

Merchant of Illusion

JAMES ROUSE, AMERICA'S SALESMAN
OF THE BUSINESSMAN'S UTOPIA

NICHOLAS DAGEN BLOOM



The Ohio State University Press
Columbus

Copyright © 2004 by The Ohio State University

All rights reserved.

Library of Congress Cataloging-in-Publication Data

Bloom, Nicholas Dagen, 1969-

Merchant of illusion : James Rouse, America's salesman of the
businessman's utopia / Nicholas Dagen Bloom.

p. cm. — (Urban life and urban landscape series)

Includes bibliographical references and index.

ISBN 0-8142-0953-X (cloth : alk. paper) — 0-8142-9026-4 (CD-ROM)

1. Rouse, James W. 2. — Urban renewal — United States — History
— 20th century. 3. City planning — United States — History — 20th
century. 4. Real estate developers—United States—Biography. I. Title. II.
Series.

HT175 .B54 2004

307.76'0973'0904—dc22

2003018245

Cover design by Dan O'Dair

Type set in Goudy

Printed by Thomson-Shore, Inc.

The paper used in this publication meets the minimum requirements of the
American National Standard for Information Sciences—Permanence of
Paper for Printed Library Materials. ANSI Z39.48-1992.

987654321

CHAPTER 6

American Midas: Rouse and Festival Marketplaces

From tangled woods, from brooks, from honied vale,
From the deep sea, from prairies rolling scope,
From cheerful farmhome, from the garden'd plain,
From varied scenes, features of Nature's face,
The gifts of the earth, of sea, join in a glowing train,
To find at last their best intended place.

Nathaniel Childs

I hold a view . . . that the greatest piece of urban design in the United States today is Disneyland.

James Rouse

Stall markets, picturesque sheds filled with produce and independent merchants, can still be found in most American cities. Findlay Market in Cincinnati, Lexington Market in Baltimore, and the Reading Terminal in Philadelphia, to name just a few, are nevertheless mere vestiges of once thriving urban public market systems. City markets began in the colonial era as modest sheds where farmers and traders sold directly to small urban populations. During the nineteenth century, in step with the growing scale of American cities, the markets grew in size and multiplied in number; in time, they became more formal and included established stall merchants and even grander architecture. The notion that the government would play a role in organizing this commerce in order to guarantee affordability, merchandise quality, and public safety persisted over the course of the nineteenth century. In many American cities, stall markets remained important until the 1920s and 1930s.

The willingness of the American public to invest in home refrigeration and automobiles nevertheless nearly eliminated the role of urban public markets by the 1950s. No matter how lively or inexpensive, markets, crammed into traditional downtown environments, had trouble competing with glis-

tening supermarkets on the urban fringe offering abundant parking, spotless interiors, and prepackaged foods. Although many stands in markets featured refrigeration, many more lacked cold storage and rarely was food prepackaged. Skepticism concerning a public role in private selling, related to antisocialist ideals, also raised questions about subsidized food markets offering what was seen as unfair competition to private businesses. The shift to African American shoppers living in surrounding neighborhoods also troubled many city officials seeking a white, middle-class vision for city centers. In cities across America, market buildings were destroyed, sold, abandoned, and only a few preserved. City governments did not, in most cases, know what to do with these vestigial public spaces.

Rouse was the first developer to rediscover the picturesque potential of the city market. He came on strong promoting a renewed market space, what became known as a "festival marketplace," as part of renewed downtowns. Rouse believed that festival marketplaces could fill two different but equally important roles in modern cities. He promised that the festival marketplace would offer an alternative to both the ramshackle city markets of the past and the "cellophane wrapped" malls he was building in the countryside. These revived places would become lively marketplaces full of local/unique products for locals and tourists alike. Most important, relationships between seller and buyer would be restored, offering innumerable psychological and social benefits to urban dwellers and visitors. National development companies under this model would nurture small-scale capitalism as part of a version of urban social reform. Nurturing of entrepreneurs, and contact of the general public with them, might incidentally foster even greater respect for the American "free enterprise" system.

This idealistic side of the festival market formula has been an abject failure, notwithstanding Rouse's good intentions. He again proved naïve or overly optimistic about the capabilities of the private sector, particularly a national corporation such as The Rouse Company, in managing small-scale capitalism. His Midas touch nearly always transformed modest and flavorful stall-market environments (even ones he created from scratch) into upscale, chain-dominated selling environments.

More successful has been the festival marketplace as a catalyst by the private sector for old downtowns. Rouse desired to test theories he had been nurturing for some time after his experience with suburban malls. The festival marketplace reflected the centralized management of an urban district he thought could correct the problems of diffuse and uncoordinated management of downtown districts, "to create the opportunity and responsibility for central management ownership, operation, [and] merchandising." Rouse sought to capitalize on the resurgence of urban populations following urban development projects, including "new urban centers

better parking, public squares, new or expanded institutions, new office buildings providing new jobs" paired with "new values and new lifestyles of young people [that] have made the city a more rational place for many than the suburbs."¹² Informal gentrification related to urban renewal had created untapped upscale retail potential in the city center.

Rouse offered a vision of capitalism as a direct sponsor and developer of the leading public gathering spaces in major cities. In the nineteenth century, city governments created great public spaces such as New York's Central Park or Boston's Public Garden in a grand expansion of urban power. Private sector activity had, of course, played a central role in creating urban amusement parks and exciting sidewalk cultures (such as that along Broadway in New York) during the nineteenth and early twentieth centuries, but business interests, by the 1970s, were not known for self-consciously creating lively public places downtown; many of the public plazas created as part of urban renewal during the 1950s and 1960s remained windswept and attracted far fewer citizens than projected. Rouse sought to expand the capabilities of private enterprise in quasi-public space creation and succeeded brilliantly.

The model for the festival marketplace derived first from Ghiradelli Square (1962) in San Francisco, "the modern-day pioneer of what one critic disparages as 'the hanging plant—scented candle, boutique syndrome.'"¹³ Rouse also knew city markets in Baltimore but in large measure borrowed the festival marketplace concept from a former dean of the Graduate School of Design at Harvard, Ben Thompson, who had had his eye on the old market area of Boston for a number of years. Faneuil Hall, a lecture hall, was only a small part of what was an extensive market complex that by the 1960s had lost much of its luster. Faneuil Hall stood in line with famous Quincy Market, a grand Greek revival affair in stone with two impressive temple fronts. On either side of lengthwise streets were the old warehouse buildings, known as the North and South Buildings. Through the efforts of planners such as Edward Logue, the area surrounding Faneuil Hall and Quincy Market had undergone extensive redevelopment and tens of thousands of workers now filled the Government Center area around a new city hall, an estimated increase of "60,000 [professionals] in the last ten years," most of them relatively young and affluent.

