

The Class-to-Race Cascade: Interrogating Racial Neoliberalism in Romani Studies and Urban Policy in Budapest's Eighth District

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Abstract

This paper explores neoliberal discourse as a racial discourse in relation to how Roma are conceived by academics and policymakers. I develop the concept of the class-to-race cascade as a way to describe the phenomenon, whereby the marginalization of racialized minorities is attributed entirely to their class position. The cascade flows as follows: neoliberal policies slash benefits to low-income people, low-income people are disproportionately racially marginalized, thus neoliberal policies affect different racialized minorities, perpetuating racism. I trace the lineage of the class-to-race cascade to the concept of the “underclass” as it was developed in the U.S. particularly through the work of William Julius Wilson after the neoliberal turn. I then critique the work of Iván Szelényi and János Ladányi who adapted the “underclass” thesis to Roma, using the class-to-race cascade. Finally, I apply the concept to urban policy discourse in Budapest’s Eighth District, where a large Roma community has lived for nearly a century. I show in this paper that the class-to-race cascade is a prominent discursive feature of both policy and academic concepts of Roma.

Keywords

- Racial neoliberalism
- Urban studies
- Hungary

Introduction

The purpose of this paper is to explore neoliberal discourse as a racial discourse in relation to how Roma people are conceived of by academics and policymakers. Neoliberalism is best understood as an ideology of governance that extends privileges to markets and emphasizes logics of economic competitiveness (Peck and Tickell 2002). The emphasis on markets and competitiveness has produced a wide-ranging literature across the social sciences and humanities that grapples with the effects of market-oriented policies. Building on these insights, there is an emerging body of literature that has sought to understand neoliberalism as constitutive of not only economic relations but also racial hierarchies (Goldberg 2009; Roberts and Mahtani 2010; Lentin and Titley 2011; Kapoor 2013). The relationship between logics of racial neoliberalism and Roma is only beginning to receive attention by critical Romani scholars and constitutes an important field of inquiry with urgent political implications (see Kóczé 2017). I aim to contribute to that discussion by highlighting a central contention. I hold that policy and much of the scholarly attention given to Roma has not addressed meaningfully racism as equally constitutive of neoliberal logics as class.

To understand this, I recount the history of the ascendancy of neoliberalism in the U.S., arguing that neoliberalism emerged in part as a response to the Civil Rights movement, and furthermore as a way for white elites to maintain racial hierarchies. A class-based logic of governance emerged in the post-Civil Rights era in the U.S. that capitalized on the historic exclusion of African-Americans, who had been and continue to be in a disadvantageous social position owing to forced enslavement and segregation in the Jim Crow era and thereafter. This historic disposition was instrumental in the success of class-based, “color-blind” logics of racial hierarchies, where *longue-durée* processes of economic dispossession and social marginalization continue unabated (see Omi and Winant 2014). This paper aims to expand our understanding of race as a central logic of racial neoliberalism in academic and policy discourse by proposing and developing the concept of “the class-to-race-cascade.” I define this concept as a discourse where the catalyst for a person’s supposed racial marginalization is their relative class position. This paper will serve as a means of reconceptualizing this mode of theorizing, raising race to its proper position as a structure on equal footing with class.

Within the literature on U.S. racism, the urban is a crucial mechanism for understanding racial dispossession, and there is an emerging body of literature in Romani Studies that highlights that the same is true for racism against Roma (Filcak and Steger 2014; Ivancheva 2015; Picker 2017). This literature has highlighted that the state plays a substantial role in producing discourse that perpetuates racism against Roma; the urban fabric, in part an outcome of state planning regimes, both shapes and has been shaped by racism. While this paper is limited in its ability to provide conclusions about the role of discourse in reproducing racism, I show that there is a continuity between urban policy discourse in Central and Eastern Europe and scholarship that has not meaningfully addressed the class-to-race cascade as important in the reproduction and maintenance of racial inequality. Empirically, I focus my attention on Budapest’s Eighth District, where a large Roma community has lived for well over a century and has also been undergoing massive urban change since the neoliberal turn at the beginning of the 1990s. I argue that the class-to-race cascade has been carried over into policy discourse from the academy, finding its origins in the concept of the “underclass” as propagated in the U.S. in the work of William Julius Wilson, and subsequently in Hungary and Central and Eastern Europe by Iván Szelényi and János Ladányi.

