

# Neoliberalism and Urban Sphere: Contextualization and Impacts on the Urban Spaces of the Global South

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## Abstract

The urban space was the epitome of rationality, functionality, and efficiency in the post-war period which got transformed into market flexibility, horizontal functional integration, and global-level efficiency with processes like outsourcing giving effect to spatial rationality and integration. The principle of marketability has allowed the space for the local governance to rescale, reorganize and restructure itself. Urban space in the global south has the phenomenon of ‘Accumulation by Dispossession’, but this process created new opportunities for the dispossessed people to participate in the incoming opportunities. In the local context of the Global South Neoliberal policies in the urban space have a differential impact on different sections of the urban populace as they perpetuate the marginality in certain cases, especially socio-economic lower strata and provide new opportunities for the other well-off sections. The Government adopted a new restructured approach to welfare and the urban governance role has not been insignificant as the impact of neoliberalism would have been more devastating to the marginal section of the urban population especially in the global south if the State and local government had completely abdicated its functions of welfare and completely fall in the line of market principle.

**Keywords:** Neoliberalism, marginality, welfare, dispossession, repossession, urbanization, restructuring

## Introduction

There was an emergence of neoliberal policies after the fall of the Bretton wood system and the emergence of the “New Rule” under the eyes of Margaret Thatcher, which subsequently downsized the Keynesian model of welfare after the 1970s. This had huge implications for the global model of growth and development. In particular, the impact of a new order in the global south where the emergence of neoliberal policies contextualize the process of socio-economic transformations and molded the States’ intention toward marketization (Banerjee-Guha, 2010). This contextualization of global neoliberal policies can be argued through the lens of global-local, where global policies are contextualized in the local space in “postmodern urbanism” (Dear and Flusty, 1998).

The impact of the new global order on the urban structure and form, leading to the centerless urban space polemical to the Chicago school, has seen the light of acceptability in an urban structure called “Keno Capitalism” (Dear and Flusty, 1998). This restructuring of urban space has led to the changing role of urban structural elements, new tactics and strategies are employed to overcome the structural obstacles that were present due to the historicity of the old order of “welfarism” (Banerjee-Guha, 2010). Urban space is transformed under the impact of these actors, which subdue the old elements and provide the

space for new elements to establish themselves under the new model of governance (Chattopadhyay, 2017).

Urban governance in the new order plays by the rule of competition and adversarial attitude where cities compete with each other for global capital (Banerjee-Guha, 2010). This spirit of competition provides the space for new actors in the urban context to establish themselves as a key urban element in this structure and process of the urban form. The emergence of new actors especially the private players in city governance (Narain, 2014) and city development provides new avenues for capital creation and circulation (Harvey, 2008). This not only provides avenues for global capital to outsource itself, especially in the global south but also leads to the reduced role of local government in service provisioning and infrastructural development (Chattopadhyay, 2017).

Urban transformations are impacting the minutiae of governmentality and government structure. This is ultimately changing its role as a regulator and allocator of resources, as the new players in the urban space work on the principle of marketability (Banerjee-Guha, 2010). The catering to the needs of citizens is filtered through the affordability sieve of the urban populace. This marketability of services and service provisioning has an impact on marginal people especially their exclusion from these basic services (Chattopadhyay, 2017). The role of government is transformed and its position vis-à-vis the private players has been weakened (Chattopadhyay, 2017). The global capital is the master rooster of the urban game and its structural transformations.

A major theme among critical geographer circles is that State has been reduced in the overall game of socio-economic organization and urban governance has been rescaled, reorganized, and restructured (Whitehead, 2012). It is where the cities have been tested on the entrepreneurial scale (Banerjee-Guha, 2010), under the hyper-exploitation, non-formalization, and contractualization of the workforce. The global south has been the new avenue for the commodification of services (Brenner and Theodore, 2005). Hence, the urban milieu in the global south is getting transformed to suit the global capital and urban governance's role has been renovated by the global flow of capital. This is leading to the competitive model of city development, the emergence of the public-private partnership (PPP) mode of investment, and the marketization of basic services (Banerjee-Guha, 2010).

This deconstruction and attempted reconstruction have been described by various terminologies and can be summarized in evocative vignette using “informalization, deindustrialization, reindustrialization, beyond Fordism, global city, entrepreneurial urban space, privatization, gentrification, and socio-spatial polarization” (Brenner and Theodore, 2005). This not only highlights the hues of neoliberalism in its various forms but at the same time speaks a lot about the criticality of the urban system in the new order. The social implication of this process of restructuring is the emergence of extreme inequality, social polarization, and differentiation of space in the urban milieu (Banerjee-Guha, 2010). This restructuring in the new order not only provides avenues for global capital to invest but at the same time also creates avenues of ‘slumization’ and shanty development. Urban restructuring and reconstruction highlight the shades of “accumulation by dispossession” (Banerjee-Guha, 2010) and “accumulation by segregation” (Jamil, 2017). It is where collective and community rights are being commodified, privatized, and traditional rights are eliminated. This not only has superstructure implications (Yadav and Punia, 2014) in terms of hinterland transformation from agriculture to built-up in Gurgaon's case but also the interstitial spaces are being transformed (Singh et al., 2020). However, these interstitial spaces in the global south depict the phenomenon of private capital- local collusion and opposite to the “accumulation by dispossession” rather depict the process of repossession in the local context (Singh et al., 2020).