Mayor Kevin White provided the official and selective view of the area that became the Faneuil Hall complex: "My office in City Hall looked out over a largely vacant and rodent-infested old public marketplace behind historic Faneuil Hall."¹⁴ By the 1960s the city had already started the process of acquiring and renovating the North and South Buildings. The first step the Boston Redevelopment Authority (BRA) had taken in 1964 when it received a federal grant for renovation was to move the wholesalers out of

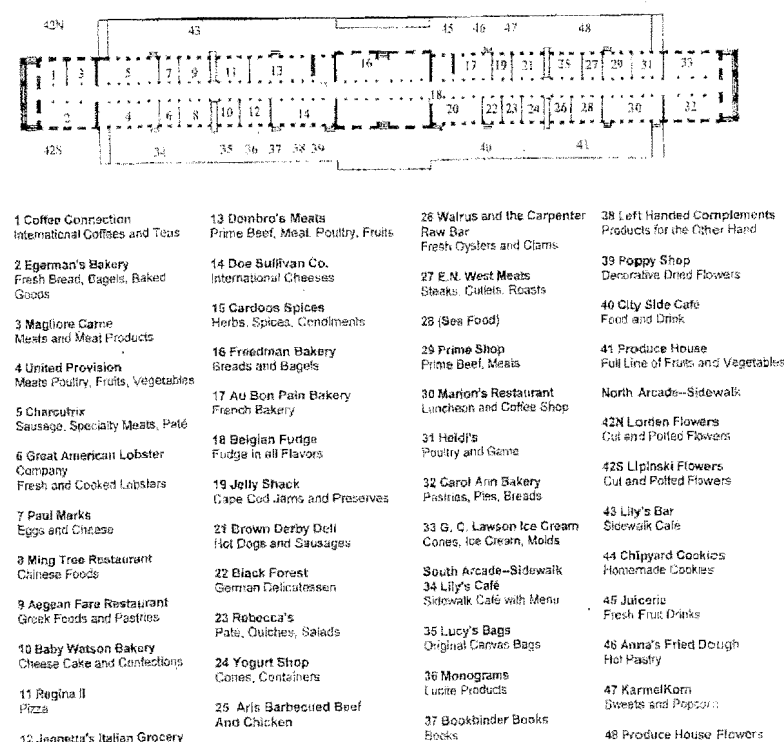


Figure 21. This illustration and key (ca. 1976) show that when Quincy Market first reopened under Rouse management, the market flavor and sellers had been preserved and even augmented. This situation rapidly changed when the tourists arrived and demands for high returns accelerated. Illustration by Jillian Nevers.

the North and South Buildings to suburban Quincy, a questionable move for the market's survival, and begin renovation of the recently vacated buildings.⁵

Quincy Market was still operating as a public stall market during these renovations and after. Although it was not thriving and had no modern supermarket, it did contain many businesses of a traditional food type renting their spaces at low rents of three dollars a square foot. There were at least twenty-four existing merchants at Quincy Market in the year 1973 when the contract with Rouse was signed. Many of these businesses had a good reputation. West's meat store, for instance, had a "home trade" they could count on as well as lady shoppers who made a traditional pilgrimage on Thursdays to shop.⁶ Although one leading meat seller explained that "the area has hit the bottom and the only way it can go is up," another merchant asserted, "I've got a good business now, but more people attracted to the place are in here isn't going to hurt it." Remaining stand-

included meat, pasta, pastries, fruit, seafood, and flowers, but management was certainly lackluster. The BRA and market managers never devoted any energy to revitalizing the stall market for modern shoppers.

Thompson first won a BRA contest to redesign the area in the early 1970s. He originally arranged the Faneuil Hall project with Van Arkel and Moss developers in Philadelphia, but this project, initially given the go-ahead by BRA officials, fell through as the BRA realized that Van Arkel lacked adequate financing. It was then that Thompson and his wife, Jane, found Rouse through new town developer Robert Simon, for whom Thompson was designing a downtown for the Title VII new town of Riverton, New York.

Thompson proposed to Rouse the Faneuil Hall model that would in time become the festival marketplace *formula* of The Rouse Company (Thompson would also design both Harborplace and South Street Seaport for The Rouse Company). Thompson was something of a gourmand and a leading architect in the region. He proposed that Quincy Market could become a gourmet food center offering a mix of the fresh products it had always been known for, in addition to high-end fast food, cafés, and local restaurants. The adjoining market buildings would feature a variety of high-quality dry goods stores, galleries, crafts, antiques, and clothing stores. Above shops would be offices for artists, architects, and civic and cultural organizations. The Market Streets were to become closed pedestrian ways with cafés spilling out into them with a mix of pushcarts and “spontaneous” entertainment. “The new Faneuil Hall Marketplace, operated and maintained as an entity including streets and public services, would be carefully laid out as a downtown bazaar, to gain the variety, color, balance and constant change that is missing from today’s piecemeal development of inner cities. There would be special emphasis on provision of fresh foods, meats, seafood, baked goods and delicacies to serve area residents on a daily basis. Once again people from the entire region would come to the nation’s famous Boston market for food, enjoying the broadest selection of quality and price from dozens of individual merchants.”⁸ Thompson explained to his fellow architects, “Unlike most modern shopping centers with large department stores as financial anchors, our plan sees a major market of small merchants, with a colorful diversity of life and events competing on a day-to-day basis. . . . The crux of making this happen is economic—having the special economic freedom to cluster and locate hundreds of small shops and stands in appropriate places to create that intense chaotic mix of Les Halles, of the Farmer’s Market in Los Angeles, of the Piazza Navona on market day.”⁹

This all sounded very exciting at the time, and Thompson added a nearly spiritual zeal and philosophy to the market restoration. This is apparent in a memo from the mid-1970s: “In becoming the city market be let again,

Faneuil Hall Marketplace has the chance of regaining that genuine character of a city center. People need the variety and abundance the markets bring. Socially, they need the communal security of personal contact and mutual exchange. Psychologically, they hunger for the festive activity and action that markets add to the central city. The natural pageantry of crowds and goods, of meat, fish and crops, of things made and things grown all to be smelled, tasted, seen and touched, are the prime source of sensation and amusement in whole populations—in many nations except our own.”¹⁰ The festival marketplace, as conceived by Thompson, was a critique of American culture of the Cold War, based on his cultural preconceptions. Like many urban-based designers, Thompson took umbrage at the supermarket and the new suburban shopping districts resplendent in plastic, metal, and concrete, even if it was the modern consumer’s paradise. The American public did not share his distaste for supermarkets or his fascination with city markets, but this mattered little to a romantic like Thompson.