The concept of the class-to-race cascade hinges on the concept of the underclass, and it is important to investigate the context from which this concept emerged.

This paper unfolds as follows. It begins with an outline of the role of race in the shift to neoliberalism in the U.S. The central argument in this section is that neoliberalism emerged in the U.S. in part to maintain white racial dominance in the post-Civil Rights era. The second section provides a brief overview of the literature on the role of neoliberalism and race in the European Union (EU). I then follow up with a section detailing the “class-to-race” cascade as it has manifested in both the work of Wilson and Szelényi and Ladányi through the notion of the “underclass.” This section illustrates that there is a conceptual connectivity between the emergence of a neoliberal racial discourse in both the U.S. and Hungarian context. I outline three components in the class-to-race cascade: (1) the discursive construction of social difference; (2) removing agency from in-group members based upon structural factors; (3) populating categories of economic difference with signifiers and markers of social difference. Finally, I apply the insights gained from this section to the texts produced by Rév8, the Eighth District local government’s planning and urban development arm, that I argue integrated a “class-to-race” cascade into their analysis. This paper ends with a brief discussion of the limitations of this article and of ways of rethinking “class-to-race” so as to not succumb to the same logics propagated by racist neoliberal discourses.

1. Racial Origins of Neoliberalism: Bridging the Gap between the U.S. and Central Europe

In this section I detail the history of neoliberalism in the U.S. context as it arose in large part due to the internal racial contradiction of the post-Civil Rights era, and that this has implications for the way that urban governance has been enacted on a global scale. In this context the urban has been crucial site in the enactment of both neoliberalism and racial politics. Most historical accounts of neoliberalism emphasize that economic contradictions were the main catalysts of the shift away from a Fordist-Keynesian model of governance. As this section of the literature review will demonstrate, the shift to neoliberalism also ushered in a shift in racial governance in the U.S. context. If we accept that the U.S. and associated transnational economic institutions have played a substantial role in structuring urban governance on a global scale (Brenner and Theodore 2002), then there is reason to speculate that this shift also carries a kernel of racial governance embedded within those logics. This is crucially important because the racial aspects of postwar U.S. urban governance can be traced to the neoliberal logics of urban governance in the post-socialist context.

Embedded within the Bretton Woods system, which encouraged capital circulation on a national scale, Fordist-Keynesian-era urban development projects were focused on “spreading” capital evenly across the nation-state (Brenner 2004). Their purpose was to secure sustainable economic growth by stimulating collective consumption through continuous automobile-driven real estate production in the suburbs, the expansion of the U.S. military and its associated industries, and through a heavily unionized manufacturing sector (Hackworth 2007). Immediately following the Second World War both Europe and the U.S. invested heavily in the housing sector. For example, at its height, the council housing project in the United Kingdom housed nearly 80 percent of the population, exceeding socialist Hungary’s public-owned housing stock by

nearly 20 percent (Hegedűs et al. 1996). In the U.S., the Federal Housing Authority (FHA) provided low-interest mortgages to millions of future homeowners. While the specific strategies in Western Europe and the U.S. often differed, the *logic* of both programs was to help spread wealth throughout each respective nation-state via large-scale investment facilitated by centralized governments.

Within the U.S. context, however, the even “spread” of capital across the nation-state was marred by institutional and structural racism. This is exemplified by the practice of “redlining,” which impeded mortgage lending to the vast majority of African-Americans in the postwar era. In the midst of the Great Depression, the U.S. established the Home Owners Loan Corporation (HOLC) as a way to inject capital into the low-performing economy. The purpose of the HOLC was to grant mortgages to new homeowners in order to provide assets and help build wealth among the populace (Jackson 1985). Still beholden to the dynamics of a capitalist real estate system, the HOLC devised a series of maps to assess the lending risks, dividing different neighborhoods into color coded A, B, C, and D categories, where A was relatively lowrisk and D was incredibly high risk. Consequently, maps that were marked D were in areas with large populations of African-American residents (*ibid.*). These maps provided the blueprint for discriminatory lending practices that effectively allowed for a large transfer of wealth-generating assets (homes) to whites via federally-backed mortgage lending programs that *de jure* and *de facto* excluded African-Americans. The racial disparities in wealth in the U.S. can be attributed in part to these programs (Lipsitz 1998).

