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Globalization, health, and the future Canadian metropolis

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Abstract

This chapter represents a preliminary effort to understand the health implications of transnational economic integration (globalization) for population health in Canadian metropolitan areas, and to inform the development of policy responses and strategies of resistance. Special emphasis is placed on health equity as it is affected by social determinants of health. I first provide a stylized description of the rationale for concentrating on major metropolitan areas, rather than on Canadian society as a whole, with reference to the evidence base on place-related effects on health. I then summarize the major channels of influence leading from globalization to social determinants of health in metropolitan areas. These involve labour markets; the attractiveness of urban ‘revitalization’ schemes in a context of changing opportunities for capital accumulation and growth promotion; and migration. The chapter concludes with some rather pessimistic observations about the prospects for increased health equity, given today’s neoliberal drift in public policy and pressures for policy convergence around economic competitiveness.

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1. Introduction

On the night of August 31, 2009, as wealthy Ontario politician, Michael Bryant, drove through downtown Toronto, he was involved in an incident that resulted in the death of bicycle courier Darcy Sheppard. Facing charges of criminal negligence causing death and dangerous driving causing death (also a criminal charge), Bryant was allowed to leave police custody without a bail hearing and rapidly retain an expensive public relations firm for purposes of damage control. Bryant, a former Ontario cabinet minister, had recently left government to take up a $300,000-a-year job as the head of an agency created by the Toronto municipal government to attract private investors to the city. At this writing, none of the charges against Bryant have been proven in court. Regardless of the eventual legal outcome, the incident is best understood as a manifestation of a much larger set of conflicts that define the legitimate uses, and users, of urban space. On this reading, Bryant was only doing, in a conspicuously aggressive way, the job he was then being paid to do (he resigned shortly after the incident): demonstrating who counts and who doesn’t in the metropolis of the twenty-first century.

That metropolis has been shaped in powerful ways by globalization: “[a] pattern of transnational economic integration animated by the ideal of creating self-regulating global markets for goods, services, capital, technology, and skills” (Eyoh & Sandbrook, 2003), although in the first instance the scale on which economic activity is reorganized across existing political boundaries is sometimes regional or continental rather than truly global. This chapter represents a preliminary effort to understand the health implications of globalization’s influence on the Canadian metropolis, as part of a much larger study that focuses on Canada’s three largest metropolitan areas (Montréal, Toronto, and Vancouver), and to inform the development of policy responses and strategies of resistance. (In keeping with the spirit of the monograph series, I hope the chapter also demonstrates the contributions of my own disciplines of political economy and political theory can make to transdisciplinary inquiry on the social origins of disparities in health.) Background is provided by the ethical imperative of reducing inequities in health – disparities in health outcomes that are avoidable and unjust – not only by way of equalizing access to health care, a strategy the limitations of which have long been recognized (Evans & Stoddart, 1990), but also by addressing the social determinants of health: conditions that make it relatively easy for some people to lead long and healthy lives, yet all but impossible for others to do so.

Section 2 of this chapter provides a stylized description of the rationale for focusing on social determinants of health in major metropolitan areas, rather than across Canadian society as a whole. Section 3 describes the major channels of influence leading from globalization to social determinants of health in those areas. Section 4 concludes with some rather pessimistic observations about the prospects for increased health equity, given current patterns of public policy in Canada and elsewhere.

2. How and why place matters

On the island of Montréal, life expectancy at birth in richer neighbourhoods is 10.6 years higher than in poor neighbourhoods, according to the city’s Health and Social Services Agency (Agence de la santé et des services sociaux de Montréal, 2010; comparable published estimates are not available for Toronto and Vancouver). Estimates of intra-metropolitan disparities in life expectancy outside Canada are even more striking: close to 20 years in Chicago and Washington, DC and 28 years in Glasgow (Commission on Social Determinants of Health, 2008, p. 31-32; Wang, 1998). A widely cited study found that African-American men in the impoverished and (then) depopulated neighbourhood of Harlem, New
York City were less likely to live to age 65 than were men in Bangladesh, and were roughly half as likely as the overall US white male population to live that long (McCord & Freeman, 1990).