However, this neoliberal restructuring and transformation at the philosophical level have the logic of ‘individualism’, ‘private property, and market-based mode of production and distribution (Harvey, 2008), where rights of private property and logic of profit engulf the traditional rights of people (Banerjee-Guha, 2010; Harvey, 1990). These traditional rights were based on organic development and the use-value of the resources. This traditional system sees a relatively low level of commodification. It is in this sphere of circulation of the capital where Harvey (2008) compared the logic of reinvestment under the capitalist structure with the ‘Faustian dilemma’ where hyper-competition favors investment rather than spending on pleasure and compounding growth of money, capital, output, and population. Urban growth mimics this compounding, and parallel hyper-urban growth is the outcome (Harvey, 2003). This compounding effect also has other impacts on the urban form, architecture, culture, labor market, and flexibility in the pattern and process of consumption (Amin, 1994).

The emergence of an urban structure embodying the above-specified traits modulates itself in the power structure, where power determines the philosophy of urban transformations. This power is the modulating factor for the emergence and establishment of certain rights, inclusion of certain traits, and voice to the social issues which can be found in Bentham’s idea of the Panopticon, Foucault’s idea of the surveillance society, and Shoshana’s idea on surveillance capitalism. So it can be rightly argued that cities and their structure, processes, systems, ideas, organization, values, philosophy, and above all its habitants can be explained as an organic whole, where every aspect affects and influence each other and this feedback mechanism in the system can be the basis of any further analysis within the city’s structure.

However, the basis of this whole gamut of influence and being influenced among the various aspects and factors of urban structure whether tangible or intangible is the basis of the concentration of surplus in society under the different modes of production. This concentration light up the power structure within society both spatially and temporally (Harvey, 2008). The surplus value and production under different modes and associated power structures determine the urban form. The post-war Fordist- Keynesian model and its associated urban form is transforming with the emergence of a new emphasis on the philosophy of liberalism, market mechanism, and private involvement in the urban processes (Brenner and Theodore, 2005). It is through this new mode of production and “creative destruction” in Schumpeter’s terminology, that the urban form is undergoing a fundamental transformation after the “New Rule”.

However, the question that arises is how this new socio-economic and political order popularly termed “Neoliberalism” is different from the earlier order and its implications on the urban structure and urban form. It is of utmost importance to grasp the various hues of this new phenomenon to understand its implications for the urban form, especially when seen through the lens of political and economic ideology and its framework within the neoliberal philosophy, impact of institutional forms within contextualization, socio-political linkages and local forms with multiple contradictions among various actors (Banerjee-Guha, 2009).

It is the philosophical consideration that led to the emergence of collective sense in making the city, especially the work of Harvey where he argued: “that not only the right to resources which are important in the urban milieu but city structure and features evocatively described the desire of our heart” (Harvey, 2008). It is where the city needs to be the superstructure of our philosophical consideration and collective rights to change, and determine the cityscape, embodying our philosophy, rights, inclusion, and social issues (Harvey, 1990). Cities are the brute and evocative products of our thinking, philosophy, and an amalgamation of negative and positive emotions.

It is this philosophical consideration at the deep structural level and local contextualization which determine the urban form along with various specificities such as inter and intra-urban unevenness and spatial inequalities and uneven development at various scales (Banerjee-Guha, 2010), as Harvey (2008) argued for the coexistence of slum and gated communities together and Narain (2014) argument of hyper glittering urban form and shanty of construction workers within line of sight in Gurgaon city. These ills of the present system do not confine themselves to inequality at various levels but there are polemical contradictions found at various scales (Banerjee-Guha, 2009). It can be argued that the political-economic transformation and paradigm shift in the policy framework transform not only the physical aspects of the city structure but even the cultural and intellectual sphere of urban form (Amin, 1994).

These contradictions give rise to “Belligerent Urbanism” (Banerjee-Guha, 2009) in the global south leading to creative destructions at multiple scales and spaces where the dominant ideology of the “new rule” and neoliberalism philosophy is being employed for the sake of the perpetuation of global north “Hegemony” and its egotist attitude towards global economic order (Lefebvre, 1991). This leads to a differential impact in the urban spaces of the ‘Global North’ and ‘Global South’. On one hand, global capital is bypassing the crisis stage of over-accumulation by employing the spatial fixity of capital in the global south, which determines the fundamental change in the structure and functionality of these urban spaces (Harvey, 1995). At the same time, it also gives a second blow to the urban dwellers by creating contradictory spaces, and even the welfare function is sidelined creating and perpetuating existing marginalities. It is a juxtaposition of extreme riches and extreme poverty within the perceptible range of urban space. At the global level urban spaces of the ‘Global South’ face marginality vis-à-vis ‘Global North’ leading to their dispossession at the global level while repossession of incoming opportunities at the local level within local contextualization.

This process is underlined by the logic of the market mechanism where profit orientation determines the organizational structure, favored by the philosophy of competition, modern values, and the logic of liberalism. This new process depicting flexibility, horizontal integration, and spatial fixation of global capital creates contradictions in the urban space where contestation and conflict are underlined in the process of capital’s spatial fix and the associated dispossession. It is in this context of contradictions within the urban form, Harvey (2008) argued that the rights of city dwellers are not only limited to habitation but the scope of whom can be enlarged encompassing different aspects, with a major focus on the right to decide the developmental trajectories of the urban space (Harvey, 2008).

It is worth mentioning the underlying coercive version of the State to establish and prove its entrepreneurial character by belying the philosophy of liberalism and freedom of economic decisions (Brenner and Theodore, 2005). So the system is inherent with contradictions not only if analyzed spatially and at various scales, but also it has changed the role of the State and local government to be coercive and hard-handed at one level to provide the playing field for the accumulated global capital and its circulation. At the same time, it shows its flattery and eager attitude to attract private capital under the guise of being entrepreneurial and innovative, even disposing of its assets at throwaway prices. This duality of its functions and management highlights the contradictory nature of the global “new order” (Banerjee-Guha, 2009).