The Civil Rights era of the 1960s within the U.S. can be viewed in part as a movement to allow African-Americans and other minorities to gain access to the same benefits of the Fordist-Keynesian welfare state as whites. The movement to desegregate public spaces, like public pools, golf courses, public schools, and public transport was aimed primarily at this tension over the racialized distribution of public resources. As Kruse (2005) details, the response among the conservative wings of the U.S. was to adopt neoliberal policies that demonized the state and called for the privatization of public resources and the hollowing out of the state. Similarly, Inwood (2013) documents how the Southern Strategy, future President Nixon’s campaign in the wake of the Civil Rights era, favored privatization strategies that saw the liquidation of public resources. In short, the response to the demands of Civil Rights leaders in the late 1960s and early 1970s to gain access to the fruits of the welfare state was to destroy it.

While it would be too much to say that the push for civil rights was the sole cause of the ascendancy of neoliberalism in the U.S., from the perspective of white elites in the U.S., it was one of the many contradictions that privatization of the welfare state could fix. Because neoliberalism in the U.S. has been crucial for the maintenance of racial hierarchies, Roberts and Mahtani (2010) have pointed out that it is important to understand neoliberalism not only as an economic discourse but also a racial discourse. However, with the advent of neoliberalism, “racelessness” (Goldberg 2002), “color-blind racism” (Omi and Winant 2014), or a deafening “silence” of race (Lentin 2008) have come to assume the predominant racial rationality of the state. This allows for the state to manage racialized minorities and the respective hegemonic population without invoking the language of race, and as such relying on the economic dispossession of racialized minorities as the primary catalyst for the maintenance of racial hierarchies. Class supplants race as the predominant cause of inequality. As such, these authors critique neoliberal discourse for subordinating racial concerns to economic ones, and instead propose that neoliberalism be understood as promoting both classist and racist meanings.

There has been an emergence of scholarship that suggests such a conceptualization regarding Roma within Central and Eastern European (CEE) countries is possible. Imre (2005) has posited that whiteness experienced a resurgence of importance following the transition from state-socialist to neoliberal capitalism. She argues that the post-socialist transition was not only economic but also nationalist as the region's elites tried to maintain power by using nationalist sentiments. The system change worked to reformulate whiteness into a new norm: its newfound progressive character situated whiteness vis-à-vis "the Gypsy" who was considered "backward" and immune to progress. Through this lens, race is constitutive of neoliberalism's historical legacy within Hungary.

With accession into the EU, the racial landscape shifted as the Hungarian state and the rest of EU CEE countries adopted the discourse of cosmopolitanism in line with neoliberal narratives of economic development. Concepts of neoliberalism, especially within the context of the EU, propagate policies and discourses of cosmopolitanism, which highlight multiplicities of ethnicities as being fundamentally equal. As Lentin (2008) has argued, by supplanting concepts of ethnicity with race, European nation-states have enabled a "silence of race" that allows for racial inequalities to continue. While some have argued that color should not be the foundation for understanding racism within Europe (Anthias and Yuval-Davis 1992), EU-propagated cosmopolitan discourse should be understood as an iteration of "colorblindness." For Roma, the types of social programs that these policies produce deploy a rights-based narrative of Romani "inclusion" (Kóczé 2009; Trehan 2009; Kóczé and Rövid 2012; Vrabiescu 2014), which have eluded a structural critique of racism within the European context.

As Mawani (2012) argues, rights-based, inclusion-oriented, cosmopolitan discourses center on and preserve racial hierarchies, doing nothing to solve the systemic inequalities that produce structural racism in the first place. Melamed (2006) argues that the immediate postwar era saw a shift to anti-racism being constructed as a social value; this proved to be integral for the U.S.-led charge of liberalism. However, as has been well-documented, this charge of racial liberalism did little to change the U.S. racial landscape. As neoliberalism emerged in the early 1970s, this value system became globalized. The effect of the globalization of this value system, however, was that it had to be augmented to suit different contexts. What emerged was the preservation of existing social structures, whereby a "multi-cultural/monocultural" binary emerged. Those who were able to join the class of global elites, i.e., the elites of any given nationality, and assume those values of multiculturalism were accepted into the club; those at the bottom are branded as "monocultural," beholden to "cultures of poverty" and all of the negative associations that this entails. While not exclusive to whites, the given relationships of racial domination historically within the European context mean that Roma and other European minorities *de facto* are excluded from decision-making. Cosmopolitanism, rather than ameliorating racism, merely augments the patterns and formations of already existing structural racism.