Such health disparities among people living in close proximity to one another constitute an ethical indictment of societies that allow them to persist. Beyond that, however, why should researchers focus on metropolitan areas as a unit of analysis? An initial response is that economic inequality within their boundaries may itself contribute to overall lower levels of health. A study of mortality among people between the ages of 25 and 64 in 528 metropolitan areas in Canada, the US, Australia, Sweden and Britain found a clear association between intra-metropolitan income inequality and higher levels of mortality for the sample as a whole, and for cities in the US and Britain, the two countries with the most unequal distributions of income, but not for those in the other countries (Ross et al., 2005b). This study design is likely to seriously understate the socioeconomic gradient in health status, for several reasons. Mortality is a crude indicator. Restricting the study to the ‘working age’ population excludes from the analysis such phenomena as income-related differentials in mortality among those aged <25 from homicide and accidental injuries, and among those aged >64 from various causes. The study, the only one of its kind, also does not directly inform us as to the relevant causal pathways from economic inequality to health disparities, although the authors offer highly plausible suggestions including “disparate intra-metropolitan employment opportunities and working conditions,” the spatial segregation that accompanies high levels of income inequality, and differences in access to health and social services. The common thread here is that place matters: “something about the character of the place people live” (Ross et al., 2005a, p. 223-4) has an influence on health.

The intuitive response of (for example) those with first-hand experience of living in ‘bad neighbourhoods’ with limited resources, despite the support networks that often exist in such neighbourhoods, is that of course place matters (see e.g. Warr, Tacticos, Kelaher, & Klein, 2007). Their (our) experience is too often ignored by researchers. The relevance of place is captured by the description of metropolitan areas as “mosaics of risk and protection,” in which specific places constitute “the stages upon which social and cultural forces in the larger society impact individuals” (Fitzpatrick & LaGory, 2003, p. 37). Fitzpatrick & LaGory provide an interesting analysis of contextual effects in terms of concentrations of risks of various kinds, and argue the need to develop an “ecology of risk” in the urban landscape. A similar insight comes from analyses of contextual influences on health in terms of “riskscapes” that involve exposure to both biophysical hazards and psychosocial stressors (Morello-Frosch & Shenassa, 2006; Morello-Frosch & Lopez, 2006); although the concept of a riskscape was developed in the context of environmental health research and disparities in exposure to environmental pollution, it clearly has broader applicability. The concepts of riskscape and mosaics of risk and protection assume special importance in situations where social advantage and disadvantage are spatially concentrated, because risks are likely to be concentrated, as well, in the first instance (although not only) through the operation of metropolitan land and housing markets, which “are very effective sociospatial sorting mechanisms” (Dunn, Frohlich, Ross, Curtis, & Sanmartin, 2005, p. 260).

In parallel with a nationwide increase in economic inequality, spatial segregation on economic lines is already an important feature of metropolitan life in Canada (Hulchanski, 2007; Hatfield, 1997; Caryl Arundel and Associates, 2003; Ross, Houle, & Aye, 2004), as elsewhere. In the Toronto Census Metropolitan Area, for example, 2001 census data showed that “the rising income gap
between high and low-income families was mirrored by a rising gap between high and low-income neighbourhoods. In Toronto, median family before-tax income in the poorest 10% of neighbourhoods rose 0.2% from 1980. In the richest 10%, it was up 23.3% …. This steady rise in the income of high-income neighbourhoods suggests a widening gap between the rich and poor that is not only seen in income polarization but also in terms of spatial polarization” (Heisz, 2006, p. 11; published analyses of 2006 census data are not yet available). Race is, of course, another dimension of spatial segregation, and the US experience shows that race and economics interact in destructive ways (see e.g Massey, 1996; Acevedo-Garcia, Ospuk, McArdle, & Williams, 2008; Massey, Rothwell, & Domina, 2009). Spatial segregation may contribute to negative health outcomes by way of three dynamics, which are not mutually exclusive: social isolation within the metropolitan area; social isolation of households within the neighbourhood; and the lack of “health-enhancing public goods,” broadly defined (Ross, 2004). Various lines of research offer insight into these mechanisms. To cite just two, social isolation may be magnified in neighbourhoods where a substantial number of households cannot afford a vehicle, and where transit is inadequate or not planned with the interests of those particular populations in mind (Páez, Mercado, Farber, Morency, & Roorda, 2009; Morency, Paez, Roorda, Mercado, & Farber, 2010). And neighbourhoods that are most favourable for early child development, a critical social determinant of health (Irwin, Siddiqi, & Hertzman, 2007) may be those in which neither affluence nor poverty is concentrated, but rather ones that feature a mix of household incomes (Carpiano, Lloyd, & Hertzman, 2009).

