



12 Elements of Urban Synergy (excerpt from the Synergistic City)

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12 Elements of urban synergy

This list outlines the material explained below.

1. Access to key resources
2. Mutual access of residents and visitors
3. Sharing common costs
4. Enabling higher specialization
5. Whetting competition
6. Adding range of choice
7. Promoting flexibility and adaptability
8. Pooling resources and risks
9. Stimulating creative activity and thought
10. Providing a medium for culture
11. Reciprocating-reinforcing spillovers
12. Facilitating communication

Excerpt from Mason Gaffney, "The Synergistic City"

The Elements of Increasing Returns

Urban synergy has been called a black box by some and an empty box by others. Let's itemize its contents.

1. Access to Key Resources

Cities locate originally on harbors, railheads, crossroads, hubs, confluences, crossings, water sources, amenities, capitals, and so on. Good circulation focuses access on these features and aids their further development. *cf. Toledo, rails mappe, waterfront. Chicago & Milw., parks & harbors. Flashed L., no public access.*

2. Mutual Access of Urban Dwellers and Visitors

Those who cluster around the original attracting resource find and create a supplemental attraction in each other. Sometimes they may degrade the original amenities like the clean air of Los Angeles, yet create artificial amenities like Disneyland which we may ridicule and yet which attract still more people. Markets and storage facilities develop synergistic relations with each other, leading to manufacture, innovation, and tertiary services. In addition to the commercial and industrial convenience people cluster for social, educational, and cultural reasons. Access is mutual so clustering is self-reinforcing over a long stage of increasing returns.

3. Sharing Common Costs

There are common costs, *Water supply; canals, rails* of developing basic locational resources; of local consumption facilities like utilities and services whose optimal scale is large; of common supplies needed by many producers; of bringing in buyers who will support many sellers; and so on.

4. Allowing Higher Specialization

The division of labor, said Adam Smith, is limited by the extent of the market and the same is true of the division of buildings, equipment, and inventories. The same is true of urban land which may also specialize. The extent of the market is greatest where access is best. Everyone can supply his own examples of specialized people and machinery. Specialized land refers to neighborhoods like a carriage - trade shopping center, or furniture district, or the Vieux Carré.

Two Park Alley

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whose development attracts a particular clientele or supports the development of specialized facilities like unloading cranes in a port.

La Scala opera

Large markets permit large scale production, of course, but equally important they support specialized production by small sellers who serve a minute part of the total market. Variety of sellers and available goods and services fosters specialized and unusual and innovative manufacturing which requires a variety of small inputs on tap in one place. Specialization in the simple sense of monoculture is found in many company towns and small cities. It is specialization in the sense of variety and diversity that marks the large central market. Regional specialization in farm and other primary producing areas outside of cities presupposes cities as centers of exchange and processing and storage and finance, for which the city takes a large cut of the pie.

5. Whetting Competition

The conditions of workable competition, that is, many sellers and many buyers, presuppose a central meeting place where many come together. Cities not only support varied facilities, but more of each. By competing these make the city more attractive and attract still more buyers and sellers, and the total effect spares consumers from monopolistic exploitation in many forms. Competitors seeking to differentiate themselves will be led to add choice, variety, innovation, and improvement.

✓ Although large markets permit large scale operations, the average size of firms in larger cities is smaller than outside them. It is in large cities that small independent firms find the infrastructure and support which they need to fill a small niche in a large economy. Specialization is not peculiar to large firms but to large economies. It is easier to enter business with a small amount of capital in the city and less devastating to exit. Entry and exit are the life of competition. There is also a large labor pool for the small businessman and a large supply pool and a number of competing lenders. The large numbers assure him the continuity

of service even though he does not control his sources, nor is he obliged to stick with them in the event his needs change. Small firms achieve the gains of vertical integration without losing their freedom, adaptability, and speed.

6. Adding Range of Choice

A large central market brings a variety of services, products, and facilities over the threshold of viability, giving substance to "free choice." It also adds choice to social life and personal friendship. The courtship market is a very real and important phenomenon attracting young people to cities. The existence of many options makes the city a place for discovery. It is a place to learn, to keep "with it" for profit, education, excitement, and enjoyment. The city as a big apple is a sort of collective public good, like a library whose use by one person does not interfere with use by others. It is indeed the obvious place to locate public goods like libraries to maximize their exposure and, therefore, their value.

