Arguments For and Against Planning

**Richard E. Klosterman**

Formal governmental attempts to plan for and direct social change have always been controversial. However, public and academic attention to planning peaked in the "great debate" of the 1930s and 1940s between proponents of government planning such as Karl Mannheim, Rexford Tugwell, and Barbara Wootton and defenders of "free" markets and laissez-faire such as Friedrich Hayek and Ludwig von Mises.\(^1\) By the 1950s the debate had apparently been resolved: the grand issues of the desirability and feasibility of planning had been replaced by more concrete questions concerning particular planning techniques and alternative institutional structures for achieving society's objectives. Planning's status in modern society seemed secure: the only remaining questions appeared to be. Who shall plan, for what purposes, in what conditions, and by what devices?\(^2\)

Recent events in Great Britain, The United States, and other Western societies indicate that planning's status is again being questioned and that the "great debate" had never really ended. National planning efforts have been abandoned in Britain and the United States; and the public agenda in both countries now focuses on deregulation, privatization, urban enterprise zones, and a host of other proposals for severely restricting government's role in economic affairs. Planning is increasingly attacked in the popular press, academic literature, and addresses to Parliament and Congress.\(^3\) Graduate planning enrollments have declined dramatically. and government retrenchment around the world has severely reduced job opportunities for professional planners at all levels.\(^4\) At a more fundamental level, practitioners, students, and academics increasingly view planning as nothing more than a way to make a living, ignoring its potential to serve as a vocation, filling one's professional life with transcending purpose.\(^5\)

In this environment it seems essential to return to fundamentals and examine carefully the case for and against planning in a modern industrial context. This article will critically examine four major types of argument that have been used as two-edged rhetorical swords both to criticize and defend government planning efforts and to consider the implications of these arguments for planning in the 1980s and beyond. The analysis will consider only formal governmental efforts at the local and regional level to achieve desired goals and solve novel problems in complex contexts, or what in Britain is called "town

---


\(^4\) The dramatically declining enrollments in American planning schools are documented and analyzed by Krueckeberg, Donald A., "Planning and the New Depression in the Social Sciences", Journal of Planning Education and Research. 3 (2) Winter 1984. pp. 78-86.

and country planning” and in America “city and regional planning.” As a result, the arguments considered below are not necessarily applicable to national economic planning or to the planning done by private individuals and organizations. Also not considered are the legal arguments for planning in particular constitutional or common-law contexts or arguments such as Mannheim’s, which have had little effect on the contemporary political debate.

**Economic Arguments**

Contemporary arguments for abandoning planning, reducing regulation, and restricting the size of government are generally accompanied by calls for increased reliance on private entrepreneurship and the competitive forces of the market. That is, it is often argued, government regulation and planning are unnecessary and often harmful because they stifle entrepreneurial initiative, impede innovation, and impose unnecessary financial and administrative burdens on the economy.

These arguments find their historical roots in the world of Adam Smith, John Stuart Mill, and others of the classical liberal tradition. Emphasizing individual freedom, reliance on the “impersonal” forces of the market, and the rule of law, these authors called for minimal state interference in society’s economic affairs to protect individual liberty and promote freedom of choice and action. On pragmatic grounds they argued that competitive markets could be relied upon to coordinate the actions of individuals, provide incentives to individual action, and supply those goods and services that society wants, in the quantities it desires, at the prices it is willing to pay.

Building on these foundations, contemporary neoclassical economists have demonstrated mathematically that competitive markets are capable in theory of allocating society’s resources in an efficient manner. That is, given an initial distribution of resources, a market-generated allocation of these resources cannot be redistributed to make some individuals better off without simultaneously making other individuals worse off. However, this Pareto efficient allocation will occur only in perfectly competitive markets that satisfy the following conditions: (1) a large number of buyers and sellers trade identical goods and services; (2) buyers and sellers possess sufficient information for rational market choice; (3) consumer

---

6 A similar definition of planning is proposed by Alexander, Ernest R. "If Planning Isn't Everything, Maybe It's Something". Town Planning Review. 52 (2) April 1981, pp. 131-142.