Numerous epidemiological studies have investigated neighbourhood or small area effects on health outcomes – that is, statistical associations between socioeconomic variables and health outcomes that exist even after individual or household characteristics have been controlled for. A 2004 review, restricted to studies using a technique known as multilevel modeling or analysis (Merlo, Chaix, Yang, Lynch, & Råstam, 2005), identified more than 60 studies of small area effects on a variety of health outcomes. “With only a few exceptions … nearly all of the multilevel studies we reviewed found that after controlling for individual-level characteristics, there is still an association between neighbourhood environments and health outcomes” (Morenoff & Lynch, 2004, p. 411). A more recent search identified 18 reviews summarizing a total of 526 individual studies, although some were probably included in more than one (M. Riva, personal communication, August 2009); a review and synthesis of the individual studies will be undertaken as part of our larger project. Importantly, several reasons exist to be cautious about ‘negative’ findings, and to consider positive findings as substantial understatements of the true influence of place on health. Only a limited number of health outcomes or neighbourhood characteristics may be studied or considered for inclusion in a review; this means that differences among neighbourhood residents in overall health status – stated another way, the combined effects of several risks (of the overall contours of the riskscape) – may not be recognized. As in most other epidemiological study designs, even if the appropriate variables are identified, the statistical power of the study design to detect an effect at the specified, normally high, level of statistical association may be limited.\footnote{This is a special problem in studies of small area effects because “their statistical power and findings depend on there being people within each neighbourhood who are not typical of the}
neighbourhood, as heterogeneity is needed to distinguish between individual level and neighbourhood effects” (Pickett & Pearl, 2001, p. 120; see also Stafford & Marmot, 2003, p. 364).

A more fundamental conceptual limitation is that studies of place and health organized around static conceptions of place, usually with the small area of household residence used as the place-related variable, are unlikely to generate meaningful understandings of how neighbourhoods and their inhabitants are connected to other local areas, resources, and institutions. “[C]urrent measures of simple universally applied ‘neighbourhood’ exposures may severely underestimate the total effect of ‘context’” (Cummins, Curtis, Diez-Roux, & Macintyre, 2007, p. 1830; see also Rainham, McDowell, Krewski, & Sawada, 2010). People lead complicated lives, made more difficult in many ways when their resources are limited, and their daily activities often take them far outside the neighbourhood or administratively defined area, such as a census tract, where they live. Illustrative of both the value and the difficulty of transdisciplinary, mixed method approaches to understanding the effects of context is a multi-city study of low-income families by Matthews, Detwiler, & Burton (2005) that used “geo-ethnography” (a combination of ethnographic fieldwork with the use of geographic information systems, or GIS) to generate narratives and maps of daily activities. For instance, a low-income mother may undertake a two-hour journey on foot and public transit from home to work via day care and elementary school; the authors note that “the return journey home can be more complicated” if such errands as grocery shopping are involved. Initial analysis of data from 34 families in one city showed that “more than 90% of all geo-coded activities are outside the census tracts of residence” (Matthews et al., 2005, p. 85). Combined with what is known about how the effects of exposure to various risks accumulate over the life course (Morenoff & Lynch, 2004; Hertzman & Power, 2005; Geronimus, Hicken, Keene, & Bound, 2006), such findings add a new dimension to understandings of the urban riskscape and the way it is influenced by the decisions of various institutions with respect to social provision.

3. Channels of influence: how globalization shapes the Canadian metropolis

Where does globalization fit into this picture? In the high-income world as a whole, the most familiar and conspicuous effect of economic integration has been the loss of large numbers of manufacturing jobs (deindustrialization). A stylized description is that a combination of technological change, lowering of barriers to trade and foreign direct investment and the emergence of aggressively export-oriented firms and economic policies in several Asian countries made the reorganization of production across multiple national borders – which has been referred to as “slicing up the value chain” (Krugman, 1995) – not only possible but also economically imperative (for useful analyses see Stopford & Strange, 1991, especially chapters 1-3; Dicken, 2007). Opportunities to reduce labour costs were a primary, although not the only, driver of this process; many new technologies, for instance, demand capital investments that could only be mobilized by firms operating on a global scale. Deindustrialization is sometimes characterized in terms of the collapse of demand for “unskilled” labour (Nickell & Bell, 1995), but this is a mischaracterization because it focuses attention on workers’ individual attributes and the employment relation at the individual or firm level rather than on changing structural features of labour markets (Cormier & Craypo, 2000) and the connections between those structural elements and developments in the international economy.