One of the city-level analyses of the new philosophy that is setting the stage for restructuring and reconstruction guides us to the duality of its effects. It is constraining the local government and State of their welfare functions, reducing their operational capabilities and functionalities, reducing flexibilities to the planning by statutory ‘City Master Plans’, land use zoning, and regulatory institutions (Banerjee-

Guha, 2009), but this constraining feature gives effect to the new restructuring and creative constructions by involving private players, the commodification of services, informalization of labor rights, shedding of democratic rights, panopticon urban surveillance for peaceful law and order, allaying the fear of the capital of turmoil and disorder, gentrification for the elite consumption (Brenner and Theodore, 2005). However, the structural uniformity with the uniqueness of gigantism in neoliberal cities and the inclination of the urban economy toward a market economy gives it a distinctive character in neoliberal urban development (Banerjee-Guha, 2009). These urban structural transformations (if compared with the earlier economic order and associated urban form) in the developed world is not as contrasting and paradigmatic as compared in the global south.

In the post-war era, the urban space that was the epitome of rationality, functionality, and efficiency (Harvey, 1995) got transformed into market flexibility, horizontal functional integration, and global efficiency with processes like outsourcing giving effect to spatial rationality and integration. The emergence of restructuring and reconstruction in the intra-city space is the overlain feature of the deep structural transformations in the socio-economic and political-economic space of the global order. The emergence of new geographies of production and consumption, spatial integration of the global north and global south, horizontal integration, and emergence of supply chains, distribution of production processes, Fordist assembly lines to spatial lines, space-time convergence, competitive advantage employment, flexibility in labor, production, just in time, customization, spatial economics, contractualization, and above all spatial fixation of capital are some of the new aspects which can be seen in the neoliberal political-economic space (Sassen, 1991).

The overlying transformations and restructuring is the product of these deep-lying processes and urban form is the outcome of these processes. There is a great degree of uniformity in the global north and global south cities in terms of infrastructure development as magnanimity, structural uniformity, and perceptible outlook is the new norm (Banerjee-Guha, 2009). As global south cities have emerged as the local regional center for the global MNCs and these regional headquarter tries to attract global capital by employing competitive techniques and emulating the infrastructure needs as Gurgaon is the major destination as a regional headquarter for the 250+ of the fortune 500 companies (Narain, 2014).

However, even in this “great degree of uniformity” (Banerjee-Guha, 2009), it can be reasonably argued that the emerging global south cities are fundamentally different from the developed world cities as local context gives diversity to the urban structure and forms. The contextualization and local geographies give space for the spatial fixation of capital but with contradictions and contestations in the urban space. The emerging production geographies and supply chains create contradictions at the global level where global cities especially London, New York, and Tokyo have emerged as the global managerial space and financial hubs deciding the rule of the game and depicting the major innovation hubs at the global level, while cities of the global south serve the purpose of regional centers, being productive at their level with its contradictions. This flux of global-local processes can be examined at various scales but both are complementary. Cities are transforming in this flux of global-local contradictory processes (Sassen, 1991).

### **Neoliberal Sphere of Thoughts**

The emergence of neoliberal policies and philosophy engulfs in itself every sphere of socioeconomic, and political aspects, and governance institutions is not an exception to it. The inclusion of the private sector in governance, the emergence of the PPP model for civic amenities, the inclusion of contract workers in government departments, and the inclusion of private firms in service provisions which were the exclusive

domain of government earlier set the stage for structural changes and technology aspect of governance and governmentality. The government emerged in the hybrid form underlying the norms of market orientation and the profit motive, which can exclude people from the services, narrowing the sphere of public goods which are based on the principle of non-exclusion (Roy, 2009).

The philosophy behind the neoliberal sphere can be seen in the destruction of older socio-economic and political aspects and the construction of new structures favoring new approaches, new outlooks, new goals, and, new ideas which are required to make the new structure functional and new aspects worthy of being transformative. As Edward Soja (1987) argued that the need for deconstruction and structural reconstruction is breaking the norm, and the ‘secular trend’, which proved incapable to deal with the changed circumstances, led to the sequence of events that destroy the existing structure to set the stage for a new and noble structure to emerge out of the reconstruction process.

The philosophical background for neoliberalism not only provides the space as a contested and contentious area of the urban environment, where rights are broken and new formalization takes place, but where new social issues of ultra-rich and extreme poor come together in the urban space. This also provides dynamicity to the urban environment. The linear model of transformation is redundant to explain the changing phenomena and the end point of transformation cannot be predicted given the urban space a contentious, volatile, and of uncertain character (Brenner and Theodore, 2005). This philosophical doctrine led to the orientation of institutions and governmentality towards the market principle and to policy realignment across the world. It is this economic space that gave impetus to the ideational and ideological change in the socio-economic and political sphere. The field of political economy is enlarged, the government and governance follow the neoliberal economic governmentality, and led to the emergence of profit orientation, market mediation, and, social contestation.