7 Mannheim, op. cit.

8 These writers are "classical" liberals in that their views of government and liberty are fundamentally different from those associated with contemporary liberalism. Classical liberals define liberty in the negative sense in which freedom is determined by the extent to which individuals' actions are externally constrained by the actions of others; the wider the sphere of noninterference, the greater an individual's liberty. Thus to increase the (negative) liberty of individuals by decreasing the external interference of the stale, classical liberals call for a sharply reduced role for government in the domestic and foreign economy. "Contemporary" liberals, on the other hand, view liberty largely in the positive sense in which individuals are free when no internal constraints such as a lack of knowledge, resources, or opportunities restrain their actions. From this perspective, increasing the (positive) liberty of individuals, particularly the most deprived, requires deliberate government action to promote social welfare and reduce the internal constraints on individual action, even though this may restrain the actions (and negative liberty) of some individuals. Compare Friedman, Milton, Capitalism and Freedom. Chicago, University of Chicago Press, 1962. pp. 5-6; and Finer, Herman. Road to Reaction. Boston, Little, Brown and Co., 1945, pp. 221-228.

Contemporary examples of the classical liberal argument include Hayek. op. cit.. Friedman and Friedman. op. cit.. Friedman, op. cit. and Sorensen. Anthony D. and Day. Richard A "Libertarian Planning", Town Planning Review. 52 (4) October 1981, pp. 390-402.


selections are unaffected by the preferences of others; (4) individuals pursue the solitary objective of maximizing profits; and (5) perfect mobility exists for production, labor, and consumption.\footnote{Seventeen more restrictive assumptions including perfectly divisible capital and consumer goods and an absence of risk and uncertainty are identified by De V. Graaff, J., Theoretical Welfare Economics. London, Cambridge University Press, 1957.}


The need to increase market competition and promote informed consumer choice in a world of huge multinational firms and mass advertising helps justify restrictions on combinations in restraint of trade and prohibitions on misleading advertising. Indicative planning efforts at a national level in France and elsewhere are likewise justified as providing the information required for rational market choice. The development of municipal information systems and the preparation of long-range economic forecasts are similarly justified as promoting informed market choice with respect to location decisions for which the relevant information is difficult to obtain, experience is limited, and mistakes can be exceptionally costly.\footnote{Cohen. Stephen, Modern Capitalist Planning: The French Model. Cambridge, Harvard University Press, 1969; Foster, Christopher, "Planning and the Market," in Cowan, Peter (ed.). The Future of Planning: A Study Sponsored by theCentreforEnvironmentalStudies. London, Heinemann, 1973, pp. 135-140. Meyerson, Martin, "Building the Middle-range Bridge for Comprehensive Planning," JournaloftheAmericanInstituteofPlanners, 22 (1) 1956,pp. 58-64; and Skjei. Stephen S. "Urban Problems and the Theoretical Justification of Urban Planning." Urban Affairs Quarterly. II (3) March 1976. pp. 323-344.}

More important, both classical and neoclassical economists recognize that even perfectly competitive markets require government action to correct "market failures" involving (1) public or collective consumption goods; (2) externalities or spill-over effects; (3) prisoners' dilemma conditions; and (4) distribution issues.\footnote{Thus, for example, Adam Smith recognized that government must be responsible for (1) "protecting the society from the violence and invasion of other independent societies"; (2) "establishing an exact administration of justice"; and (3) "erecting and maintaining those public institutions and those public works, which … are … of such a nature that profit could never repay the expense of an individual or small number of individuals." Smith. Adam, An Enquiry into the Nature and Causes of the Wealth of Nations (edited by Edwin Cannon), New York, Modern Library, 1937, pp. 653, 669, and 681; his third category of justified state functions is discussed in pages 681-740. Other government functions recommended by the classical economists include the regulation of public utilities, the establishment of social insur- ance systems, the enactment of protective labor legislation, and compensatory fiscal and monetary policy. See Robbins, Lionel. The Theon' of Economic Policy in English Classical Political Economy. London, Macmillan, 1952. esp. pp. 55-61.}

