to, there has been approximately a 40% reduction in the units managed by the Urban Renaissance Agency between 2012 and 2016. As for the 23-special wards, only 0.01% of all rental units are classified as welfare housing and 0.3% of all rental units as “good quality” rental housing for the elderly (elaborated with data from the Bureau of Urban Development, TMG 2017; Ministry of Land, Infrastructure and Transport, 2018).

Concluding Remarks

Even though the Tokyo 2020 Olympics and its “entrepreneurial” urban regeneration may provide an unparalleled opportunity to revamp ageing infrastructure and transport systems in Tokyo, this event-led regeneration in its current form represents a highly speculative endeavor, unfit for the socio-economic and socio-spatial needs of its local (super-ageing, shrinking) populations. Whilst institutional discourses of success adeptly override negative impacts of urban entrepreneurialism (via event-led regeneration) in the short-term, its related urban socio-spatial restructuring will be lived-in for generations to come.

On the scholarly front, contributions in new analytical and theoretical directions that properly articulate the nuance and complexity of urban governance regimes in the 21st century (beyond the pervasive critique vis-à-vis the umbrella of urban neoliberalisms) are crucially needed. Unearthing the basic tenets of the Social Contract whilst tackling contemporary abject inequality through socio-economic ‘upgrades’ is no longer an optional
path (see Arrington and Gonzalez Basurto, 2018). Cities worldwide are unequivocally well positioned to galvanize positive change within institutionalized capitalism.

Addendum: An earlier version of this paper was presented at the Thirtieth Annual Conference of the Society for the Advancement of Socio-Economics (SASE), Doshisha University, Kyoto, June 24, 2018.

Endnotes

1 For the purpose of this paper, “Tokyo” is defined as the metropolitan area (Tokyo-to) encompassing 23 special wards, 26 cities, 5 towns, and 8 villages as follows: Special wards: Chiyoda, Chuo, Minato, Shinjuku, Bunkyo, Taito, Sumida, Koto, Shinagawa, Meguro, Ota, Setagaya, Shibuya, Nakano, Suginami, Toshima, Kita, Arakawa, Itabashi, Nerima, Adachi, Katsushika, Edogawa; cities: Hachioji, Tachikawa, Musashino, Mitaka, Ome-shi, Fuchu, Akishima, Chofu, Machida, Koganei, Kodaira, Hino, Higashi Murayama, Kofu, Kunitachi, Fussa, Komae, Higashi Yamato, Kiyose, Higashi Kita, Musashi Kita, Tama, Inagi, Higashi Higashi, Akiruno, Nishi Tokyo; towns: Mizuho, Hinode, Okutama, Hachioji, Ohshima; villages: Mikurajima, Ogasawara, Nijima, Miyake, Kouzushima, Aogashima, Toshima, and Hinohara.

2 The primary circuit of capital essentially refers to commodity production.

3 Capital, here, can also flow into the tertiary circuit. This involves large social expenditures on education, training of labor, health care, and pensions (Harvey, 2017).

4 The literal meaning of nojukusha is ‘camper’ or ‘those who live outdoors’ and it is the term that interviewed homeless/rough sleepers used to describe themselves.
References


Contemporary Discourses of Urban Entrepreneurialism and Event-led Regeneration in Tokyo: A Case Study Approach

SPEECH/2014/0318/index.htm