### **Aspects of Neoliberal Philosophy**

Neoliberalism emerged as a process where the structural transformation in Soja’s language is ‘the destruction of old structural aspects and reconstruction of the new structure’ to set the stage for the socio-economic transformation and politics of the space along with governmentality. But it can be argued that this structural transformation and realignment of philosophical guidance is not the linear process as the first light reflects, but a complex set of processes that are not isolated but had been and have been guided by the socio-economic and political aspects. It is further influenced by the geography, and historicity of a place and is always path-dependent. This led to the emergence of diversity in institutional transformation and superstructure, but this doesn’t mean that the underlying ideology and philosophy of market orientation lose its significance. The importance of deep structure which guides the neoliberal idea is intact and steadfast, giving the effervescences of the market to the reconstructed structures and creating a new form of social, and political inequalities, and new sets of conflict (Peck and Tickell, 2002; Gough, 2002). This emergence of market orientation doesn’t mean its predominance, and that the government is shadowed by the neoliberal policies, but government and governmentality are the part and parcel of the neoliberal structure and actively involved in the process of transformation and maintenance of the neoliberal structure. It can be argued that the goalpost has been changed, not the players, although the addition of new private players to make the system more efficient as argued by the neoliberals, or make the system more exploitative, and new ways of exploitation as argued by the Marxist. But one thing is certain, the government and its agencies are the active agents of neoliberalism. Hence State power is used to reach the desired ends.

This whole process of transformation and reconstruction set the space for the new form of conflicts and contestations, where old structural conflicts assume new forms and new contest emerges in social groups, economic agents, and political elites. There has been criticism that the active involvement of government legitimizes the ills of neoliberalism and led to the formalization of exploitation as in the case of the loss of traditional rights of people, but it also provides new avenues for the marginalized mass to raise their voice and strengthen the democratic setup of the social and political structure (Brenner and Theodore, 2002). The contestation and conflict set the stage for its outcomes which seems to be fatal and destroyable under its own weight, but deep analysis showed that neoliberalism always device new strategies to save itself from this cataclysmic event and always reinvents itself into new forms socially, and economically and politically along with transformed governmentality and governance institutions (Babb, 2002; Gill, 1998).

### **Trends of Neoliberalism**

Neoliberalism in urban areas can be seen through the lens of different shades, which explain the emerged superstructure through different perspectives. It can be argued that the manifested contextualization of these processes can lead to different outcomes with spatial, social, temporal, and political implications and have a different impact on different groups. One line of thought argues for the marginalization of people through different processes and leading to the dispossession of their rights. The emergence of new groups, whether elites or dispossessed, leads to the formation of new contested space, where political and social processes lead to structural marginalization of people and their informal traditional rights in urban space are replaced by the structures of formal dispossession (Brenner and Theodore, 2002). This argument can be sighted in the texts of the ‘Marxist approach to urban growth’ and was the major theme of ‘The Urban Question: A Marxist perspective’, where Castells argued that urban transformations are the part and parcel of tertiary circulation of capital and its manifestations can be seen in every form, from structure to governance and infrastructure to urban art (Castells, 1977).

It is argued that urban manifestations of neoliberalism lead to the emergence of inequalities, where urban space is blotted with ultra-riches and marginal people. Where marginality is not defined on the geometrical scale but by economic yardstick which can be explained by the slum dwelling in the city center or the sub-urban rich neighborhood. An urban space where the spatial scale is narrowed to the minimum and ultra-riches and extreme poverty lies side by side (Geddes, 2010).

On the other hand, the second trend of thinking focuses on the positive aspect of the above-mentioned structural transformations. Neoliberalism is seen as a boon for democratic thinking and politics based on democratic ideals and philosophies. It has been argued by this group of scholars that the structural transformation due to neoliberalism provides avenues for the larger group of marginalized people to claim the urban space, due to their right to elect the government and urban space is being transformed according to the whims of popular politics, although underlying neoliberalism shapes the contours. This trend deviates from the Marxist scholars who consider new arrangements as exploitative tools leading to different forms of marginalities and instruments of dispossession. The opposite trend argued that the new marginal groups gain a political voice in the democratic setup and claims for the urban space, also having a voice in shaping the local policies. It has been argued that neoliberalism is not the dominant actor in urban space transformation, but local politics and global investment in urban space are modified according to the underlying local politics (Holston, 2008).

The urban space seen from this perspective gives some power to marginal people. They are not the mute spectator in the transformation of urban space, although the elite claims major resources. The marginal people contest this claim on space through exceptions in law and policies which makes the whole process of transformation of urban space temporary and gives an unstable character to the circulation of capital and its outcome (Chatterjee, 2006 and Sassen, 2004). The emergence of this line of trend is due to the contextualization of urban investment which is guided by social, cultural, and political factors. The global policies are transformed to suit the local needs and local governmentality makes temporary and informal arrangements that can be against the law and policies and even act against the neoliberal structure.

The two trends give two perspectives of thinking on neoliberal policies and structure. The urban space is the outcome of an amalgamation of global as well as local factors, where space is contested and rights are confirmed. This gives stability and a sense of surety to the invested capital, but changing the goalpost and temporary arrangements with exemptions in law and policies cannot be denied in the third world and global capital is under the influence of local political whims. This sense of power due to democratic values to the marginal people is seen by people and argued by scholars in favor of neoliberalism, where global capital is not the exploiter of resources but provides avenues for the people to claim their rights even if they are against the law and policies of the government (Chattopadhyay, 2017).