**Public goods**

Public goods are defined by two technical characteristics: (1) "jointed" or "nonrivalrous" consumption such that, once produced, they can be enjoyed simultaneously by more than one person; and (2) "nonexcludability" or "nonappropriability" such that it is difficult (in some cases impossible) to assign well-defined property rights or restrict consumer access.\footnote{The literature on public goods is extensive. For excellent reviews see Burkhead, Jesse and Miner, Jerry, Public Expenditure. Chicago, Aldine, 1971. and Head. John G., Public Goods and Public Welfare, Durham, North Carolina, Duke University Press, 1974. pp. 68-92 and 164-183. In the planning liter- ature see Moore. Terry, "Why Allow Planners to do What They Do? A Justification From Economic Theory", Journal of the American institute of
"normal" consumer goods exhibit neither characteristic; once produced, they can be consumed by only one individual at a time. It is thus easy to restrict access to these goods and charge a price for their enjoyment. On the other hand, public goods such as open air concerts, television broadcasts, and a healthy and pleasant environment simultaneously benefit more than one individual, because one person's enjoyment does not prohibit another's enjoyment (except for any congestion effects). As a result, controlling access to these goods is either difficult (scramblers must be installed to restrict access to television broadcasts) or impossible (clean air).

Competitive markets can effectively allocate private goods that can be enjoyed only if they are purchased; as a result, the prices individuals are willing to pay for alternative goods accurately reflect their preferences for these goods. For public goods the benefit individuals receive is dependent on the total supply of the good, not on their contribution toward its production. Thus, in making voluntary market contributions to pay for, say, environmental protection, individuals are free to underestimate their real preferences for environmental quality in the hope that others will continue to pay for its protection – enabling them to be "free riders," enjoying a pleasant environment at no personal expense. Of course, if everyone did this, the money required to protect the environment adequately would no longer be available. Individuals may also underestimate others' willingness to contribute and "overpay," thereby ending up with more public goods and fewer private goods than they really desire. In either case the aggregated market preferences of individuals do not accurately reflect individual or social preferences for alternative public and private goods – the "invisible hand" fumbles.

Similar arguments can be made for public provision of quasi-public goods such as education, public health programs, transportation facilities, and police and fire protection, which simultaneously benefit particular individuals and provide shared, nonrationable benefits to society as a whole. As a result, public goods can be used to justify over 96 percent of public purchases of goods and services and an almost open-ended range of government activities.

**Externalities**

Closely related to the concept of public goods are externalities or spillover effects of production and consumption that are not taken into account in the process of voluntary market exchange. The classic example is a polluting industrial plant that imposes aesthetic and health costs on neighboring firms and individuals not included in its costs of production. Similar spillover effects are revealed by land developers who can freely ignore the costs of congestion, noise, and loss of privacy that high-intensity development imposes on neighboring landowners. Positive external economies include the increased land values associated with the construction of new transportation links and other large-scale improvements, which adjoining landowners can enjoy without compensation.

As is true for public goods, the divergence between public and private costs and benefits associated with externalities causes even perfectly competitive markets to misallocate society's goods and services.

---

16 Bator, op. cit., p. 104: Friedman and Friedman, op. dt., pp. 27-37. Similar arguments can be used to justify government provision of highways, dams, and other "decreasing cost" goods with large initial costs and decreasing marginal costs: see Bator, op. cit., pp. 93-95.  
Profit-maximizing firms concerned only with maximizing revenues and controlling costs are encouraged to increase output even though the associated negative external costs vastly outweigh any increases in revenue because the external, social costs are not reflected in their production costs. Neighborhood beautification projects and similar goods with positive external effects similarly tend to be underproduced, because private entrepreneurs cannot appropriate the full economic benefits of their actions. In both situations the "invisible hand" again fails to reflect accurately the needs and desires of society's members.