On first glance it might be unclear how Thompson ever convinced James Rouse to get involved in such an avant-garde urban project. Even some within Rouse’s company had reservations about getting involved. Jack Meyerhoff, a leading member of Rouse’s board, wrote to Rouse in 1972 that “this project certainly does not meet the criteria that was established for The Rouse Company to follow in its projects, and it is my opinion that this project should be sponsored by either a civic or philanthropic organization.” Rouse also faced a tough battle for financing from banks. He adopted Thompson’s scheme for some clear, if rarely discussed, reasons. Thompson’s plan, while in description quite different from the malls Rouse had built in the 1950s and 1960s, did closely parallel what Rouse, in some of his less critical moments, *believed* about the function of his suburban malls. As indicated above, in contrast to most suburban developments, Rouse at least publicly saw his malls as being attractive, lively pedestrian zones with great cultural potential. He also made much of having nurtured small businesses in his malls and considered himself something of an expert in managing complex retail environments with lively market spaces. Looking back in 1983 after a visit to the Los Angeles Farmer’s Market, he described it as a “a mixture of market, eating places, and some junk shops. It used to [be] everybody’s image of what ought to be done. Many have tried . . . We flopped at Plymouth Meeting [mall]. But that image, hanging with us over the years, finally generated gourmet fare at Sherway Gardens [mall] then Picnic at Woodbridge [mall]. It was those two experiences that gave us the nerve to undertake Faneuil Hall Marketplace—and all that has followed.”¹¹ As early as 1960 Rouse had praised the Farmer’s Market in Los Angeles for its “special warmth and charm” while criticizing his own malls for “imposing” a “project feeling” in the suburbs.¹² That Thompson was to exert the control and vision of the marketplace was

of the spaces around them as a privately controlled, centrally managed environment—and a ninety-nine-year lease—perfectly matched Rouse's views on the superiority of the completely managed environment. As one Rouse Company document laid out in 1973, "during the public hearings that were held TRC [The Rouse Company] emphasized that the inclusion of the Quincy Market Building and Streets, the development of the entire marketplace as an integrated whole, was the essence of its proposal."¹³

Thompson's ideas were in all likelihood the most carefully conceived, the most impressive on first glance, and the most financially promising. But the Thompson project, with Rouse as development partner, was not the only viable option. There is a forgotten part of the story of Faneuil Hall that illustrates the road not taken in the privatization of this public space. There was a far more public-oriented proposal in the air in Boston, a project more sensitive to the traditions of the market and its delicate economics. This proposal came from Roger Webb, a well-connected developer with a small firm known as Architectural Heritage, who had led the renovation of the old city hall nearby.

Webb proposed not only a different vision, but an alternative management structure that was designed to preserve the unique flavor of Quincy Market: "The major feature of the plan is the central Quincy Building, which will retain its traditional character as Boston's *Public Market*, the food center for the region. All the local merchants now in the Quincy Building will be invited (and helped) to remain. . . . New merchants will be brought in to make this a major FOOD CENTER, featuring fresh produce, fruits, meats, poultry and seafood, baked goods, coffee, spices, cheese, and dairy items—the complete range of fresh foods to serve Boston residents and employees on a daily basis." Although Rouse and Thompson promised to preserve the food sellers, they did not much talk about augmenting them. Webb also proposed that even in dry goods the emphasis would be on "daily needs in food, clothes, furnishings, hardware, sporting goods, marine goods, personal services, eating and entertainment. Tourists will be welcome, but the prime customer will be the local one."¹⁴ What made the creation of this local market possible was the structure of the development proposal; a striking contrast to the hard-driving system that Rouse would use to woo the city.

Webb proposed that not only would Quincy Market remain a public-owned market, but also that his company would essentially act as a non-profit developer acting on behalf of the city. He promised to return "70 cents of every dollar increase per square foot of space, since his organization would be acting 'as an agent' for the city, rather than as a profit-making organization."¹⁵ This situation would have been more like the redevelopment undertaken at Pike Street in Seattle (where fresh food stalls are still popular). Webb boldly addressed the Urban Affairs Committee of the Boston City

Council and reminded them that, unlike Rouse, "he was bidding on the North and South Market Buildings only because the Quincy Market had always been and rightly should remain city property. He wanted a contract only for fifty years in order to get financing, not a lease and thus the property would always be owned by the city."¹⁶ Webb explained his approach carefully: "We feel the market building is different from the other two. This building is the first Greek revival building constructed in New England, and it has always been publicly owned. It has always been the scene of a subsidized retail food market. We feel it is not necessary for the city to give up complete control for 99 years."¹⁷

The Webb alternative possessed a fair amount of political support. At one point it was thought BRA director Robert Kenney (a classmate of Webb's at Harvard Business School and an old chum) would award Webb the contract. In fact, a great cry went up from leading architects and preservationists because of the perceived inside playing that would land Webb the contract without a fair hearing for the other project. "When Thompson's first developer was forced to drop out, the question was in effect reopened by the BRA, and now it is on the verge of selecting Webb but without the public examination of the issues deserved by the city's 99-year commitment."¹⁸ In many ways Webb was not up to the job of turning the area around. He had only a very small firm, one staff architect, no clearly formulated plan, and was somewhat controversial around town. That he was not a perfect man, however, does not make his proposal or his commentary on the Rouse project less valid. His was one of the few voices questioning the deal that even Thompson would partly regret.