### **Neoliberal philosophy and urban space**

The emergence of competitive economic policies at the city level with limited regulation, shedding the Keynesian welfare logic, the emergence of a State with little interference in the market along with the new model of governance, with the increased role of privatization of services and State taking the backstage in providing even the basic civic amenities to the people are some of the basic underlying transformations happening in the city space. The decrease in the role of the State with low financial measures and the opening of the urban front for the private sector is the broad aspect of neoliberalism (Peck et al., 2009). This led to the emergence of a new form of challenges with new issues on the urban front and foremost would be the opening of different sectors for the private profit-oriented people. Where economics is driven not by welfare measures but by profit logic. cities have emerged as competitive entities where their growth depend upon flexibility, deregulation, openness, loss of barrier, space with the least hurdles and red tape, no regard for the environment and local sustainability, and above all, cities as growth engines based on the private investment (Brenner, 2004). This creates an urban front that facilitates investment by the private sector and as an avenue for the investment of the accumulated capital in the developed world. The emergence of tertiary circulation of capital in the city environment (Castells, 1977) where the commodification of services is the basic premise for the profit motive. One of the outcomes of this process is the emergence of better urban service to a certain section of society which is made possible through the flexible governance model, flexibility in the law to accommodate the private sector, to create a suitable ambiance for the private sector investment and make the city competitive on the global scale to attract capital which has been accumulated in the developed world (Harvey, 2003). While at the same time this emerging model creates a different set of problems for the city populace who are marginalized and could not afford the new urban system of profit-oriented investment. These people face the wrath of this new model of the competitive city as they are dispossessed of their customary rights and marginalized in the new system of urban form (Banerjee-Guha, 2009). They have no right to the city and their mere being in the city is the emergence of marginalized work which has emerged on the sidelines and this created the dual city space where extreme poverty is adjunct to the extreme riches.



This new model is a boon for a certain section of the city populace, while at the same time it is also a bane for the majority which could not afford the profit orientation of the city and the State has become the side spectator in this process of exploitation and profit extraction. The emergence of new relations, a new system of governance, and a new model of investment led to the evolution of the public-private partnership model of service provisioning in the city. New types of management strategies and municipal services have emerged on the competitive lines. Along with this change, what has emerged is the competitive city where city governance is based on the idea of attracting the capital of the private sector and no city wants to be a laggard in this process (Peck et al., 2009).

City governance has shed its traditional roles and its municipal services have adopted a competitive model based on the principle of competition and profit orientation with the active engagement of the private sector. It is in this context we see the emergence of global capital moving in from the developed part to the developing world and these cities are competing for this capital. This is a system of formal exclusion of marginal people who couldn't afford the private and profit-oriented city amenities and this led to their exclusion in the city, ultimately dispossessing them of their traditional rights (Jessop, 2002).

The emergence of the process of neoliberalism in the urban landscape also led to the modification of territoriality, where institutions and governance initiatives are so modeled and implemented so as to make the space more attractive for the inflow of capital, and urban transformation is done in such a way to attract this capital for investment in the city. Hence the whole process of reterritorialization is done basically to make the urban space more attractive and more efficient for the global capital (Theodore, 2002). The emergence of this reterritorialization and modification of the existing structure with the new role of the city's governing agencies and involvement of the private players have led to the realignment of the traditional system but with context specifications. Where the underlying deep structure and logic of neoliberalism are the same in all places, there is an emergence of different superstructures that are context-specific and path-dependent and policy-defined, and oriented (Molotch, 1987; Keil, 2002; Theodore, 2002).

This contextualization of neoliberal policies and outcomes can be seen in different cities at the world level where the super-structure or the physical outcome of the policies and interventions are very contrasting and unique in many ways but if we look deep and try to analyze the underlying pattern, we find deep structures. The deep structures are the underlying neoliberal policies that orient and reorient the urban landscape although with context specification. Hence it can be argued that deep underlying policies which led to the restructuring and realigning of urban governance policies are manifested and guided by the deep logic of neoliberalism (Brenner, 2004).

Neoliberalism has given rise to different outcomes in different regions of the world. As in the developed world where societies are fundamentally different from the developing world, the urban forms and their structures have low pressure of population leading to less informalization and high status of living with little regard for the environment. In third-world countries, the emergence of neoliberalism gives different context-specific outcomes due to their high pressure of population and low status of living, informalization, and hyper-urbanization phenomenon. This led to the emergence of alienation of marginalized people, their rights in the city, and their traditional system along with the emergence of hyper elevation in property prices and accumulation by exclusion.

This process of accumulation by dispossession also led to the conflicting nature of development where a section of society is dispossessed of its resources to prepare the ground for the profit of the other section (Banerjee-Guha, 2009). It led to the emergence of conflict but was subdued due to the formal nature of

this new governance model. The precautionary measures through the emergence of a gated community, private guards for night security, surveillance system, indicate the presence of this conflict where a section of society is marginalized, which led to the emergence of city vices such as crime, crowding, gentrification, and slum- shanty settlements (Keil,2002).

There is no denying to the fact that global capital is shifting to the developing world and this shifting requires the restructuring and new alignment of policies suitable for this investment. Cities need to provide the basic underlying infrastructure, economic policies, regulation, and governance that is suited to the investment. This investment is always contested at the local level which ultimately gives rise to local support as well as resistance to the implementation of the neoliberal model of growth. This ultimately gives rise to the contextual phenomena of diversity emergence at the local level and is also scale specific whether temporal or spatial (Swyngedouw, 2003).

The Neoliberalism model and the emergence of new policies, phenomena, institutional arrangements, and governmentalities at the local level suit the need for global capital formation, as well as provide the venues for the circulation of global capital and its investment in the third world. The regional specifications emerge out of this process. So, at one level there is a process and phenomenon which are leading to the investment of accumulated capital in the developing world, but this investment requires modifications at the local level, which leads to the change and modifications of structures at the local level. This ultimately gives rise to the emergence of diversity or local specificities and path dependency. However, this is flavored by the capital of global processes as well as having the tinge and spices of local productions, but this is mediated by the structural changes in the local milieu and it is these structural changes that are criticized by Harvey in its Marxist oriented critical approach to urban growth in 'The Right To City' and also by 'The Urban Question, A Marxist Perspective' of Manuel Castells.