Prisoner's dilemma conditions

Similar difficulties are revealed in circumstances in which individuals' pursuit of their own self-interest does not lead to an optimal outcome for society or for the individual involved. Consider, for example, the situation faced by landlords in a declining neighborhood who must decide whether to improve their rental property or invest their money elsewhere. If landlords improve their property and others do not, the neighborhood will continue to decline, making the investment financially inadvisable. On the other hand, if the landlords do not improve their property and the others improve theirs, the general improvement of the neighborhood will allow landlords to raise rents without investing any money. As a result, it is in each individual's self-interest to make no improvements; however, if they all refuse to do so, the neighborhood will decline further, making things worse for everyone. An identical inevitable logic leads the competitive market to overutilize "common pool" resources with a limited supply and free access, such as wilderness areas and a healthy environment.

The fundamental problem here, as for public goods and externalities, lies in the interdependence between individual actions and the accompanying disjunction between individual benefits and costs versus social benefits and costs. The only solution in all three cases is government action to deal with the public and external effects that are neglected in the pursuit of individual gain. Solutions for declining neighborhoods include compulsory building codes, public acquisition and improvement of entire neighborhoods, and "enveloping"—public improvements to neighborhood exteriors that will encourage private investments.

Distributional questions

As was pointed out above, economists have demonstrated that, given an initial distribution of resources, perfectly competitive markets will allocate those resources in such a way that no one can benefit without someone else being harmed. However, neither the initial nor the final distribution can be assumed to be in any way optimal. Both are determined largely by inherited wealth, innate talent, and blind luck and can range from states of perfect equality to extremes of tremendous wealth and abject poverty. Economic efficiency alone provides no criterion for judging one state superior in any way to another. As a result, given a societal consensus on the proper allocation of resources, for example, that all babies should receive adequate nutrition and that the elderly should be cared for, government tax collection and income transfer programs are justified to achieve these objectives with minimal market interference.
Implications of the economic arguments

The preceding discussion has identified a range of government functions fully consistent with consumer sovereignty, individual freedom in production and trade, and decentralized market choice. Each of these functions justifies a major area of contemporary planning practice: first, providing the information needed for informed market choice through indicative planning, the development of urban information systems, and the preparation of long-range population, economic, and land-use projections; second, the provision of public goods through transportation, environmental, and economic development planning; third, the control of externalities and resolution of prisoner's dilemma conditions through urban renewal, community development and natural resources planning, and the use of traditional land regulatory devices; and lastly, health, housing, and other forms of social planning to compensate for inequities in the distribution of basic social goods and services. Specific government actions to reduce conflicts between incompatible land uses, coordinate private development and public infrastructure, preserve open space and historic buildings, and examine the long-range impacts of current actions can similarly be justified as needed to correct market failures revealed in the physical development of the city.

It must be recognized, however, that while necessary to justify government planning in a market society, these arguments are not sufficient to do so. This is true, first, because those activities that are the proper responsibility of government in a market society need not be planning matters at all. Government decisions concerning the provision of public goods, the control of externalities, and so on can be made in a number of ways: by professional planners, by elected or appointed public officials, by the proclamations of a divine ruler, or by pure happenstance involving no deliberate decision process at all. If planning is justified by the economic arguments for government alone, it is impossible to differentiate between government planning and government nonplanning – "government" is reduced to an undifferentiated mass.