The Rouse proposal appeared significantly more promising to the city. Rouse was working with Ben Thompson, was a leading developer with demonstrated success in retail operations, was known for his bullish tone on city redevelopment, and offered an exceptional reward in exchange for his ninety-nine-year lease. Unlike Webb, Rouse promised that the city would receive either 20 percent of gross revenues or a minimum yearly payment of \$600,000 by the third year. The city had much to gain under the deal, and it has been an unfair argument against the festival marketplaces that they have been bad deals for most cities in terms of financing. As Rouse explained in 1976, "It's much more of a civic enterprise than the standard regional commercial shopping center. Ultimately 25 percent of the gross rent collected goes to the city."¹⁹

The only problem with this particular deal was that the projections of future income, which in hindsight turned out to be modest, were based closely on Rouse's experience as a mall developer. As he explained in 1973: "Based on existing Rouse Company rent programs and records . . . the growing success of the market retailers will produce increasing payments to the city well in

excess of the guaranteed sum." Rouse bragged that in his malls "the firm averages \$16 rents [per square foot] in its centers and in a number of cases reaches the \$24 level. The rents are based on percentage of gross income of tenants and, through the success of its tenants, it's reasonable to expect the city will receive over \$1 million annually starting in the late 1970s from this program."²⁰ As he admitted, "The cost (of renovation) can only be justified by high rents from high productivity in sales and high pedestrian traffic."²¹

Rouse proposed to transfer the revenue levels of malls to merchants selling sides of beef, cheese, and bags of fresh parsley at subsidized monthly rents of three dollars per square foot. That Rouse was generous to older tenants at first, and made verbal promises that the market would preserve some genuine market function, served as merely a stay of execution rather than a pardon. The company admitted in internal documents that although they were working hard to find "one of a kind" distinctive stores, shops and restaurants, "the security of the Project is fundamentally tied to the achievement of projected sales averaging \$125 to \$150 dollars per square foot" with rents in proportion. The vendors needed these high numbers because the new businesses would be responsible for paying "a percentage of sales commencing at sales of zero" as well as special service and tax charges of five dollars per square foot (a figure that alone was higher than the original rents). The company knew that it might have to "settle for a complete subsidy on the order of 360,000 dollars over the first three years" of older market tenants, but after that time it had no responsibility to them.²² Rouse saw no reason why these food sellers could not, with proper management and promotion, achieve record sales, but this optimism was not justified in practice.

The festival marketplace thus became the Trojan horse of the suburban reentry into the center city. Not only because the marketplace was a completely controlled environment combining the privatization of formerly public spaces and streets, and not only because the familiar chains moved in by the 1980s, but because The Rouse Company brought its system of suburban mall management to the central city. Management reports of the market from the 1970s provide descriptions of sales at the individual merchants with notes such as "watch sales," or "recapture space," or "replace" based on sales. Some of the tenants noted with these terms were the older fresh food tenants. Faneuil Hall did not look like a mall, it was not marketed as a mall, but its fundamental system of operation was that of the suburban mall. Whatever negative things one can say about city market operations—and there is much—they have not generally been operated on such a careful and ruthless manner; they were subsidized food markets with modest returns expected.

Rouse was awarded the contract by the BRA, and Webb fell from view forever. Most of the older tenants welcomed The Rouse Company, too. In

the contract signed with the BRA in 1973, The Rouse Company seemed genuinely committed to preserving the older market stalls: "Revitalization of the Quincy Market as the unique and historic meat/cheese/produce market of the City of Boston is of central importance in our program for the redevelopment of the Faneuil Hall Marketplace. In this regard, we view the market as being the merchants more than the building." The company promised that they would do everything possible for "the retention of those existing merchants who are essential to what the market has been, what it is now, and what it can be."²³ Existing merchants received three-year leases beginning in 1975 at their current rents and promises that they could renew their leases at fair market value after three years. As The Rouse Company planners discussed in 1973: "Quincy Market is a meat/cheese/produce market and the intention is to keep it the same but increase the number of stalls on the lower level." In the North and South Market Buildings the company also promised "a collection of 'one of a kind' shops plus a very large number of restaurants."²⁴ Roy Williams, the retail expert behind the marketplace, modeled part of his work on Baltimore's Lexington Market: "If we were guided by a precedent for Quincy Market, it would be Lexington Market . . . If it's as good as Lexington Market we'll congratulate ourselves."²⁵

Thompson still believed his initial vision had survived Rouse management and proposed that Quincy Market "will be operated as a food bazaar, with the first floor kept open as a continuous 'indoor street.' Along this street, individual retail concessions will offer meat, fish, produce, dairy goods, specialty foods and wines . . . [while] a variety of ready food stalls . . . will create an enormous international buffet served by a central eating area." Early plans projected "produce vendors" along the North and South Market Streets interspersed with cafés. The plan also envisioned pedestrian streets facing the renovated Market Street buildings "with plantings, benches, kiosks, play areas, and mobile vendors" to create a European-flavored environment.²⁶ Initially much of this description was achieved.

In the early years Rouse aimed to create a unique market environment. Although he was worried about the success of the fresh food dealers, he was confident that "conventional market business will flow strong and the merchants will do well." Rouse also sent a special memo to his employees in 1976, entitled "Faneuil Hall Marketplace: Its Special Meaning and Potential for The Rouse Company," in which he tried to chart the course of the market in the future: "The overwhelming feeling of the shopping goods stores should be small, special shops run by their owners. An occasional Ann Taylor is okay but, as a whole, it must be a marketplace with stores that shoppers don't find elsewhere even in Chestnut Hill or on Newbury Street." Although this might seem a contradiction to the financial screws that the town

most merchants, it should be noted that Rouse, perhaps naïvely, was always of the belief that individual merchants could do as well or better on a square-foot basis than could chains—even though in many cases the chains, by dint of their great power, forced out small stores at his malls. Rouse even went so far as to say that “Faneuil Hall is a marketplace—we cannot let it slip into being a shopping center.” He also explained, “There is not much room for chain stores here. The branch manager of a distribution center is not in the same spirit with merchants who now give character to the colonnade. I am pleased that Hickory Farms dropped out . . . We must do everything we can to reinforce the intensely personal quality of the market.” Rouse was buoyant about the project, as he rightly should have been, in the early years: “It is already apparent that Faneuil Hall uplifts those who come to use it. It is of the good city. The flower shops, the trees and benches, and public spaces, the openness through the canopies and the colonnade, the richness drawn from the heritage of old buildings, the little shops run by their owners and the personal exchanges across the counters between the owner-merchants and their customers, the smallness, intimacy, smells, sounds and sights that are uniquely those of a market have all served to tap some deep yearning that reside[s] among most of us.”²⁷

The Rouse Company also created the Bull Market on the edge of Quincy Market, filled with quaint pushcarts selling a wide variety of goods: “The emphasis was placed on unique, quality, earthy products sold by people who understood in-depth merchandising in small areas, had a flair for display and presentation and who felt a sensitivity toward the project . . . The range stretched from cider presses to kites, from handprints to cookies.”²⁸ The Bull Market, reflecting a market feeling rarely found anymore in American cities, spread under the new glass canopies alongside Quincy Market. Most of the businesses in the complex were local or regional businesses, and most wares, according to The Rouse Company, “reflect their Boston and New England heritages.”²⁹ Specialty merchandise included whimsical, kitschy additions such as “a place that makes photocopies on brass, an oriental theme shop called Dynasty and a shop of costume and practical hats.”³⁰ Rouse executives eventually added pushcarts to their mall environments, providing a gentrified urban flavor to even the most luxurious suburban malls.