There is an emergence of phenomena at every level of government to facilitate the changes, which prepare the ground for investment and set the tone, which leads to structural changes in the modus operandi and governmentality at the local level. These structural changes are the manifestations of change in policies, programs, models, plans, and deep structures. This emerges as different manifestations in the diversity of superstructure and local specificities. The superstructure has emerged in urban areas as the destinations which support the tertiary circulation of capital. The emergence of the new process of urban growth, where new underlying neoliberal philosophy gives rise to new processes of growth like the PPP model, gated communities, gentrification, beautification, the emergence of the private sector in municipal services and land transfer which leads to contested growth, erosion of traditional rights and avenues of sustenance for people. The emergence of contested ideas of growth leads to avenues of accumulation as well as dispossession. The traditional rights are replaced by the formal rights and the traditional land-use system underwent a transformation, where the circulation of capital leads to accumulation by dispossession and erosion of traditional rights (castell, 1977).

### **Neoliberalism and Structural Reconstruction of Urban Space**

The emergence of market philosophy in the global order led to the transformation of urban areas according to the structural requirements of neoliberalism, which led to structural destruction and reconstruction. This ultimately led to the transformation of urban space, urban morphology, and the internal structure of the city. However it can be argued that the emerging structure and neoliberal space is not the carbon copy of theoretical ideation, but emerged as a space full of contestations, conflicts, complexities, and diversities due to the path-dependent neoliberal outcome, geographical specificity, and historicity of the urban space.

It is this uniqueness and diversity of outcomes in urban space which make the analysis of neoliberal outcomes special and interesting and worthy of being analyzed at the individual city level (Peck and Tickell, 2002). These diversities of outcomes have been underscored (Theodore and Brenner, 2002) as the ‘actually existing neoliberalism’ which has emerged in the urban space based on path and context dependencies. Urban space provides the initial bedrock with historicity and place specificities on which the neoliberal policies and structural specifications are applied and worked upon. It is these context specifications that give diversity to the outcomes of policy applications and the superstructure is based on the amalgamation of both factors which is diverse spatially (Agnew and Corbridge, 1994; Brenner and Theodore, 2002; Peck and Tickell, 2002; Gill 1998; Bourdieu, 1998; Babb, 2002).

The most fundamental way to understand the effect of neoliberalism is the emergence of ‘supra-local’ (Brenner and Theodore, 2002) forces which are the most visible form of change in urban governance leading to the emergence of new policies, laws, bylaws, appropriate planning, and above all the attitude and philosophy of the local government. It based its operational capability on the principle of the market which is exclusionary and exploitative. This model is intensely protected and advocated by the local government to be efficient, matching the global practices, its long-run trickle-down effect, and as a boosting factor for the local capital to invest in the public-private partnership (PPP) mode of arrangement. But it led to the emergence of new forms of inequalities and new forms of dispossession. The ‘accumulation by dispossession’ phenomena of the neoliberal order is intensely and furiously protected by global and local governance factors. This led to increased contestations, conflicts, and also the political mobilization of people which is considered to be the deepening of democratic values, but argued by the critiques that this led to the erosion of the order itself in the long run as exemplified by the surrender of local governance policies, laws, and bylaws to the local pressure which are able to secure temporary relief in the form of concessions, monetary benefits and other instrumentalities (Agnew, 1998; Harvey, 2000; Castells, 1972).

The emergence of ‘the right to the city’ idea in Lefebvre’s work “Le Droit a La Ville” in 1968 and the subsequent work of Castell and Harvey gave the central idea of inequality and commodification in the urban space. The classical Marxist ‘circulation of capital’ ideas with special reference to the emergence of the basic idea about capitalism that it modifies its operational structures just to save itself from the destructive cycle. “Neoliberalism” is just one way to bypass the crisis phase of capitalism. So in one sense, it can be argued that the present form of capitalism and its modus operandi especially the neoliberal economic order is nothing but capitalism at its new heights of exploitation and destruction, just to save itself from the apocalypse.

The critique of neoliberalism is also extended to the modus operandi of local government to diffuse the contestations, conflicts, oppositions, and dissents through different policy frameworks. This set the stage for the basic socio-economic-political and moral change in the societal values of the urban space, where new values and morals are thought to be the guide and lightning conductor for the oppositional philosophies. It is a tactic to save it from the oppositional philosophies and mobilizations, which ultimately secure the perpetuation of neoliberal philosophy, although with contextual modifications and socio-economic and political dynamism (Bhide, 2006).

At the same time, the major function of governance is limited to the stabilization of existing structures and limited to the role of welfare, allocation, and distribution. It can be validly argued that the scope of government in the governance aspects has been undermined and in some specific non-essential sectors it has been completely replaced by the private sector. The urban governance structure is dominated by the

PPP mode which is argued to be the best system, most efficient, economically viable, culturally acceptable, and technologically feasible, which is highlighted by the emergence of the private sector in technology and better provision of service due to the better range of goods and better range of services. So the new structure although create exclusion and marginalization of a certain section of urban dwellers, also have some positive aspect and one of them is the better provision of services, an increase in the range of goods, and efficiency in the system of governance. The government is been argued to be more responsive, accountable, and better equipped to deal with emerging urban challenges (Keil and Boudreau, 1980).