2. The Class-to-Race Cascade in Romani Studies Scholarship

Within Romani Studies, I understand much of the arguments that try and unpack the complex intersections of race and class under the neoliberal order as the "class-to-race cascade." The cascade

flows as follows: neoliberal policies slash benefits to low-income people, low-income people are disproportionately racially marginalized, thus neoliberal policies affect different racialized minorities more than others, and are, as such, racist. Implicit within the class-to-race cascade is a hierarchy that subordinates class to race, making race always a function of class. Given the widespread associations of race with poverty, especially in the context of Roma in Europe, the discourse that neoliberal policies draw upon must also simultaneously be connected to racialized discourses. The purpose of this critique is to elevate the role of structural racism to the same level as the differential access to economic opportunities as a major factor in the reproduction of Roma marginalization. Rather than suggest that racism is affected through political economy, I argue that we can view neoliberal discourses as perpetuating a racialized normative framework that establishes a white European norm that other groups, particularly Roma, become constructed in relationship to.

The foundations of the class-to-race cascade in Romani Studies can be traced to the lineage of William Julius Wilson's work on the Chicago ghetto in the 1970s and 1980s, particularly through his usage of the underclass concept (Wilson 1978; Wilson 1987). Wilson adopts the concept of the "underclass" to describe the conditions of African-Americans that arose from the massive deindustrialization that took place in the industrial belt of the U.S. after the neoliberal turn. For Wilson, rather than a system of racial inequality, class has become the determining factor in ostensible racial discrimination. The argument proceeds as follows. Economic restructuring and a lack of meaningful investment in the inner cities have produced a class of mostly African-American inner-city residents who are chronically unemployed and prone to criminal activity as a way of survival. This creates a "culture of poverty," the attributes of which he details extensively in chapter two of *The Truly Disadvantaged* under a section titled "The Tangle of Pathology in the Inner City," such as high criminal activity, destruction of the family, and welfare dependency (Wilson 1987, 21–29). In Wilson's view, however, the causal mechanism that produces these pathologies is not the historical legacy of continued disinvestment in African-American communities at the neoliberal turn (see above) but the unfortunate consequence of industrial restructuring. As such, the class-to-race cascade is endemic to the analysis of the underclass.

The class-to-race cascade is no more apparent than in the research of János Ladányi and Iván Szelényi as they extended a theory of the underclass developed in the U.S. context (Wilson 1978; Wilson 1987) in their book *Patterns of Exclusion: Constructing Gypsy Ethnicity in the Making of an Underclass in Transitional Societies of Europe* (Ladányi and Szelényi 2006). The authors begin the work by undergoing an extensive debate on how to classify Roma in the wake of the post-socialist transition. While acknowledging that the structural position of Roma changed throughout the late nineteenth and early twentieth century, the neoliberal turn created an underclass of Roma as a consequence of the structural changes wrought by the shift from state-socialism to neoliberal capitalism. The substantial welfare state disappeared, and major industries became privatized to the detriment of Roma across Central and Eastern Europe. For these authors, it is changes to their class position which inform subsequent racialization (*ibid.* 10).

A large section of their research is on the small, impoverished community of Csenyete, Hungary, which has a large Roma population. While their work in researching the history of Roma in this village is empirically rigorous, the conclusions that they derive via their analysis not only erase the role of structural racism within Europe against Romani people but also reproduce racist tropes against the community itself. They center their analysis on "the controversial *culture of poverty* thesis" (*ibid.* 78). They claim that:

Gypsies in Csenyete tried to find ways to respond adequately to the challenges they faced as a result of their deepening poverty. The [sic] developed certain norms, values, attitudes, and patterns of behavior – a particular *habitus*, if you will – that allowed them to cope with deteriorating conditions. Following Oscar Lewis, we refer to these coping strategies – or *habitués* – as a culture of poverty. The Gypsies of Csenyete became intensely committed to egalitarian values. They also began to focus on the present rather than the past or the future; thus, they developed a short-term perspective or outlook. These cultural practices were responses to their structural conditions; nevertheless, once they were in place, they contributed to the reproduction of poverty in the village (*ibid.*).