Effects on metropolitan labour markets in the manufacturing heartland of the United States were especially dramatic. The city of Chicago lost more than a quarter million manufacturing
jobs, or 46 percent of the total, between 1967 and 1982, and a further 90,000 between 1982 and 1992 (Abu-Lughod, 1999, p. 323-4). The city of Philadelphia lost 76.3 percent of its 257,000 manufacturing jobs, and the Philadelphia metropolitan area lost 47.7 percent of its 565,000 manufacturing jobs, between 1970 and 1997 (Hodos, 2002). Figures that do not distinguish among kinds of jobs nevertheless show a similarly dramatic pattern: the number of employed residents of Detroit fell by 41 percent between 1970 and 2000, of Gary, Indiana (the home of US Steel) by 42.7 percent, and Cleveland by 37 percent (Savitch, 2003, p. 592). Canada’s largest metropolitan areas did not experience comparably severe impacts during this period. Despite locally devastating plant closures in southern Ontario (Grayson, 1986; Mittelstaedt, 1990; Rusk, 1990; Mahood, 1991; McNish, 1991; Saunders, 1991; Barber, 1993), which often resulted from a shift of production to lower-wage, more flexible labour market regimes in the United States and Mexico, between 1976 and 1997 the number of production workers employed in manufacturing actually increased by 70,000 in the Toronto “city-region” and 15,000 in Vancouver’s small manufacturing sector, although the numbers declined by almost 40,000 in Montréal (Vinodrai, 2001). A more recent trend, however, involves substantial and quite probably permanent losses in manufacturing employment. Further, employment figures provide no information about earnings levels, the nature of the employment relationship, the severity of local impacts, or the geographical distribution of manufacturing activity within metropolitan areas. This last variable is important because, at least in the United States and Britain, the dispersion of economic activity to the suburbs may reduce employment opportunities for lower-income residents of core cities with limited access to mobility (Blumenberg & Manville, 2004; Houston, 2005; Gobillon, Selod, & Zenou, 2007).

Deindustrialization has led various levels of government to search for alternative engines of economic growth and sources of tax revenue. For local or metropolitan governments, various features of domestic political institutions and the policy environment can strengthen this imperative. This dynamic is particularly evident in the United States, where large numbers of municipal governments exist within many metropolitan areas; they are almost entirely reliant on the local property tax base to finance education and other local services; and deindustrialization has led to a massively destructive set of negative feedback loops as tax revenues decline, services deteriorate and households with the option to do so migrate to suburbs and exurbs. The phenomenon is often referred to as ‘white flight’ because of the close relation between race and economic status and the country’s long history of urban racial segregation (Massey & Denton, 1993); an eloquent description of the resulting landscapes of desolation and partial abandonment is provided by Kozol (2001). In Ontario, partial devolution of financial responsibility for social housing, income support and infrastructure maintenance from the provincial government to municipalities by the Conservative government

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4 Between December 2002 and December 2005 129,000 manufacturing jobs were lost in Ontario and Québec (Ferraro, 2006). In July 2007 it was reported that Canada as a whole had lost 103,000 manufacturing jobs in the past year; the Governor of the Bank of Canada was warning that more such losses would follow and would probably be permanent (Beauchesne, 2007). The effects of the financial crisis that spread across the world starting in 2008 have meant yet more job losses, notably in Ontario’s automotive industry and its network of component suppliers.

5 An illustration is provided by the saga of the Grand Trunk Railway locomotive works, originally built in the 1850s in the Montréal neighbourhood of Pointe St-Charles, where Michael Orsini carried out the research described in his chapter of the monograph. Early in the twentieth century the works employed 2000 – 3000 people, many of whom lived nearby. Grand Trunk later became part of Canadian National Railways (CN); in 1993 CN leased the no-longer-needed facility to the European multinational Alstom, which operated it with a downsized workforce until 2003. In November 2008 part of the historic complex, which had meanwhile been sold to a local land developer and was being used to store waste paper for recycling, was destroyed by fire.
post-1995 created similar if less drastic pressures.\(^6\)