### **Urban Governance during Neoliberal Period**

The emerging field of analysis is the role of government in the policy implementation and space setting for neoliberal policies. The key aspect and foundational pillar of neoliberalism are the market forces at the global level which determine all other structural aspects, but this can be futile if economic-political collusion and consensus fail (Fox Piven, 2015). The process of deregulation of business, the “erosion of commons” as the State receded from the key service provisioning in the urban space, flexibility in labor laws and their dilution, weakening of consumer laws, environmental laws, workplace safety, etc., these all are the product of the favorable policies of the government and as argued by (Fox Piven, 2015) would be doomed to fail if the political dispensation has not cooperated.

The economic-political collusion has been achieved through the sidelining of labor parties, especially in the USA where the economic might of business has been used to lobby the key government policies (Fox Piven, 2015). The era of redistribution has undergone a fundamental transformation, where corporate taxes are being slashed and the middle working class is being burdened by taxes to finance the debt obligations of the State, which used the money to create infrastructural requirements for the new order (Harvey, 2008). The redistribution if at all to the poor and marginal section is done very restrictively, where State philosophy is being transformed from being “welfare” to “workfare” (Fox Piven, 2015).

However, the stage of urban growth and its restructuring in the neoliberal era is evidentiary and critical literature bluntly puts up the arguments for the ills of neoliberalism as has been argued above, but seeing the process through the single frame runs the risk of being biased. Hence, it becomes essential to analyze the positive aspects of neoliberal policies in light of urban transformation, particularly the role of governance and local factors that gives rise to spatial specificities. The role of neoliberalism and economic development which is paralleled by urban development has been accepted even by the staunch critiques of neoliberalism (Harvey, 2008). The process of commodification is not the exclusive product of neoliberal policies as it had been the main mode of accumulation in the earlier modes of production (Harris and Scully, 2015).

Commodification is a historical process even before the dawn of capitalism as a philosophy. The process of de-commodification in the neoliberal era in the global south and the economic policies predating neoliberalism in these countries under the hubris of “welfare” (Harris and Scully, 2015) is no less important in analyzing the urban structure in the light of historicity of urban transformations. So it can be argued with evidence that even in the Keynesian era when States were expected to play a greater role in the welfare of the masses, the policies in the global south were not seeing the eye of the target and not fulfilling its philosophical objectives. The importance of the State in general and local government in particular in terms of social assistance (Harris and Scully, 2015), the emerging local elites, and its political implications under the collusion of local politics and private capital (Singh et al., 2015), the welfare function of local government under the democratic political compulsions are not less important in

analyzing the emerging role of the State. It has been argued that in the era of neoliberal policies, there has been an increase in the social assistance programs in the global south contrary to the prevalent belief (Harris and Scully, 2015).

There has been a great emphasis on the restructuring and associated fallouts of neoliberalism in the socio-economic setup, while at the same time, neglecting the historical Keynesian model and associated welfare. This bleak the role of the State as a welfare organ working for its people and it is in this context (Blad and Fallov, 2018) argued the modified role of the State, especially in welfare. This has not vanished but has modified itself to the demands of restructuring under the market orientation and it can be argued that it has even increased in some spheres requiring social assistance as a foundational plain for the neoliberal policies (Blad and Fallov, 2018). This is by no means to State that there is no structural challenge to the welfare policies in the restructured urban space, as there are policy responses and restructuring under the “New Rule” which makes it difficult to align the welfare policies to the neoliberal outlook.

The structural challenges and philosophical constraints can be in the form of the right-wing rise under the new socio-economic order based on xenophobia and populism, especially in Europe and the USA (Buono, 2018). But this may not be the case in the global south and it is in this context of spatial variability and specificities with the influence of local contextual factors that the response of the welfare State towards the social assistance programs is varied and localized. This non-uniformity and non-universality of the policies and associated impact on the welfare approach give it a dynamic character (Blad and Fallov, 2018). The impact of citizens’ protests and demonstrations played a key role in keeping the flame of welfare policies alive (Castells, 1983) and their impact on policy modification and the duress of this in making the State approach the welfare of the masses (Ciccica and Concha, 2018).

The democratic political setup and electoral politics of south Asia is a prime example of this local politics and the power of the demos. The decline of the traditional approach to the right’s demand, especially the reducing role of trade unions and their fall out is also associated with the engagement of the State in the different spheres of inclusion and welfare. New actors have emerged to assist the State in its welfare approach especially the NGOs and local government institutions (Blad and Fallov, 2018), and the State is focusing on the home as a unit of inclusion and social welfare (Fallov and Nissen, 2018).

The emergence of new problems and associated inequalities made it obligatory for the State and people at large to shun the idea of market equalizer in the context of political forcing in a democratic setup, to look for new ways of welfare approach with new actors and modified implementations (Pettinicchio, 2020). This process is mediated by welfare professionals such as NGOs, voluntary organizations, and self-help groups, who emerged in the neoliberal conflicting environment, where they negotiate with the competing institutional setup and played the role of intermediators between the top echelons and marginal sections. They play the role of an equalizer and basic provisions fulfillment, but also prepared the ground for unhindered implementation of neoliberal policies and help in dissipating the emerging discontent in society.

The role of these intermediaries is more important in the urban space due to densification, marginalization, and informalities in the cities of the global south (Blad and Fallov, 2018). The impact of neoliberal forces and associated restructuring give rise to the varied State responses towards the welfare policies, as different States have different strategies to deal with the globalized market logic and space-time convergence. The resolution of the simmering discontent among the masses and defending the logic of the market in the democratic political system led to innovative steps of welfare, which are deviant from the past system of social welfare and more logically satisfied the avenues for neoliberalism (Pettinicchio, 2020).