The structural conditions that created the *culture of poverty* for Roma arose from the economic disruption of the privatization of state assets like housing and industry following the transition to neoliberal capitalism in the late 1980s and early 1990s. In this conceptualization, there exists an independent “Romani culture” entirely separate from the rest of society that is susceptible to changes in the structural conditions of the political economy (*ibid.*). The culture of poverty forms as a result of these changes. As such, the catalyst for Romani marginalization is primarily class, and the challenges to upward mobility that Roma face is a result of their attendant “culture.”

Their discussion of the cycles of assimilation and segregation, for example, incorporates race into the framing of the problem, rather than critiquing it from the outset. There is little discussion, for example, of why Roma are considered separate in the first place, instead focusing on the ways in which Roma experienced a Polanyi-esque double movement of assimilation and segregation hinging upon the concept of “prestige.” In this way, the autonomy of Roma as a separate social group is reinforced, always tethered to the rest of society, but distant enough to leave white Hungarian culture free of Romani influence. For example, Roma in the nineteenth century are analyzed as being lower-class because “they experienced relatively modest levels of social exclusion; a substantial proportion lived in homes rented from peasants within the community. They lived next door to poor peasants and Jews. We even discovered a case of interethnic marriage between a peasant and Gypsy” (*ibid.* 73). The use of the word “even” in this sentence connotes surprise that interethnic marriage is a possibility; this reinforces an idea that Roma are constructed as separate from the rest of the community, instead of being undifferentiated members of it. The authors believe the subsequent shift in “prestige” in the early twentieth century laid the conditions for Roma genocide and their classification as an under-caste, owing to the notion that all Roma people in this era were treated the same regardless of their class position (*ibid.* 73–74). In the socialist era, state-led assimilationist policies improved the overall condition of Roma to “lower-class” status. For these authors, Romani racialization in the neoliberal era emerges from their structural position as members of the underclass; they attribute this newly formed racism as emerging from the larger trend of the *racialization of poverty* (*ibid.* 10). It is important to note that at no point do these authors attribute the causes of these shifts to a dominant system of white supremacy, most shockingly in their analysis of the case of Roma genocide, instead giving whites a free pass; they allude only to Roma’s “prestige” – in this context, a disembodied signifier for the white population’s acceptance or denial of Roma people as being worthy of life – as the crucial variable which made mass murder possible.

Later in the book, the authors describe their desire and attempt to “help” Roma who live in the village of Csenyete. For these authors, this process confirms that Roma indeed are living in a culture of poverty.

In a section titled “The Culture of Poverty at Work: Failed Economic Initiatives” (*ibid.* 95), the authors discuss multiple development initiatives that, along with a variety of nongovernmental organizations (NGOs), helped to spearhead an attempt within the community to help fix the underlying conditions for Roma. Some of these initiatives include the production of artisanal commodities (i.e., basket weaving), farm and land development initiatives, and clothing distribution programs. For Ladányi and Szelényi, however, the Roma’s inability to help themselves demonstrated how Roma had become stuck in a *culture of poverty*. They discuss three key values that were indicative of this: (1) egalitarianism; (2) deficit in trust and authority; and (3) a short-term horizon/worldview (*ibid.* 112–116). From their perspective, these qualities inhibit Roma from emerging from their impoverished conditions. Following the work of Wilson, these “social pathologies” emerged from massive structural changes and went on to produce a new culture that limits the upward social mobility of Roma.

The logic of their entire argument is premised upon the notion that Roma are already a well-bounded social category, whereby their overall life chances are tethered to structural changes within the rest of society. These logics and rationalities are situated within a neoliberal conception of race, e.g., it follows the logic of the class-to-race cascade. In the neoliberal era elucidated in the text, the logic proceeds as follows: (1) Roma, who held a lower-class position during the socialist era, were badly affected by the structural changes of the system change; (2) they were subsequently thrown into extreme poverty; (3) these structural conditions created a *culture of poverty* that meant increased social distance of the poorest Roma from the rest of society; (4) the behaviors that Roma began to exhibit became the foundation of their racialization. Not only does this treatment hold Romani agency captive to the tyranny of *structural forces*, it reproduces racist ideas of Roma as a group far outside the mainstream. Culture becomes the notion through which racism is reproduced. As noted by others, cultural racism is the predominant form of racism within contemporary European society (Sardelic 2014; Vrabiescu 2014). Through the class-to-race cascade, Ladányi and Szelényi work to reproduce Roma racism within their scholarship.