When Quincy Market opened, Rouse had created plenty for market lovers to appreciate amid the prepared foods such as fudge, pizza, hot dogs, deli sandwiches, and ice cream cones. If one entered on the Faneuil Hall side of Quincy Market, one was hit by a nice cluster of fresh food sellers, including Egerman’s bakery, Magliore Carne, United Provision, Charcutriz, even an egg and cheese stand. These were just some of the fruit and vegetable sellers, bakers, and butchers. Thompson explained the meaning of

ing the market area an everyday place. Meats and poultry—offered by the well-known existing merchants in the Quincy Building—are now rounded out with other individual vendors selling fruits, vegetables, coffee, tea, spices, cheese, wine, dairy goods, baked goods, and delicacies. The experience is again one of direct relationship between buyer and seller.”³¹

In the *New York Times Magazine*, Jane Davison described Thompson’s plan in glowing terms: “As early as 1966, Thompson proposed mounting a real revival, not just refurbishing the theater. The sets he planned then and that now exist are lavish with heaped fruit, vegetables, meat, flowers and baskets, a sensuous still life reminiscent of Les Halles, Campo dei Fiori in Rome, and innumerable other traditional marketplaces throughout the world. People are back on the scene, in crowds that are, if anything, too enthusiastic.” She praised the fact that “Thompson-Rouse’s complex offers real food and services in profusion: seventeen eating places and eighteen food merchants.” Davison lavished encomiums on the innovative design and the great risks involved in such an unorthodox project, but also saw that the challenges had just begun: “The Boston project depends on leasing many small spaces to independent retailers who specialize within a general category such as food. Individuals compete against each other . . . they support the Marketplace and pay the developer not only rent but also a percentage of their gross.” As discussed in an earlier chapter, built into the very heart of every Rouse retail project was a hyper-competitive process that sped up the rate of change and competition by demanding higher rents and portions of sales. Davison reminded Rouse, “[T]he developer must stay on guard against compromises in quality and competence if the marketplace is to hold on to its originality. The eccentricity rate among self-employed entrepreneurs is high, and the best bagel maker may be the worst businessman.” Davison divined a likely fate for the marketplace: “Fast-buck operators and tourist trappers are always eager to lease but care little for taste and continuity.”³²

Architectural critic Robert Campbell offered an alternative analysis of the market that placed less emphasis on the market stalls and more on the successful environment projected for the mass public: “The Marketplace is an impersonation of a kind of urban life that no longer exists in most of America. It’s a theatrical representation of street life. It has to be this, because that is a stage we have to go through as we begin cautiously, self-consciously to re-enact the urban culture we abandoned.”³³ Rouse, in a letter to Campbell, praised him for coming closest to understanding the function of the market as he saw it. Such a view depended more upon good urban design than small-scale capitalism and stall selling.³⁴

One dissenting voice at the opening derided the effort: “I give it a year. You can get things cheaper at a supermarket.” Another commented, “I can’t

of market life, usually selling lower-quality merchandise, around the corner. Comparisons between Haymarket and Quincy in a 1976 article indicated, "Prices and styles compete. Apples selling for 25 cents a pound at the Haymarket sell for 25 cents apiece across the street at the new Quincy market."³⁶ A *Boston Globe* reporter noted on opening day "more rubber-necking than serious shopping. A butcher at United Provision Meat Co. sighed: 'It's not my day.'" The reporter found comfort from Julia and Paul Childs, who "thought the marketplace would catch on. People at the opening wanted to look things over first, then buy, Childs said."³⁷

Rouse believed in 1976 that although the market was a great hit with the "quick lunch customer, to the family on a lark and to the couple out for dinner," because of the many food choices "somewhat overwhelmed by the opening crowds has been the shopper who wanted to buy the week's meat, fish, cheese or produce." Rouse pointed out that although some fresh food merchants were doing well, others were "having an uncertain early experience." Moreover, Rouse celebrated the tourist market the company had uncovered, and although he admitted, "we have been so determined not to build 'a tourist trap,'" yet "it is a huge potential for us and it is right that we serve it well." Rouse noted, "it is people from the Boston area itself, from New England and from elsewhere who are attracted to the uniqueness, the liveliness, the warmth, the beauty, the flair, the reputation of Faneuil Hall Marketplace." It was Rouse's belief that the tourist could be encouraged to purchase and patronage better quality goods of a variety of price ranges: "The problem is with promoters who make a low standard interpretation of their needs and wants. We can do here for the marketplace and the tourist what Disney did for the amusement park."³⁸

Within a few years, despite the good intentions of designer and developer, the tone of the Faneuil Hall Marketplace had changed. The millions who came to visit made Faneuil Hall a great commercial success story. The design standards were high, and yet the crush of people and the temptations of tourism, coupled with the hard-driving management of The Rouse Company, began to compromise the initial vision created by Thompson and sold by Rouse as a renewed marketplace. In a speech from 1977 Rouse explained, "Quincy Market averages \$300 in sales per square foot—double that of successful regional shopping centers. In its first year Quincy Market, with only 80,000 square feet, attracted about as many people as Disneyland—10 million."³⁹

These record sales were not evenly distributed. Market stalls were failing or had turned to fast-food selling. MIT urbanist Bernard Frieden explains the process: "One day a produce dealer who had too many ripe pineapples on hand decided to sell them by the slice and found he did it much better that way. . . Within the first few years fast food took over most of the central arcade."⁴⁰



Figure 22. Attractive "public" spaces entranced millions of visitors to the Faneuil Hall marketplace complex and set new, high standards of design and maintenance for urban redevelopment across America. Where once urban renewal had been cold and formal, architect Ben Thompson and developer Rouse showed that the human and historical side of urban life could be a profitable investment. G. E. Kidder Smith, courtesy of Kidder Smith Collection, Rotch Visual collections, MIT.