New actors in social welfare have emerged as a savior for the community either in congruence with the State or as independent organizations, institutions, and financially supported by transboundary funding. These new actors fill the ‘void of welfare’ created by the reduced role of the State by engaging in providing welfare services (Desroches and Poland, 2021). It can be argued that welfare programs have not lost its essence and have been modified to suit the logic of the market and neoliberal expectations. However, there are examples where welfare does follow the traditional suit, at least in the case of social housing projects in Canada where the social housing projects do not follow neoliberal expectations (Desroches and Poland, 2021).

There is always a justification given for the restructuring and redefining of social welfare work in the changed political, economic, and social context. This not only tried to justify the reduced role of the State but also gives enough space for the explanation of the reorientation of welfare itself (Spolander et al., 2014). The fundamental question regarding the welfare aspect and inherent societal variations related to it has been dealt with (Spolander et al., 2014), where knowledge of what constitutes social welfare, especially in the global north and global south, gives rise to the contextuality and localization of social welfare policies and its variability across time and space.

The emergence of new public management with the involvement of the private sector in public service provisioning shed the light on the uniformity of neoliberal policy implementation and associated philosophical considerations of better services, efficiency, reliability, and long-run equalizing effect. While under this uniformity there is contextuality, where the degree of new public management by privatization and superstructure related to it speaks the variability hues (Spolander et al., 2014). The impact of neoliberalism and associated “structural violence” that disproportionality affects the vulnerable most (Sakellariou and Rotarou, 2017) can have an impact on the associated spatial processes and local variability, with varied impacts on different people and their vulnerabilities (Spolander et al., 2014). So it can be argued that the associated variability in socioeconomic and political processes across space, leads to two determinants, local vulnerability of people and global vulnerability of a State (global north or global south in a global context), therefore analysis of both factors is important in determining the welfare analysis in the neoliberal era.

Welfare functions of the State and societal welfare have a deep correlation with the economic policies of the State and neoliberalism has a deep impact on this, as this new system of economic organization impacted welfare functions by its impact on marketization, consumerization, managerialisation, and de-professionalization (Ornellas et al., 2020). The restructuring of social work impacted by the new above-mentioned traits of neoliberalism leads to the management of social work along the lines of new economic order. This highlighted the new focus of social welfare due to challenges that emerged out of the restructuring and the emergence of a new type of marginality in society (Ornellas, 2020). The emergence of new actors in the welfare function and associated implementation policy underwent restructuring (Pettinicchio, 2020), which implies issues related to welfarism.

The emergence of ‘marketization’, ‘consumerization’, and ‘managerialisation’ (Spolander et al., 2014) in public services reduced the importance of social work professionals just to give way to the modified versions of them in the neoliberal era, where social work has been modified under the new order. This emerging ‘de-professionalization’ (reducing professional discretion, deskilling social work, and diminishing professional autonomy and identity) (Ornellas et al., 2020) does not wipe out social work, but opened new avenues and refocuses on the new marginal structures that emerged in the neoliberal era. The focus of the State on the welfare of the family as a unit and reducing the labor rights at the same time

reduces the collective bargaining power (Harvey, 2008; Spolander et al., 2014) as a case example of restructuring of welfare Functions in the Neoliberal Era.

### Summary

The neoliberal policies with different hues of informalization, deindustrialization, reindustrialization, beyond Fordism, global city, entrepreneurial urban space, privatization, gentrification, green gentrification, and socio-spatial polarization has been employed contextually in the Global South with new modes of governance and its position vis-à-vis private players with a new model of service provisioning, a new role of the State, and power structure in this flux. In the post-war era, the urban space that was the epitome of rationality, functionality, and efficiency got transformed into market flexibility, horizontal functional integration, and global-level efficiency with processes like outsourcing giving effect to spatial rationality and integration. The principle of marketability has allowed the space for the local governance to rescale, reorganize and restructure itself. The emergence of entrepreneurial function leads to the urban space for non-formalization, contractualization, and commodification. Urban space in the global south has the phenomenon of 'Accumulation by Dispossession', but this process created new opportunities for the dispossessed people to participate in the incoming opportunities.

The Dispossession process leads to the marginalization of people in the Global South relative to the Global North, but their repossession of resources at the local scale with incoming opportunities. However, even in the local context Neoliberal policies in the urban space have a differential impact on different sections of the urban populace as they perpetuate the marginality in certain cases, especially socio-economic lower strata and provide new opportunities for the other well-off sections. So there is an intersection of marginalities, at the global level 'Global South' urban spaces face marginalization within the global socioeconomic processes, while at the local level same socioeconomic processes have differential outcomes for different sections of the society creating dispossession and repossession in different contexts. Hence, neoliberal policies have a differential impact on 'Global North' and 'Global South' urban spaces, and within 'Global South' urban spaces it has a different impact on different sections, leading to their dispossession as well as repossession of resources.

Urban space in global south has new avenues and opportunities under neoliberalism. The traditional urban players and new urban elements are adopting new strategies to balance the forgone and incoming opportunities. The emergence of private players in the new context reduced the role of local government in the provisioning of services and associated welfare. The Government adopted a new restructured approach to welfare and the urban governance role has not been insignificant as the impact of neoliberalism would have been more devastating to the marginal section of the urban population especially in the global south if the State and local government had completely abdicated its functions of welfare and completely fall in the line of market principle.

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