It should be noted that there exists a body of scholarship that calls for a deeper investigation of the roles that the state, civil society, and white subjectivities play in perpetuating racism against Roma (Hancock 1987; McGarry 2017; Yildiz and de Genova 2017). Such investigations and theoretical interventions have examined race as a logic irreducible to concepts like class. However, other work in Critical Romani Studies follows the cascade model, but do not reproduce racism like Ladányi and Szelényi. For example, Vincze (2015), in her insightful article “Precarization of Working Class Roma through Spatial Deprivation, Labor, Destitution, and Racialization,” theorizes Roma racialization as part of their integration into the class structure during state-socialism, which created a schism within the Roma population in Romania: some becoming precarious workers and others “assimilating.” For Vincze (2015), Roma “poverty is ‘explained’ or ‘justified’ via their racialization; i.e. they are associated with an inferior category of persons conceived of as sub-human, or lesser, and are then easily placed into the universal category of ‘Roma,’ and are racialized [as] part of a larger ethnic group” (*ibid.* 67). In this example, Vincze articulates Roma racialization through a class paradigm – it is through their poverty that their racialization is constituted. Similarly, van Baar’s (2012) article “Socio-Economic Mobility and Neo-Liberal Governmentality in Post-Socialist Europe” describes work “activation” policies as a neoliberal governance technology with racialized effects – the purpose of the program was to force unemployed people to work, but given their relative disadvantage and marginalization, Roma were more often than not the subject of these programs

which in turn helped to feed racial stereotypes. Again, the mechanism which produces Roma racialization is a function of Roma poverty. The state forces impoverished unemployed Roma to take part in workfare programs, and their participation in these programs is what augments and perpetuates their racialization. While these authors have made important contributions to critical Romani scholarship, their analysis in these articles could go farther in elaborating racism as endemic to neoliberal logics, rather than strictly an outcome of it.

From this analysis, I would like to establish a blueprint for using the class-to-race cascade as a tool for critique. Ladányi and Szelényi's work is premised uncritically upon the notion that Roma already constitute a separate social group. While it is one thing to discuss difference in terms of the conditions that foreground its possibility, it is another to use *a priori* categories of difference as the cornerstone of analysis. As such, Ladányi and Szelényi reinforce existing social categories and use their authority to reinscribe those categories as a legitimate mode of difference. They then go on to remove agency from members of the category they describe by only discussing a one-way relationship between larger structural changes and in-group outcomes. Finally, they then populate that social category with a series of qualities that in part explain the lower structural position that was initiated by the structural changes. Going forward, I identify the following as indicative of that cascade:

- the discursive construction of social difference,
- removing agency from in-group members based upon structural factors, and
- populating that discursive construction with qualities that differentiate that group from other members of the same social class.

3. Class-to-Race Cascade in the Gentrification of the Eighth District

I will examine an urban development project in Budapest's Eighth District, which has historically been home to a large Roma community. For well over a decade the Eighth District government has undertaken a series of projects to "socially and physically rehabilitate" the district, which has long been stigmatized as a place of crime and dereliction. The area has historically been one of the poorest districts in the inner city (Ladányi 1991; Czirfusz et al. 2015). This section will explore these themes using this case study in light of the preceding analysis of the class-to-race cascade.

At the beginning of the state-socialist transition within the Eighth District, there emerged a small cohort of planners, known as Rév8, who sought to "rehabilitate" the district. As the urban planning and development arm of both the Eighth District government and the Municipality of Budapest, Rév8 began a series of interventions into the built environment. The goal of these planners was to conduct "socially responsible" gentrification of the district that would minimize displacement. Upon Hungary joining the EU, the Eighth District local government and Rév8 facilitated a large-scale displacement project in a section of the district where it owned the vast majority of the housing stock. Demolition began in 2005, destroying over a 1,000 housing units and evicting an estimated 3,000 people from a one

square kilometer area. The Eighth District government justified the project by designating it as a slum and then subsequently bulldozing it. Immediately following this demolition, the land was turned over to the private real estate firm Futureal. By now this space hosts a new glitzy mixed use development boasting a shopping mall, housing, office spaces, and an organic garden. This process of demolition and displacement was aided by a narrative that was informed by the class-to-race cascade.