A common response to the loss of manufacturing activity on the part of cities in North America and elsewhere, often with the support of senior levels of government, has involved ‘revitalization’ initiatives in which cities seek to reinvent themselves as destinations through opportunities for consumption - including, at least in the US context, consumption by households that have left the city for the suburbs in response to declining employment and deteriorating services, taking much of the tax base with them (Eisinger, 2000). The strategies adopted include subsidies and other incentives for downtown shopping malls, sports stadiums, and expensive cultural infrastructure or hotel and convention facilities. The need to attract private finance for such ventures is one reason that showing investors who counts and who doesn’t is important. Even leaving aside for the moment distributional consequences, the aggregate economic benefits of such initiatives are often questionable (for case studies of Detroit and Baltimore, two US cities especially hard hit by deindustrialization, see Levine, 1987; Hall & Hall, 1993; Levine, 2000). A study of Montréal’s experience with tourism-based redevelopment makes the further point that cutbacks in services that are of special importance to the poor and otherwise marginalized may result from the fiscal crisis that follows municipal commitments to financing infrastructure when the economic benefits are privately appropriated, while the costs are borne by the public treasury in the form of public expenditures that must ultimately be recovered from local taxpayers (Levine, 2003).

Opportunities for such private appropriation make revitalization schemes attractive to a range of local economic interests, especially those associated with real estate development. The power of those interests explains why, despite Montréal’s disastrous financial experience with the 1976 Olympic games, the governments of Vancouver and the province of British Columbia gave priority to attracting the 2010 winter Olympics, and why Toronto keeps trying for the Olympics or a similar prize (recently secured in the form of the 2015 Pan-American Games). Revitalization initiatives thus represent a response both to immediate fiscal constraints and to a longer-term shift in the nature of opportunities for capital accumulation and fortune-building in the metropolis, specifically the expanded profitability of real estate investment (Moody, 2007). Generically, the profitability of real estate investment depends on conversion of urban space to higher-value uses, whether the process involves the actively state-sponsored initiatives described in the preceding paragraph; the piecemeal gentrification of downtowns, which is a worldwide phenomenon, albeit with substantial context-specific variations (Atkinson & Bridge, eds., 2005); or large-scale mixed commercial and high-income residential developments. Because the largest of such developments, in particular, require financing on a transnational scale, the futures of metropolitan areas are inextricably linked with the “financialization” of economic activity that is characteristic of contemporary global capitalism (Epstein, ed., 2005).

A parallel strategy of revitalization that is often pursued simultaneously, with similar consequences in terms of displacement and

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\(^6\) Comparisons between the recent history of Canadian and US metropolitan areas cannot be overdone. They must take into account not only the more severe impact (so far) of deindustrialization in the United States, but also stronger historical incentives for suburbanization provided by national “stealth urban policies” (Dreier, Mollenkopf, & Swanstrom, 2005) including financing for interstate highway construction, deductibility of mortgage interest for income tax purposes, and mortgage subsidy programs that favoured suburban neighbourhoods (see also Jackson, 1985, p. 190-218). In addition, Cold War era defence procurement decisions reflecting a variety of domestic political imperatives shifted economic activity toward the south and west (“the gunbelt”) and away from the traditional industrial heartland (Markusen, Hall, Campbell, & Deitrick, 1991; Kirby, 1992).
dispossession, is organized around attracting postindustrial, ‘new economy’ or ‘knowledge economy’ businesses. It is often claimed that such businesses’ locational flexibility means “that the role of government will change to an attractor of people rather than an attractor of firms” (Blakeley, 2001). A City of Toronto planning document from the year 2000, quoted by Kipfer & Keil (2002, p. 243), asserts that: “In the new knowledge-based economy, a City has to look good to attract the flexible and mobile information economy entrepreneurs and workers who can locate anywhere in the world” – a view popularized by urban policy guru Richard Florida (for critiques see Shearmur, 2006; Whyte, 2009). As Kipfer and Keil point out, “looking good” in this sense may mean disregarding the interests, and ignoring the voices, of those who cannot contribute to the desired urban renaissance – for instance, those who can neither afford the high-priced condominiums that represent Toronto’s approach to waterfront redevelopment nor start the knowledge economy firms that employ some of their buyers. A striking illustration comes from London (England), where the Thatcher government created the London Docklands Development Corporation (LDDC) to bypass a local council whose “priorities were to preserve traditional land uses and activities employing the existing working-class population; LDDC, however, saw the future in terms of an international economy and was determined to attract jobs in activities serving this and to build homes for the predominantly middle-class people who would work in it” (Buck, Gordon, Hall, Harloe, & Kleinman, 2002, p. 64).