More fundamentally, the inability of existing markets to allocate society's resources adequately does not necessarily imply that government provision, regulation, or planning are necessary or even advisable. Suitably defined and administered performance standards, building codes, and development requirements may guide the land development process more effectively than traditional master planning and zoning techniques; effluent charges can often control pollution discharges more efficiently than the direct enforcement of effluent standards; and public facilities and services may be provided more equitably by leasing and voucher systems than directly by government. Thus, in these and other areas, the appropriate role for planning may not be the preparation of formal end-state plans but the establishment and maintenance of an appropriate system of quasi-markets.21

As a result, the case for planning in a market society cannot be based solely on the theoretical limitations of markets outlined above. Popular dissatisfaction with the free enterprise system is based not on an appreciation of the various theories of market failure but on its inability to provide stable economic growth and an adequate standard of living for all of society's members. Conversely, the informed critiques of planning are made not in ignorance of the theoretical limitations of markets but in the belief that, despite these limitations, markets are still more effective than attempts at centralized coordination by

---


government. As a result, the case for planning in a modern market society cannot be made in the abstract but requires a careful evaluation of planning's effectiveness relative to alternative institutional mechanisms for achieving society's objectives.

Pluralist Arguments

Other arguments for and against planning emerged during the 1960s and 1970s to complement the economic arguments considered above. Accepting the economic arguments for government outlined above, Lindblom, Wildavsky, and other critics of planning suggest that government actions should not be guided by long-range planning or attempts at comprehensive coordination but by increased reliance on existing political bargaining processes. Underlying these arguments is a political analogue to the economists' perfectly competitive market in which competition between formal and informal groups pursuing a range of divergent goals and interests is assumed to place all important issues on the public agenda, guarantee that no group dominates the public arena, maintain political stability and improve individuals’ intellectual and deliberative skills. In this model government has no independent role other than establishing and enforcing the rules of the game and ratifying the political adjustments worked out among the competing groups. Thus, it is assumed, political competition, like market competition, eliminates the need for independent government action, planning, and coordination.

Unfortunately, the pluralist model is subject to the same fundamental limitations that face the economic model of perfect market competition. Just as markets are dominated by gigantic national and multinational conglomerates, the political arena is dominated by individuals and groups who use their access to government officials and other elites to protect their status, privilege, and wealth and ensure that government acts in their interest. Particularly privileged are corporate and business leaders whose cooperation is essential for government's efforts to maintain full employment and secure stable economic growth. As a result, government officials, particularly at the local level, cannot treat business as only another special interest but must provide incentives to stimulate desired business activity, such as tax rebates and low-interest loans to attract new industry and downtown improvement projects to encourage retail and commercial activity in the central business district. Further supporting business's unique position in the group bargaining process is an unrecognized acceptance of the needs and priorities of business that pervades our political and governmental processes, media, and cultural and educational institutions.

Systematically excluded from the group bargaining process are minority and low-income individuals and groups residing in decaying urban centers and rural hinterlands. Lacking the time, training, resources, leadership, information, or experience required to participate effectively in the political process, these groups have no effective voice in determining the public policies that shape their world. By thus tying individuals' political voice to underlying disparities in political power and resources, current political processes exacerbate existing inequalities in income and wealth and fail to provide adequate information for fully informed policy making.

---

and services that provide small benefits to a large number of individuals. In small groups, each member receives a substantial proportion of the gain from a collective good: as a result, it is clearly in their interest to ensure that the good be provided. For large groups, individual benefits are so small and organizational costs so large that it is in no one's immediate interest to provide for the common good. The result is an "exploitation of the great by the small" in which small groups with narrow, well-defined interests – such as doctors and lawyers – can organize more effectively to achieve their objectives than larger groups – such as consumers – who share more broadly defined interests. By turning government power over to the most interested parties and excluding the public from the policy formulation and implementation process, pluralist bargaining systematically neglects the political spill-over effects of government actions and policies on unrepresented groups and individuals. 27

The limitations of pluralist bargaining, like the limitations of market competition, provide the theoretical justification for a wide range of planning functions. Accepting the critiques of comprehensive planning by Lindblom and others, some authors propose that planning be limited to the "adjunctive" functions of providing information, analyzing alternative public policies, and identifying bases for improved group interaction. The objective here, as for indicative planning, is improving existing decentralized decision processes by providing the information needed for more informed decision making. 28