A remarkable 1978 memo to The Rouse Company from Ben and Jane Thompson outlined the crisis in the marketplace vision. They began by sternly reminding Rouse managers that the Faneuil Hall complex faced "problems different from those conventionally encountered in managing successful malls." They noted the "urban location, the size and number of individual merchants, the heavy food orientation, and the very special mix of ingredients" that made the project fragile. The Thompsons reminded the company, too, that "Commitments were made to the City of Boston regarding its character and environment that must be honored for years to come. Representations were made to incoming tenants as well." This was not an auspicious start to their letter.⁴¹

A searing litany of problems quickly followed from the Thompsons. They began with what they called IMAGE, and lamented, "The success of fast food and singles drinking operations tends to drive out serious shoppers for groceries, fashion, and durable goods. The present local image of the Marketplace is something like 'pizza, piano bars, no-park, push and shove.' The Go-Go aspects need no more promoting." They singled out a "visible 'drift' and deterioration of merchandise quality . . . as each merchant reaches for the

of market life, usually selling lower-quality merchandise, around the corner. Comparisons between Haymarket and Quincy in a 1976 article indicated, "Prices and styles compete. Apples selling for 25 cents a pound at the Haymarket sell for 25 cents apiece across the street at the new Quincy market."¹⁹ A *Boston Globe* reporter noted on opening day "more rubber-necking than serious shopping. A butcher at United Poultry Meats Co. sighed, 'It's not my day.'" The reporter found comfort from Julia and Paul Childs, who "thought the marketplace would catch on. People at the opening wanted to look things over first, then buy, Childs said."²⁰

Rouse believed in 1976 that although the market was a great hit with the "quick lunch customer, to the family on a lark and to the couple out for dinner," because of the many food choices "somewhat overwhelmed by the opening crowds has been the shopper who wanted to buy the week's meat, fish, cheese or produce." Rouse pointed out that although some fresh food merchants were doing well, others were "having an uncertain early experience." Moreover, Rouse celebrated the tourist market the company had uncovered, and although he admitted, "we have been so determined not to build 'a tourist trap,'" yet "it is a huge potential for us and it is right that we serve it well," Rouse noted, "it is people from the Boston area itself, from New England and from elsewhere who are attracted to the uniqueness, the liveliness, the warmth, the beauty, the flair, the reputation of Faneuil Hall Marketplace." It was Rouse's belief that the tourist could be encouraged to purchase and patronage better quality goods of a variety of price ranges: "The problem is with promoters who make a low standard interpretation of their needs and wants. We can do here for the marketplace and the tourist what Disney did for the amusement park."²¹

Within a few years, despite the good intentions of designer and developer, the tone of the Faneuil Hall Marketplace had changed. The millions who came to visit made Faneuil Hall a great commercial success story. The design standards were high, and yet the crush of people and the temptations of tourism, coupled with the hand-driving management of The Rouse Company, began to compromise the initial vision created by Thompson, and sold by Rouse as a renewed marketplace. In a speech from 1977 Rouse explained, "Quincy Market averages \$300 in sales per square foot—double that of successful regional shopping centers. In its first year Quincy Market, with only 60,000 square feet, attracted about as many people as Disneyland—10 million."²²

These record sales were not evenly distributed. Market stalls were failing or had turned to fast-food selling. MIT urbanist Dennis Friedman explains the process: "One day a produce dealer who had too many ripe pineapples on hand decided to sell them by the slice and found he did it much better that way. . . . Within the first few years fast food took over most of the central arcade."²³



Figure 22. Attractive "public" spaces enticed billions of visitors to the Faneuil Hall marketplace complex and set new, high standards of design and maintenance for urban redevelopment across America. Where once urban renewal had been cold and formal, architect Ben Thompson and developer Rouse showed that the human and historical side of urban life could be a profitable investment. G. E. Kieber Smith, courtesy of Kieber Smith Collection, Rotch Visual collections, MIT.

A remarkable 1978 memo to The Rouse Company from Ben and Jane Thompson outlined the crisis in the marketplace vision. They began by sternly reminding Rouse managers that the Faneuil Hall complex faced "problems different from those conventionally encountered in managing successful malls." They noted the "urban location, the size and number of individual merchants, the heavy food orientation, and the very special mix of ingredients" that made the project fragile. The Thompsons reminded the company, too, that "Commitments were made to the City of Boston regarding its character and environment that must be honored for years to come. Representations were made to incoming tenants as well." This was not an auspicious start to their letter.²⁴

A scathing litany of problems quickly followed from the Thompsons. They began with what they called IMAGE, and lamented, "The success of fast food and singles drinking operations tends to drive out serious shoppers for groceries, fashion, and durable goods. The present local image of the Marketplace is something like 'pizza, piano bars, no-park, push and shove.' The Go-Go aspects need no more promoting." They singled out a "visible drift and deterioration of merchandise quality . . . as each merchant reaches for the

quick sale to the crowds now being attracted there." They also disliked what they called "spin-off" because "more and more of the unique and successful tenants are being 'serialized' in other The Rouse Company centers," thus converting "the once highly individualized owner-operated business of Faneuil Hall Marketplace into chain-like businesses with absentee owners." They decried "HOMOGENIZATION," wherein "inexperienced merchants, slow to get established, will tend to get displaced under pressures for financial performance. It can be anticipated that larger chains and franchises, eager for this prime location, will make strong bids for space. Successful FHM [Faneuil Hall Marketplace] merchants will seek to expand and multiply, leading to a radical change of character." Tour buses were distasteful to them as well, and the mixing of retail food with fast-food stands seemed to dilute the appeal of real food shopping. The Thompsons also noted a growing problem with the tenants, who were suffering because of "high costs and unexpected back billings." With no force behind them, the Thompsons suggested that the company redirect its market from mass tourism, enforce policies that would preserve quality of merchandise for sale, create policies to keep out chain stores, and reorganize the fresh food sellers "to reassert the market's identity as a viable, convenient place to shop for groceries of an unusual and quality kind."⁴²

Even those more closely associated with the developer listed similar problems. A former Rouse and BRA employee, Carol Todreas, wrote Rouse in 1978 expressing her dismay at the direction of the marketplace: "I am disturbed because the Marketplace as it was planned and conceived is in jeopardy." She remembered, "Quincy Market began its new life as a specialty food and food related market geared to presenting a variety of quality foods, cooking utensils, and table service appointments. Food to eat on the premises, restaurants, and cafes were to be a pleasant amenity." She blasted managers because "Quincy Market has been transformed to a giant fast food operation with even the meat and produce merchants emphasizing the sale of fast food items." The Bull Market, too, had become a "vehicle for any ordinary trinket or a display case of duplicate items sold elsewhere in the Marketplace." Todreas could "see why Quincy Market is now hailed as Boston's latest amusement park and tourist trap with the latest fad foods to eat and souvenir-type of items to buy."⁴³