In the 1980s, and by the time of the transition, a discourse about the Eighth District had emerged and solidified. The area was viewed as a ghetto where drugs, crime, and prostitution had become rampant. Rév8 and the social science community had contributed to the notion that the district had become impoverished and derelict. One way in which this had been constructed was to conflate the social and physical nature of the district as exemplified by the following excerpt from Rév8's first published document titled "Józsefváros [Eighth District] Urban Renewal Program 1998":

On one hand [sic], as a result of city development, on the other, as that of the processes of destruction [sic] in the various historical periods, the formation of slums has accelerated. Studying the processes, it can be concluded that in the period after 1990 the physical, technical deterioration of the houses in large slum areas coincided with social desorganizational [sic] processes. The present condition of Jozsefvaros reflects this duality [sic] directly (Rév8 1998, 4).

This selection helps to construct a small section of the district as socially different from other parts of the district. It attributes some qualities to that section of the district as being socially disorganized. It simultaneously constructs two separate classes in this process, helping to establish the residents of the district as being socially distinct from a presumably more "organized" population.

While this massive demolition project was underway, another more insidious project was undertaken at the same time: *The Magdolna Project*. The documents outlining this initiative frame their aims in the following clumsy way.

Due to the permanent worsening of the physical state and the downward moving social spiral the quarter of the city, being a quarter for the poor, is steadily detaching from the rest of the district. There is still a thin middle class group in the quarter that did not want or was unable to move from the part of the city and could be more easily be mobilized than the people of the poorest families. The key task of this program is to retain and strengthen this thin group as much as possible (Alföldi et al. 2007, 5).

This section differentiates two groups in the district along class lines: those in "a downward moving social spiral," which are slowly becoming more alienated from mainstream social life in the district, and a "thin middle class" that are to be mobilized to support the aims of "social rehabilitation." This suggests that the developers themselves conceive of these social rehabilitation projects in terms of promoting a middle class. This works to separate intervention along class lines. This is an important component in the discursive construction of the class-to-race cascade in the district. The same poorly translated text draws on tropes of Romani criminality as a way in which to evoke a crisis in the district, while not mentioning Roma explicitly.

The number of criminal acts is high in spite of the improving security. Another serious problem is the use of and trading with drugs as well as the prostitution having considerable historical heritage even if it has practically ceased to exist in public areas. The local community provides a more ‘acceptant’ medium for the people disabled due to their physical on [sic] mental state or disqualified due to their ethnic relations as well as for the Hungarian and non-Hungarian immigrants (*ibid.*).

The Magdolna Project’s documents further the stigmatization of the residents of the Eighth District. They suggest that it has a disproportionate number of criminals and prostitutes, and those not engaged in such activities at the very least contribute to a culture where these activities are acceptable. The placing of the word “ethnic relations” implies Roma within the district without mentioning them explicitly, especially as they are differentiated from Hungarian and non-Hungarian immigrants. This means that many in the district help to produce a “monoculture” of criminality, in part due to their poverty but also due to their physical, mental, and “ethnic” dispositions. In this way, they reproduce the same “monocultural” concepts of the modern racial regime. Roma in this instance are *a priori* defined as criminals and as such need to be managed through their supposed “racial characteristics.” Furthermore, the excerpt also implies that the poorer populations of the district lack the agency to be able to improve their condition. This is implied particularly by noting their “historical heritage,” which ultimately produces a culture where deviant behaviors are rendered “acceptable.” In this case, the external force that produces these conditions is the groups’ heritage – again implying but not explicitly mentioning Roma.