Who are those “predominantly middle-class people,” at what do they work, and how does globalization fit in? It has long been observed that the distribution of earnings within the service sector, which now accounts for the majority of jobs in all high-income countries, tends to be more polarized than in manufacturing (Reed, 1983). Labour markets in so-called world cities like New York, London and Tokyo offer relatively abundant high-income jobs in financial services and in information-intensive “producer services” that are central to the global coordination of production and investment (Sassen, 2001, chapters 4-5). However, the professional and managerial providers of these services tend to generate a parallel demand for low-paid service sector workers who drive taxis, clean buildings, serve and deliver the restaurant meals and provide a variety of personal services, thus adding a ‘pull factor’ to the ‘push factor’ of economic desperation outside the high-income world and probably contributing to an increasingly polarized intra-metropolitan earnings structure (Sassen, 2001, chapter 8; Sassen, 2006, chapter 6). In a quintessential world city, “[f]or every high-paying job added in the [New York] region” during the first half of the 1990s, there were “a dozen added at the lowest service ranks” (Abu-Lughod, 1999, p. 292; see also Donaldson, 2000). Similar patterns are likely to be observed in cities that cannot claim world city status but nevertheless are home to firms and industries that operate on the world stage, such as financial services in Toronto and information technology in the US cities of Silicon Valley and the Pacific Northwest. Data assembled by Florida, who argues that the prosperity of metropolitan areas is dependent on their ability to attract and retain those knowledge workers he describes as members of the “creative class,” add to this picture. Examining more than 300 metropolitan areas in the United States, ranging from the very large (New York and Dallas) to the very small (College Station, Texas), he finds “a strong overall correlation … between inequality and creativity. The more creative a region is, the more income inequality is found there” (Florida, 2005, p. 282). Florida’s creative class is larger and more heterogeneous than Sassen’s category of producer service providers, but the message is clear: regions that embrace the knowledge economy, other things being equal, can anticipate increased economic inequality within their boundaries.
A final channel of influence involves immigration. The 2006 census estimated that 1.1 million immigrants arrived in Canada between 2001 and 2006. Almost seven out of ten (68.9 percent) settled in the Montréal, Toronto or Vancouver metropolitan areas, with 40.4 percent settling in Toronto (Chui, Tran, & Maheux, 2007). However, the Canadian economy has not been kind to recent immigrants, who are more than three times as likely as native-born Canadians to experience poverty during their first year in Canada, and more than twice as likely to experience chronic poverty (poverty during four of their first five years in Canada) as the native-born: this despite changes in immigration policy that drastically increased the educational qualification of immigrants post-1993 (Picot, Hou, & Coulombe, 2007). Between 1980 and 2000 “[v]irtually all the increase in low income in Vancouver was concentrated in the population of recent immigrants. In 2000, 37.2% of all recent immigrants were in low income (before-tax), which is more than double the proportion of 16.3% two decades earlier” (Heisz, 2006, p. 21). In Canada’s three largest metropolitan areas, immigrants aged 25-54 are less likely to be employed than Canadian-born residents (Heisz, 2006) and in Toronto at least, immigrants are likely to end up in precarious employment and are prepared to accept that option by employment and training counselors (De Wolff, 2006). For some sub-populations, economic vulnerability is even higher: in 1996, about 70 percent of the children of African immigrants in the City of Toronto lived on incomes below Statistics Canada’s Low-Income Cutoff or LICO (Ornstein, 2000), the closest thing Canada has to an official poverty line. Research on the impacts of the recession that began in 2008 showed a decline in employment among recent immigrants more than three times as high as among the Canadian-born (Grant & Yang, 2009). According to one analysis, Canadian cities do not yet have ghettos of a kind evident in US cities, but they do have concentrations of high-rise rental housing occupied by low-income households, which coincide with high proportions of visible minorities (Walks & Bourne, 2006). It is essential to avoid stereotypes of such disadvantaged areas as hotbeds of social pathologies, both because of the stigma thereby attached to residents and because such neighbourhoods can in fact provide valuable networks of social support. Nevertheless, given what is known about the earnings patterns of recent immigrants, concern is in order about the potential for continued increases in spatial segregation, perhaps especially among racialized groups, and the implications for health disparities.