The Rouse Company and Rouse took few steps to prevent any real drift pinpointed by the Thompsons or Todreas—they had an expensive renovation debt to repay (and had invested, by one estimate, \$30 million in private capital for the project⁴⁴), high standards of cleanliness to maintain, an ambitious payment scheme to the city, and demands from their own investors. Maintaining a genuine market remained low on their list of priorities. A 1978 Rouse working study found that although some shoppers were con-

ing for "the special, extra fresh, extra quality item," the groceries were increasingly marginal: "The meat, cheese and produce shops at the Marketplace are effectively serving as the *principal* food (grocery) market for a very limited segment of the Marketplace shoppers—probably not more than 10 percent. For the vast majority of shoppers, it is simply too far from home."⁴⁵

A Rouse internal memo noted,

In addition to original 16 fast-food merchants, another 13 Quincy merchants have added fast-food items. This is in response to obvious opportunity represented by crowds and, in some cases, a response to financial need. Fast food is now available up and down the complete center aisle and at both ends of glass canopies—a departure from the original plan to keep fast food in two distinct areas along [the] center aisle. By and large, the original "pure food" merchants which now sell fast food make a poor presentation—frontage devoted to original merchandise is reduced; frontage devoted to fast food is often third-rate in appearance.

He even admitted, "Image of Quincy Building is 'fast-food'—taking on a 'Coney Island' look in some areas." Although Rouse's employees offered potential solutions, including subsidizing pure food sellers, Rouse wrote in margin notes on a memo encouraging subsidy of market tenants, "I'm not sure"—surely enough to end that discussion. One of Rouse's employees worried that "Serious shopping in the Quincy Building is being made more difficult—the predominance of fast foods is growing, as are crowds, and declining attention is being given to 'pure foods' by the merchants. Quincy Building may be reaching the point where it is no longer a legitimate marketplace for groceries and specialty take-home foods." In a short response Rouse wrote, "But it may have another purpose," indicating that the market function of the Quincy Building came second to financial and tourist realities. Another Rouse executive noted that "the more expensive quality goods and crafts originally offered in the Bull Market have met with less success than lower-priced quick-sale items," and that "common ownership of multiple shops is expanding, raising fears of 'homogenization' of ownership and merchandise."⁴⁶

Rouse was not immune to criticism and on paper urged reform, but the big-business, private sector model lacked the tools to deal with this kind of crisis. He, himself, reminded his managers in 1978 that "there is much evidence of creeping mediocrity in other aspects of Faneuil Hall: unattractive kiosks that have sneaked out on the square between Quincy Market and South Market; the gradual spread of fast foods into all the market stalls (only one market merchant remains who is not selling fast foods); I hear that Friedman's Bakery is now selling soft drinks in cans. This seems very wrong

to me, not compatible with a bakery and a dangerous precedent which can soon lead to everybody selling soft drinks in cans—vending machines next!”⁴⁷ The demand for high returns from all merchants made the balance too precarious. As late as 1984, Rouse sent a letter to Rouse Company managers—he had retired—with some revealing notes: “I was surprised by the turnover—and improvement. Jim McLean said overall turnover now about 30% since beginning. My bet is that it is close to 40–50%.” In addition, he reiterated the tough management that made the festival marketplace so profitable. Rouse approved of “weeding out weak tenants” and made “an interesting note—Crabtree and Evelyn now 4 times larger—doing over 1600/square feet.”⁴⁸ In 2002 there are approximately twenty obvious chain stores, twenty-five specialty retail stores (some of which are spin-offs from other festival marketplaces), and a few local restaurants like Durgin Park. There are no fresh food market vendors at all. Architectural critic Robert Campbell made a recent visit (1996) and found that “the stores are bigger now, and more of them are national chains. Much of the flavor of Boston has disappeared. Things are more tourist-oriented, although it is a mystery why tourists travel to Boston for the same T-shirts and movieland mementos they can find anywhere.”⁴⁹

The victims of the management scheme were not just the market vendors, but also half of the festival marketplace concept. If in fact the role of the marketplace was in part to restore face-to-face contact between owner and seller and encourage a new kind of urban society by enlightened capitalism (and celebrate the American entrepreneurial spirit), the replacement of market stands with fast-food franchise-type operations or large stores with clerks and other low-level service workers represented more than just a change of scenery at the market. Relationships tied to market stalls selling real provisions were not secondary aspects of the festival marketplaces, and the loss of this element under the regime of the privatized public marketplace cannot be understated. That the small but vibrant Haymarket district survives nearby indicates that there remains interest in inexpensive stall-market vending, an opportunity ultimately lost at Quincy Market. The Faneuil Hall complex is still an important quasi-public space in Boston, a real gem in many respects. But it is, unfortunately, flawed.

Coda: The Harborplace Experience

I have never seen capitalism look more attractive than it does right now at Harborplace.

Matt Seiden, “Harborplace: A Lesson in Healthy Capitalism”

Harborplace! Harborplace! Harborplace!

God has blessed your birth

In a city's dawning.

Baari Abdul Akbar Shabazz, 1979 for opening of Harborplace

The selling of Harborplace in the late 1970s offered a new twist on the process of the Faneuil Hall Marketplace experience. Partnering with Thompson, no doubt sadder but also wiser for the Faneuil Hall experience, Rouse promised that he would create an attraction uniquely suited to the diverse character of Baltimore, particularly its vibrant market buildings. Baltimore still had a number of thriving public markets, including Lexington Market (which in 1979 had sales of \$24 million a year), but Thompson & Rouse designed the new Harborplace market to fit comfortably alongside the recently renewed edge of Baltimore's waterfront, already a popular spot for ethnic festivals and community events. Since 1964 the waterfront had been reinvented by talented planners integrating an impressive mix of local, state, and federal money. Rouse's project fit comfortably into the master plan for the waterfront, but as at Faneuil Hall, the creation of the marketplace was hotly contested on the local scene. In this case, the competitor to the Rouse project was “open space” and concern for the Lexington Market area, promoted by a dedicated and nearly successful group of city activists and politicians.

