



## BOOK REVIEWS

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Thomas A. Hutton, *The New Economy of the Inner City: Restructuring, Regeneration and Dislocation in the Twenty-first-century Metropolis* (New York: Routledge, 2010).

Many works have been published recently encouraging the hype that cities can be developed through the attraction of the creative class or knowledge workers. Thomas Hutton in *The New Economy of the Inner City* seeks to move beyond the hype and develop a theory based on stronger empirical research. He synthesizes the work of his contemporaries and develops his own theory to explain the effect of the new economy on the city that considers the process of business formation and business location in conjunction with his own empirical fieldwork on London, Singapore, San Francisco, and Vancouver.

Hutton's work is very narrow, focusing only on neighborhoods surrounding the central business district in these cities' inner city areas and the technology, design, and arts firms and people often referred to as "creative" that define the new economy. The stated purpose of including these cases is to focus on the growing importance of the Pacific Rim and the paucity of research on the role of the new economy on these cities. However, through his inclusion of two chapters on London, it is apparent he primarily chose his case studies due to personal interest rather than a strict sampling methodology.

In Chapter 1, Hutton presents his central argument that the new economy and creative class industries have both favorable effects (regarding use of abandoned space, reduction of blight, and increased tax bases) and negative implications (rapid turnover of firms, dislocation of existing residents) with regard to the social and economic fabric of the inner city. Unfortunately for practitioners, he does not offer specific suggestions for maximizing the benefits and minimizing the costs of these positive trends, nor does he consider the effects of these trends outside of the specific inner city neighborhoods that he studied.

Chapters 2 and 3 focus on the formation and location of new firms in the inner city, defining the manner in which the spatial and economic relationships of these new industries relate to the existing urban form. He likens the relationship of the firms to that of historical industrial districts of the ship-building or steel industries, where firms tended to cluster together, with employees and owners living nearby. In contrast, the technology available to new firms allows for both a faster start-up and dissolution time. Unfortunately, Hutton does not adequately demonstrate that the high turnover of firms is caused by the nature of the new economy. Nor does he indicate how the problems associated with a high turnover of firms and residents can be mitigated through government intervention.

The case studies, Chapters 4 through 8, highlight the many positive and negative effects of the new economy in selected neighborhoods of London, Singapore, San Francisco, and Vancouver. The cases illustrate the unique combination of local policy and macro-economic forces that affect neighborhoods. For example, Chapters 4 and 5 on London describe the spillover effects that the financial services industry and its high-end residential market have on rents in the surrounding

inner city neighborhoods. In contrast, Chapter 6 focuses on the Singapore's efforts to encourage "creative" firms such as local artisans and designers to locate there by first relocating the residents of Telok Ayer elsewhere. Chapter 7 argues that San Francisco's lack of policy intervention in the wake of the collapse of the technology industry in the early 2000s resulted in lasting blight. Finally, the Vancouver case (Chapter 8) highlights the fact that government can effectively encourage the creative class to locate and start businesses in the inner city through urban design policies and zoning. While these case studies acknowledge the role of the creative class in these particular neighborhoods, they do not discuss the overall effects of the new economy on the city nor do the cases lead to generalizable policies and methods that could be used elsewhere.

Chapter 9 (Conclusion) integrates the theoretical discussion from the first three chapters and the findings from the case studies. Hutton acknowledges the difficulty of developing a singular theory of urban development that can be generalizable for all cities. However, he provides his own theory based on his research and introduces the term "recombinant economy," a term derived from medical terminology to describe two different viruses combining together in a single cell. Hutton argues that the ideas of the manufacturing-based economy and the service-based economy should be combined to maximize the benefits of the new economy for the inner city.

To a significant degree, Hutton achieves his goal of advancing the work of Peter Hall, Allen Scott, Richard Florida, and others on the role of creative industries in the new economy and their positive and negative effects. Hutton shows that the effects of the creative class on the inner city are not limited to places such as Silicon Valley, California or Austin, Texas. Unfortunately, the book will be of limited value to practitioners, many of whom have read other works regarding the creative class and accepted that attracting such a group is a good idea. For example: Cincinnati has introduced a venture capital fund to attract creative industries; has funded a development company that has built housing, store fronts, and park space geared to the creative class; and is in the process of building a streetcar line to connect these activities to each other and the central business district. Hutton's work could have been more helpful had he provided more specific tools for measuring the neighborhood spillover effects, both positive and negative, arising from efforts to attract and hold the creative class.

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John Forester, *Dealing with Differences: Dramas of Mediating Public Disputes* (New York: Oxford University Press, 2009).

In his latest work, Forester seeks to demonstrate how democratic deliberation is possible across differences. Democratic deliberation, or deliberative democracy, is an alternative to other democratic practices such as simple majority voting. Deliberative democrats believe that through reflective, participatory discussions, better and more just public decisions will be reached. Forester's main theoretical goal is to answer critics of deliberative democracy who argue that participatory processes fail to address differences. Instead, he argues that differences need not stop policy and planning processes, nor must these differences be suppressed or ignored to move forward.