4. Future uncertain, and not promising

The knowledge network on globalization that supported the work of the Commission on Social Determinants of health borrowed from earlier work by the Finnish social policy research unit STAKES to argue for “rights, regulation and redistribution” as generic policy responses to the undermining of health equity by the global marketplace (Labonté et al., 2007). The fundamental challenge to efforts to reduce health inequities in the Canadian metropolis arises from the tension between this set of priorities and the retreat from collective social provision that has characterized Canadian social and economic policy over the past quarter-century. The Conservative government of 1984-93 accelerated the process of continental economic integration through trade liberalization, and ended all new funding for social housing. Its Liberal successor eliminated the national budget deficit, aided by rapid growth in the United States, by shrinking federal commitments to social policy and accumulating a huge surplus of revenues relative to expenditures on Employment Insurance (EI)\(^7\) as the percentage of

\(^7\) Although revenues are not actually sequestered in a separate account, EI is notionally financed by employer and employee premiums, set at a fixed percentage of earnings up to a relatively low maximum. The premiums therefore constitute a payroll tax that is neutral in its
unemployed workers eligible to receive EI decreased by more than half. The revenue surplus from EI premiums was offset by much larger reductions in fiscal capacity as a result of tax rate reductions, with cumulative national government revenue losses from personal and corporate income tax cuts estimated in 2003 at more than $100 billion (Canadian) over the period 1997-2005 (Canada Department of Finance, 2003). At the provincial level, Courchene (2001) argues convincingly that much of the early agenda of the Conservative government in Ontario (1995-2003) was aimed at improving the competitiveness of the Toronto city-region within the eastern North American economy. Key elements of that agenda included devolution of financial responsibility for many services to municipalities, as noted earlier, as well as a 21 percent reduction in income support (welfare) levels, an end to new social housing starts, introduction of ‘workfare’ requirements, tax cuts for high-income earners and the legalization of the 60-hour work week. Similar policy changes were enacted by the Liberal government in British Columbia following its election in 2001. Predictably, the redistributive effect of Canadian tax and transfer policy as a whole was drastically attenuated over this period (Heisz, 2007), automatically contributing to increasing income gaps and concentrations of wealth and poverty within metropolitan areas.

The policy patterns just described do not necessarily represent direct responses to globalization, and pressures from the global marketplace do not in themselves deprive governments of policy space. Several small, open European economies have adopted social policies that result in national child poverty rates about one-third of Canada’s, and one-fourth or less of the United States’ (Luxembourg Income Study, 2009). Nevertheless, many urbanists point out that the influence of globalization is observable in broadly consistent ways in metropolitan areas rich and poor alike (United Nations Centre for Human Settlements, 2001; United Nations Human Settlements Programme, 2003), and recent Canadian public policy is highly consistent with Philip Cerny’s argument that economic integration creates strong pressures for policy convergence on a “competition state,” focused on “promotion of economic activities, whether at home or abroad, which will make firms and sectors located within the territory of the state competitive in international markets” (Cerny, 2000, p. 136). Two dynamics further complicate the task of disentangling the influences in question.

First, as globalization changes the nature of opportunities for capital accumulation, the priorities and political allegiances of actors within any country’s borders will change in response. Importantly, these shifting allegiances operate not only at the macro-level of provincial and national policy, where policies that advance particular class interests may be cloaked in the rhetoric of inevitability (the realities of the global marketplace leave us no alternative), but also at the micro-level of the neighbourhood and the metropolis. Thus, in an insightful critique of proposals for revitalizing parts of Vancouver’s downtown, Blomley (2004, p. 81; see generally chapter 3) notes that: “By placing the ownership of private property at its core, a planning regime is created that encourages owners to enhance the value of their properties through acts of exclusion and policing of the urban poor.” This pattern of exclusion, combining criminalization of poverty and privatization of formerly public spaces, often characterizes such revitalization initiatives (see e.g. Sorkin, ed. 1992; Mitchell, 1997; Ehrenreich, 2009); the connection with globalization, by way of the economic imperatives of attracting the ‘right kind’ of people and land uses, was noted earlier.