The pluralist model is incorporated directly into the advocacy planning approach, which rejects the preparation of value-neutral "unitary" plans representing the overall community interest for the explicit advocacy of "plural plans" representing all of the interests involved in the physical development of the city. 29 Recognizing the inequities of existing political processes, advocate planners have acted primarily as advocates for society's poor and minority members. Particularly noteworthy here are the efforts of the Cleveland Planning Commission to promote "a wider range of choices for those Cleveland residents who have few, if any, choices." 30

Experience has demonstrated, however, that advocacy planning shares many of the limitations of the pluralist model on which it is based: (1) urban neighborhoods are no more homogeneous and the neighborhood interest no more easy to identify than is true at the community level; (2) group leaders are not representative of the group's membership; (3) it is easier to represent narrowly defined interests and preserve the status quo than to advocate diffuse and widely shared interests or propose new alternatives; and (4) public officials still lack the information required for adequate decision making. 31

As a result, there remains a fundamental need for public sector planners who can represent the shared interests of the community, coordinate the actions of individuals and groups, and consider the long-range effects of current actions. This does not imply that the shared interests of the community are superior to the private interests of individuals and groups or that the external and long-term effects of action are more important than their direct and immediate impacts. It assumes only that these considerations are particularly important politically, because only government can ensure that they will be considered at all. It is on these foundations that the traditional arguments for town and country planning have been made.

Traditional Arguments

The planning profession originated at the turn of the century in response to the widespread dissatisfaction with the results of existing market and political processes reflected in the physical squalor and political corruption of the emerging industrial city. The profession's organizational roots in architecture and landscape architecture were reflected in early views of planning as "do[ing] for the city what . . . architecture does for the home" – improving the built environment to raise amenity levels; increase efficiency in the performance of necessary functions; and promote health, safety, and convenience. The profession's political roots in progressive reform were reflected in arguments for planning as an independent "fourth power" of government promoting the general or public interest over the narrow, conflicting interests of individuals and groups. Others viewed planning as a mechanism for coordinating the impacts of public and private land uses on adjoining property owners and considering the future consequences of present actions in isolation from day-to-day operating responsibilities. Underlying all of these arguments was the belief that the conscious application of professional expertise, instrumental rationality, and scientific methods could more effectively promote economic growth and political stability than the unplanned forces of market and political competition.

Implicit in these traditional arguments for planning are many of the more formal justifications examined above. The arguments for planning as an independent function of government promoting the collective public interest obviously parallel the economic and pluralist arguments for government action to provide public or collective consumption goods. The calls for planning as comprehensive coordination similarly recognize the need for dealing with the external effects of individual and group action. And the arguments for planning that consider the long-range effects of current actions likewise acknowledge the need for more informed public policy making. Noteworthy by its absence is any concern with the distributional effects of government and private actions, which were largely ignored in planners' attempts to promote a collective public interest.

By midcentury, social scientists who had joined the ranks of academic planners began severely to question each of these arguments for public sector planning: Planners' concern with the physical city was viewed as overly restrictive; their perceptions of the urban development process seen as politically naive; and their views of the appropriate role of government and the need for comprehensive planning similarly regarded as politically naive. The profession's concern with the physical city was viewed as overly restrictive; their perceptions of the urban development process seen as politically naive; and their views of the appropriate role of government and the need for comprehensive planning similarly regarded as politically naive. The profession's concern with the physical city was viewed as overly restrictive; their perceptions of the urban development process seen as politically naive; and their views of the appropriate role of government and the need for comprehensive planning similarly regarded as politically naive.