The consequences of this discourse are seen concretely in the implementation of Magdolna Project which began in 2005. The state renovated public parks, the facades of some municipal-owned flats, established community laundry centers, and renovated an old market hall. The purpose of these projects was to promote “community” by creating spaces like parks for people to congregate, laundry centers in order to promote a sense of entrepreneurialism and cleanliness, and the renovation of facades and the market in order to make the built environment more palatable to wealthier elites. However, when it comes to displacement, the purpose of these values becomes considerably more insidious. This excerpt describes these values in the displacement of the residents themselves:

The most extreme conflict arose in a municipal building which was inhabited by families involved in crimes, squatters and families in deep poverty. The conflict between the tenants and the construction workers developed so severe[ly] that the workers left the building and declared that they were not [going to] continue the renovation. Rév8 decided that the community of the building was absolutely unsustainable as there was [sic] severe tensions among the tenants. In the end the families were moved to different apartments in the district and the building was turned to social housing for the local police force (Horváth and Teller 2012).

Rév8 deemed the existing community unfit for dwelling in that particular area and they were relocated as part of the rehabilitation initiative. In framing this episode, the authors describe the tenants as being part of the targeted problem population. This suggests that their displacement from their original dwelling

was done based upon their inability to adhere to the same value system as that which Rév8 was trying to establish in the Eighth District. It was because of their behaviors and values associated with their class position (i.e., their “deep poverty”) that prompted their displacement.

In an excerpt from 2013 which summarized the project, the developers clearly state that the middle class is posited in relationship “to a large number of Roma people,” who make up at least a third of the district.

It is one of the most deprived areas in the city. Social segregation is constantly on the increase, fed by the continuous influx of disadvantaged people. The quarter is also home to a large number of Roma people, who are estimated to make up 30 percent of its population of 12,000. The area’s main problems are high unemployment, low education levels, dilapidated housing, a poor living environment, low public safety and high criminality, including drug abuse and trafficking (Alföldi et al. 2013, 4–5).

The authors attribute the increasing social segregation of the district to the migration of disadvantaged people, many of whom are Roma and are helping to further the concentration of unemployment. This helps to propagate cultural racist tropes explicitly attributed to Roma people. In this way, the authors of the study have populated the socially disadvantaged group with particular characteristics: they are criminals and drug users, mostly Roma, poor, uneducated, unemployed, and living in substandard housing. This reproduces racism against Romani people because it stigmatizes large groups of Roma as being outside the norm of Hungarian society.

Conclusion

In this article I have explored the role of neoliberal discourse in perpetuating racial stereotypes endemic to academic and policy discourse against Roma through the concept of the class-to-race cascade. I have used this lens on documents taken from a particular historical period from 1998 to 2013 and focusing on the redevelopment of the Eighth District to understand how racism becomes infused in neoliberal policymaking discourse. I understand the class-to-race cascade to be a mode of theorizing racism in the neoliberal era. It proceeds as follows: (1) capitalist restructuring, usually in the form of budget cuts, negatively affects the poorest residents, who are disproportionately Roma in Central and Eastern European societies; (2) removes agency from in-group members based upon structural factors; (3) these behaviors retroactively inform the racialization of Roma. For this to occur, social difference must be uncritically assumed within a given study, discursively solidifying the boundaries around a given group; economic changes must be given preference to understanding change; and typically, there must be a series of qualities that become fundamental to the status of the group.

The goal of the class-to-race cascade is to provide the foundation of a critique to further study about the role of race in structuring academic expertise, especially as it carries over into policy. Logics of neoliberal governance have historically privileged class-based explanations for inequality, if they are acknowledged at all. These logics in part have their root in the contradictions of the Fordist-Keynesian system as it was implemented in the U.S. Neoliberalism was as much an attempt to keep African-

Americans from gaining access to state services and public spaces, allowing for meaningful upward social mobility, as it was an attempt to absolve the contradictions inherent to the Fordist-Keynesian welfare state. Scholars have outlined a theoretical approach that takes seriously the neoliberal agenda in maintaining white supremacy on a global scale. This article aims to contribute to that scholarship and extend it into the field of Romani Studies, where more attention needs to be paid to the state's role in structuring racial inequality.

This paper contributes to debates about the role of race in neoliberal urban governance in Central and Eastern Europe, where race as constitutive of urbanization has so far been undertheorized. This paper does not seek to address the ontology of race and class and its intersections, nor does it address race and class as part of a person's identity construction. Rather, the focus on race and class in this paper is to understand how it has been propagated by academics and policy analysts. It aims to trace how race and class are co-constitutive in neoliberal policy discourse writ large.

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