A second, more subtle connection has to do with ideology. Globalization provides a foundation for the rhetoric of inevitability
(organized around concepts such as competitiveness) but also inculcates, and in some cases depends upon, the equation of citizenship with participation in the market as part of a regime of “market fundamentalism” (Somers, 2008), a term chosen in preference to neoliberalism as easier for North American audiences to understand. Thus, many authors refer to neoliberal globalization (e.g. Jaggar, 2002; Wahl, this volume). The spread of market fundamentalism did not just happen. It was aggressively promoted in the developing world by institutions like the World Bank and the International Monetary Fund, so that “[f]or the first time in history, capitalism [was] being adopted as an application of a doctrine, rather than evolving as a historical process of trial and error” (Przeworski et al., 1995, p. viii), and in the high income countries by a variety of well-funded organizations that have been described as “right-wing Gramscians” (George, 2005). The effect was to create a political discourse in which serious challenges to the growing disparities resulting from worldwide restructuring of economic activity are often simply dismissed as irrelevant.

Against the background provided by neoliberal globalization, the influence of which on the contemporary metropolis is all but omnipresent, many European countries have responded to the visibly concentrated negative effects of economic restructuring by way of area-based interventions, or ABIs (Cadell, Falk, & King, 2008; van Gent, Musterd, & Ostendorf, 2009). A review of the effectiveness of ABIs in Sweden, the Netherlands and the United Kingdom is under way as part of our larger project. Meanwhile, it is worth noting potential conflicts between urban ‘revitalization’ agendas adopted as part of many ABIs and the need to avoid market-based exclusion of those who don’t belong or cannot afford the price of admission (Musterd, 2006); Florida’s correlations between intra-metropolitan income inequality and the prevalence of the “creative class” suggest the scale of this problem. Some authors make the provocative observation that ABIs represent an uneasy compromise between market fundamentalism and the need for at least a symbolic response to growing intra-metropolitan inequalities (van Gent et al., 2009); their success is likely to be limited, on this view, because the major drivers of that inequality, such as labour market changes and the retreat from universal social provision, are not addressed. Stated another way, ABIs reflect the questionable assumption that place-related social origins of disparities in health can effectively be addressed by place-specific policies, whether framed and implemented by local governments or by more senior levels acting in concert with local public institutions or private actors.

The fragility of the evidence base for this assumption is especially important given the generally fragmented nature of metropolitan government in Canada and the limited regulatory and fiscal powers of municipalities, which are largely creatures of provincial governments. Although the point requires further exploration, even if local governments had more extensive powers, expecting them to address social determinants of health within their borders in a way that avoids increasing inequity might well constitute a recipe for failure, since the trends described in section 3 of this chapter originate in transnational economic processes and national and state/provincial policy choices. By contrast, consider the potential impacts of policy proposals in a Canadian Parliamentary committee report (Standing Senate Committee on Social Affairs, 2009) released in December, 2009. The committee’s recommendations included expansion of EI benefits, federal provision of “sustained and adequate funding” for the provision of affordable housing, and the establishment of a goal of providing for all

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8 Cf., as just one example, the observation in a 2003 study of The Challenge of Slums in 29 cities that: “The main single cause of increases in poverty and inequality during the 1980s and 1990s was the retreat of the state” (United Nations Human Settlements Programme, 2003, p. 43; see generally 39-49).
individuals and families an income at least equal to the after-tax LICO. Superficially, these recommendations are spatially neutral; in fact, they would comprise a progressive urban policy with remarkable potential to reduce health inequity.

Lacking, in other words, are not plausible policy designs for reversing the trends driven by globalization, but a political context hospitable to their implementation. Twenty years ago a former US Cabinet secretary referred to the “secession of the successful” (Reich, 1991). At some point that process of secession, which is both a powerful metaphor and a description of settlement and mobility patterns – subsequent iterations referred to the secession of the suburbs - begins to feed on itself (Polèse, 2000), notably in terms of declining support among the affluent for tax-supported public services that they can purchase privately, for instance by driving everywhere rather than using public transit or by moving to localities with good schools (effectively, a proxy for the private purchase of education) and high levels of environmental quality. Given today’s indifference to the juxtaposition of wealth and privation in Canada’s major metropolitan areas, it is difficult to avoid the conclusion that the most likely prospect is for increasingly bitter, sometimes deadly conflict over who counts in those spaces, and around whose priorities the metropolis should be organized. It remains to be seen whether public health researchers, practitioners and advocates will actively engage with these issues and their consequences for health equity.
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