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Real Estate

The central market also offers more choice in disposal of products. Byproducts may be used and put to higher uses where there are many buyers. Salvage and recycling of old parts and materials are central market functions. In lean territory, collection costs prevent otherwise economical salvage and recycling. The Navajo Indians, it is true, use every part of the sheep far from cities, but their isolation prevents the by-products entering into exchange and moving to the highest use; while in the city, the hides of worn-out dairy cows are tanned for leather and finally subdivided into grades and distributed to hundreds of specialty uses throughout the market area, always in search of the top dollar which is to say the use most wanted by consumers. The mutual interest that buyers and sellers have in access determines the amount each bids for land in particular places, causing the market to locate activities for maximum mutual aid and synergism of this kind.

7. Promoting Flexibility and Adaptability

The central market with its backup pools of resources is the place where inputs may be combined and recombined quickly in the face of shifting demands and costs. Penalties for starting and stopping are lighter, leading to faster turnover and replacement with embodiment of the latest knowledge in physical capital. Subcontracting allows organizational flexibility. Excess diversified capacity accommodates variations in supply and demand. Peak needs for capital may be accommodated from the central pool, and peak needs to invest surplus capital find many outlets. The slack is there for change, emergency, and innovation.

8. Pooling Resources and Risks

The flow of rivers varies much less at their mouths than their various tributary sources because offsetting variations are pooled.

Likewise, central markets have an aggregate stability in spite of large individual variations. Load factors on large capital facilities are smoothed. Labor unemployment is minimized. Several family members may find suitable work within one market, minimizing needs to migrate. Inventory requirements are reduced because of pooled variations, increasing turnover and volume per unit of capital. Savers and borrowers get together through an elaborate financial apparatus. Control over capital leads to control over industrial organization—a mixed blessing for the world, perhaps, but an advantage for the city.

9. Stimulating Creative Activity and Thought

Central markets serve an incubating function for new industries and techniques which require access to varied supplies and the stimulation of varied ideas. In primary producing areas monoculture breeds monotony and simple minds limited by the routines of just one industry and often, too, by the dependency of branch plant psychology. In cities, information and ideas from many sources and viewpoints impinging on one mind provide the stuff of creative thinking. Urban cliquishness and overspecialization, social stratification, and strife limit the realization of this potential, but the potential is there.

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10. Providing a Medium for Culture

The central market with its variety of people, resources, and ideas is the medium for the flowering of education, research, entertainment, social life, cooperation, and advanced thinking. Periodic retreats from the tension and tyranny of fashion can also be creative, but the central market is the place where the idea generated anywhere finds its greatest exposure. The city is the stage for the fullest personal development and fulfillment in a social context.

11. Reciprocating-Reinforcing Spillovers

This most subtle synergistic effect gives small landowners in large cities the advantages of planned unit development without the heavy cost of stifling individual spontaneity in large organizations. Suppose, to introduce the point, that buildings could be heightened one story at a time. Owner A opens the scene with a three-story building complementary to Owner B, his neighbor. Owner B responds with a four-story building which causes Owner A to go to five stories, and so on until diminishing returns call a halt to further heightening. In fact, height decisions can be made only once every 30 years or so, but the market tends to orchestrate the process by setting a level of land values that requires buildings of a certain

height, with each builder anticipating the others. The market works best, of course, when lubricated by a stiff tax on land values. A planned unit developer, to accomplish the same end, would have to spend years and decades assembling land in secret, blighting a neighborhood to weaken holdouts and reduce his own tax costs while waiting. And the completed PUD, even if successful, would be isolated from the rest of the city and detract from the synergism of the whole by self-containment.

12. Facilitating Communication

Close personal association of buyers and sellers in central markets lets them read each other with a minimum expenditure on costly advertising, wasteful packaging, and artificial preserving such as characterize modern merchandising in our sprawled settlement patterns.

In summary, cities exist to bring people together for mutual aid. The land market when properly lubricated allocates land so as to support this basic urban function.