---


34 The earliest example of this concern in the planning literature known to the author is Webber, Melvin M "Comprehensive Planning and Social Responsibility: Toward an AIP Consensus on the Profession's Role and Purposes", Journal of the American Institute of Planners. 29 (4) November 1963, pp. 232-241.
their technical solutions found to reflect their Protestant middle-class views of city life; their attempts to promote a collective public interest revealed to serve primarily the needs of civic and business elites; and democratic comprehensive coordination of public and private development proven to be organizationally and politically impossible.\footnote{35}

Accompanying these critiques were new conceptions of planning as a value-neutral, rational process of problem identification, goal definition, analysis, implementation, and evaluation. In recent years the rational planning model has come under severe attack as well for failing to recognize the fundamental constraints on private and organizational decision making; the inherently political and ethical nature of planning practice; and the organizational, social, and psychological realities of planning practice. As a result, while the social need for providing collective goods, dealing with externalities, and so on remains, the planning profession currently lacks a widely accepted procedural model for defining planning problems or justifying planning solutions.\footnote{36}

**Marxist Arguments**

The recent emergence of Marxist theories of urban development has added a new dimension to the debate about the desirability and feasibility of planning.\footnote{37} From the Marxist perspective, the role of planning in contemporary society can be understood only by recognizing the structure of modern capitalism as it relates to the physical environment. That is, it is argued, the fundamental social and economic institutions of capitalist society systematically promote the interests of those who control society's productive capital over those of the remainder of society. The formal organization of the state is likewise assumed to serve the long-term interests of capital by creating and maintaining conditions conducive to the efficient accumulation of capital in the private sector, subordinating the conflicting short-run interests of the factions of capital to the long-run interests of the capitalist class, and containing civil strife that threatens the capitalist order. These actions are legitimized by a prevailing democratic ideology that portrays the state as a neutral instrument serving the interests of society as a whole.

Marxists argue that fundamental social improvements can result only from the revolutionary activity of labor and thereplacement of existing social institutions benefiting capital by new ones serving the interests of society at large. Essential reforms include public ownership of the means of production and centralized planning, which would replace existing market and political decision processes by the


comprehensive coordination of investment decisions and democratic procedures for formulating social priorities and restricting individual actions that conflict with the long-term interests of society.\textsuperscript{38}

Applying this perspective to urban planning, Marxist scholars have been highly critical of traditional planning practice and theory. The arguments for and against planning examined above are dismissed as mere ideological rationalizations that fail to recognize the material conditions and historical and political forces that allowed planning to emerge and define its role in society. Accepting the limitations of market and political competition outlined above, Marxists interpret planners' actions in each sphere as primarily serving the interests of capital at the expense of the rest of society. Planners' attempts to provide collective goods and control externalities are assumed to serve the needs of capital by helping to manage the inevitable contradictions of capitalism revealed in the physical and social development of the city. Planners' attempts to employ scientific techniques and professional expertise are seen as helping to legitimize state action in the interest of capital by casting it in terms of the public interest, neutral professionalism, and scientific rationality. And planners' attempts to advance the interests of deprived groups are dismissed as merely coopting these groups, forestalling the structural reforms that are ultimately required to bring real improvement to their positions in society.\textsuperscript{39}

While extremely valuable in helping to reveal the underlying nature of contemporary planning, the Marxist perspective has obvious limitations as a guide to planning practice.\textsuperscript{40} A strict Marxist analysis, which sees all social relations and all government actions as serving the interests of capital, identifies no mechanism for reform other than a radical transformation of society, which is highly unlikely in the near future: if needed reforms can result only from the revolutionary action of labor and all attempts to help the needy merely delay necessary structural changes, there is no significant role for reform-minded planners who occupy an ambiguous class position between labor and capital. And rejection of planners' attempts to apply professional expertise and scientific methods to public policy making as merely legitimizing and maintaining existing social and economic relations deprives professional planners of their main political resource for dealing with other political actors – their claims to professional expertise.

As a result, as was true for the arguments for and against planning examined earlier, the Marxist arguments cannot be evaluated in the abstract but must be examined critically in the light of present economic and political realities. Thus, while it may be theoretically desirable to replace existing market and political decision processes, this is highly unlikely to happen in most Western democracies. The lack of a revolutionary role for planners in traditional Marxist analysis does not mean that they cannot work effectively for short-term reforms with other progressive professionals and community-based organizations. And while contemporary planning may indeed serve the interests of capital, it need not serve these interests alone and is clearly preferable to exclusive reliance on the fundamentally flawed processes of market and political competition.

\textbf{Conclusions and Implications}


\textsuperscript{40} The discussion here draws heavily on that in Fainstein and Fainstein, op. cit.
The preceding discussion has examined a variety of arguments for and against planning in a modern industrial context. Underlying this apparent diversity is an implicit consensus about the need for public sector planning to perform four vital social functions – promoting the common or collective interests of the community considering the external effects of individual and group action, improving the information base for public and private decision making, and considering the distributional effects of public and private action.

The first need is reflected in the economic arguments for government action to resolve prisoner's dilemma conditions and provide public or collective consumption goods, such as a healthy and pleasant environment, which cannot be provided adequately by even perfectly competitive markets. The second results from the inability of markets to deal with social costs and benefits of production and consumption that are not reflected in market prices or revenues. The third is reflected in the public and private need for improved information on the long-term effects of location decisions necessary for making adequately informed market decisions. And the fourth results from the fact that market competition alone is incapable in principle of resolving distributional questions in a socially acceptable manner.

From the pluralist perspective, planning is required to represent broadly defined interests that are neglected in the competition between organized groups representing narrower interests. And it is required to represent the external effects of political decisions on groups and individuals who are not directly involved in the political bargaining process. Improved information on the short- and long-term consequences of alternative public policies and actions is required to facilitate the group bargaining process. And planners are required to serve as advocates for society's neediest members, who are systematically excluded from the group bargaining process.

The traditional arguments for planning reflect the need for representing the collective interests of the community in the calls for planning as an independent function of government charged with promoting the public interest. The need for considering the external effects of individual action is reflected in the conception of planning as comprehensive coordination. From this perspective, planning is required to provide information on the physical development of the city and the long-range implications of current actions. Distributional questions were regrettably largely ignored in traditional planning's efforts to promote an aggregate public interest.

While largely critical of contemporary planning practice, the Marxist perspective recognizes each of the arguments for planning identified by the other perspectives. The need for representing the collective interests of the community is reflected in the Marxist prescriptions for replacing existing decentralized markets with centralized planning in the interests of society as a whole. The need for considering externalities is reflected in calls for the comprehensive coordination of investment decisions. From the Marxist perspective, traditional forms of planning information primarily serve the interests of capital; thus, to promote fundamental social change planners are called upon to inform the public of the underlying realities of capitalist society. And the need to correct the structural imbalances in power and wealth that shape contemporary society underlies the Marxist call for the radical reformation of society.

While all four perspectives propose that planning is required in theory to fulfill these fundamental social requirements, they each recognize in their own way that these theoretical arguments for planning are insufficient. Contemporary economists argue that market competition, properly structured and augmented, can be more efficient and equitable than traditional forms of public sector planning and regulation. Critics such as Lindblom have revealed planners' traditional models of centralized coordination to be impossible in a decentralized democratic society. And the social critics of the 1960s and 1970s and Marxist critics of today have demonstrated convincingly that traditional planning practice, while couched in terms of neutral technical competence and the public interest, has primarily served the interests of society's wealthiest and most powerful members.
An objective evaluation of sixty years’ experience with town and country planning in Great Britain and the United States must recognize the tremendous gap between planning’s potential and its performance. While there have been several remarkable successes, much of contemporary practice is still limited to the preparation of "boiler plate" plans, the avoidance of political controversy, and the routine administration of overly rigid and conservative regulations. It is thus an open question whether planning, as currently practiced the world over, deserves high levels of public support or whether other professional groups and institutional arrangements can better perform the vital social functions identified above. As a result, the arguments for planning outlined above cannot be taken as a defence of the status quo in planning but must serve as a challenge to the profession to learn from its mistakes and build on new and expanded conceptions of the public interest, information, and political action to realize its ultimate potential.42

Acknowledgments

I gratefully acknowledge the valuable comments received from Robert A. Beauregard of Rutgers University, Jay M. Stein of the Georgia Institute of Technology, and the anonymous reviewers of Town Planning Review.