The famed Inner Harbor of Baltimore well known today was an unsightly mess in the 1960s. Although once a place of bustling warehouses and ferries, its role as a port had slipped away (and the modernized port moved to larger facilities farther out), leaving a number of decaying piers, heavy auto traffic, and urban pests. According to one Baltimorean, Ellen Kelly, the harbor was a funky place in the 1960s. She and her husband kept “a crazy old stinkpot in 1964–1965 which we tied up to a couple of old barges decaying under Federal Hill.” They reported, “the sounds consisted of traffic rumble and sirens all night long reverberating across the harbor. The smells were mixed; a lull in the wind gave off a gasping acrid smoke mixed with the rancid smell of rendered fish oil. (Some of the smoke was from the morgue [and crematoria] which moved in the 1970s, mercifully, and the other came from heavy industry.)”⁵⁰

It was David Wallace and Tom Todd, lead planners on the Charles Center project, who were called into Baltimore in the 1960s to create a new master plan for the harbor. Johns Hopkins University professor Abel Wolman “returned from Europe with glowing tales of Stockholm's harbor” and convinced Mayor Theodore McKeldin to work with the Greater Baltimore Committee to assemble money for a comprehensive plan in 1964. As a

leaders. At one meeting, David Wallace recalled, "James W. Rouse played the crucial role, as he had in the earlier Charles Center days. He admitted that he was skeptical about the numbers, but then he said 'Gentlemen, we must not fail to do this!' Heads nodded and belief in the plan spread like wildfire."⁵¹

This plan established the key elements of the harbor area, including an emphasis on pedestrian access to the water, boulevards separating shoreline parks and facilities from the business district, and new buildings of consistent height lining the edge of these boulevards. Included from the beginning was a mixture of public and private buildings along this edge that would help pay for the improvements and make the most of the renewed settings. In terms of management, the continuation of quasi-private management of the whole project, known as Charles Center–Inner Harbor Development Corporation, placed the project in line with urban renewal projects everywhere. Tens of millions of dollars poured into the area, a mix of federal and local funds. The public end of the project came to fruition under the leadership of flamboyant Mayor William Donald Schaefer, whose political career from that moment forward was firmly hitched to the harbor's international fame.

Rouse reentered the scene in the late 1970s by proposing to develop the commercial component of the harbor redevelopment. Martin Millsbaugh, head of Charles Center–Inner Harbor Development Corporation, invited Rouse to take a look at the renovated harbor in 1977. The city's progress impressed Rouse.⁵² Millsbaugh's offering of this opportunity to Rouse was not as strange or corrupt as it sounds. Certainly Rouse had been one of the original backers of the waterfront, but by the 1970s he was one of the few developers anywhere with the guts to invest in Baltimore's waterfront. Nor does there appear to have been a Baltimore version of Roger Webb as a competitor. Rouse, a local and trusted favorite among city elites, fresh from his Faneuil Hall triumph, was most likely to help reinvent the harbor. In 1977 The Rouse Company asked for commercial development rights of the harbor, and the city planning commission approved the Harborplace plans. The city council promptly gave its approval in 1978.

However, in that same year a petition drive by citizens was made with the goal of stopping the plan, and a battle raged over the relative merits of the proposal. Remarkably, the issue did not center on what was apparently a sweetheart deal for Rouse and his rather close relationship to the whole harbor project, but on the proper use of such renewed public space. Even without Harborplace, the waterfront had been steadily gaining popularity over the years. A variety of ethnic festivals filled the harbor on a regular basis, as did the very popular Baltimore City Fair. According to Martin Millsbaugh, "the shoreline of the Inner Harbor has become the scene of a

broad spectrum of assemblies and attractions for Baltimore families and groups, including City Fairs, Sunny Sundays, sailboat regattas, antique boat rendezvous, ethnic festivals, Greek, Italian, Lithuanian, and many more—jousting tournaments, kite-flying contests, skipjack appreciation days, Marine Corps ceremonies, Easter sunrise services, etc. etc.—the list is growing all the time, in both numbers and variety."⁵³

Many opponents, led by market vendors at the Cross Street Market in nearby Federal Hill and restaurant owners in Little Italy (near the harbor), believed that Harborplace would hurt business in the surrounding neighborhoods of Baltimore and would cut into the popularity of the ethnic festivals and city fairs (which is likely true but not demonstrable). The old market area around Howard Street and the Lexington Market also seemed threatened. As it turned out, however, the commercial trajectory of Harborplace likely helped almost every business in the city or did not significantly affect the general trend one way or another. Cross Street Market remains one of Baltimore's more popular city markets. Howard Street and Lexington Market had already changed constituencies over the years to primarily African American shoppers and so remained remarkably similar over the twenty years of Harborplace (which appealed more to white, upper-class shoppers from the edge of the city or suburbs). As one Rouse Company marketing report pointed out, although the traditional large department stores were faltering in the late 1970s, "small merchants are holding their own," particularly along a pedestrian mall created between Howard and Liberty Streets. This area is still (2003) a vibrant shopping district for poor, African American people, a fact that city planning officials have consistently tried to ignore as part of recent redevelopment projects.⁵⁴

The question of suitability, however, was a bit more complex, and opponents, and many liberals, including the ambitious president of the city council, Walter Orlinsky, did not believe that upscale shopping in the heart of Baltimore—even a marketplace with market stalls—suited the essentially working-class, poor constituency of the city. In this, of course, they were absolutely right, and over the years even Rouse officials boasted that the draw of Harborplace was primarily from wealthier neighborhoods in the city and the surrounding region rather than from the nearby lower-income areas. According to Brendan Walsh of *The Catholic Worker*, "the central issue is based on the conflict between the 'haves' and the 'have nots' . . . Baltimore, particularly its Inner Harbor, is fast becoming a place for those who 'have.' It is losing its 'charm'; it is playing homage to plastic, to red brick sidewalks, to Boston fern." Rejecting the dominant consumer ideology, Walsh encouraged citizens to realize that "we can entertain ourselves at the harbor. We are not wedded to what is chic and fashionable. We do not need more stores to encourage the wasting of our hard-earned dollars.

We can enjoy ourselves without money." He noted, "Harborplace and the entire Inner Harbor will be geared toward tourists and those Baltimoreans who 'have.'"55

The Rouse Company had some fairly strong arguments on its side. Not only was the money of wealthy suburbanites needed in city coffers (and the traditional shopping districts of downtowns had been supported by many suburban shoppers), but also Harborplace structures filled only three out of approximately twenty-nine acres of harbor waterfront. The area designated for Harborplace at that time was largely paved in concrete, and the concept was public-oriented if not perfectly public. The idea of Harborplace had also been on the books for a long time. As one supporter of the plan, David Barton, chairman of the city planning commission noted, "For some reason, they (the opponents) have forgotten we never intended to build a new park, but a new commercial living center."⁵⁶ As Rouse explained to the main opponent, Walter Orlinsky, "Harborplace will consist of two bright, colorful pavilions separated by a public plaza. They will contain sidewalk cafes, dozens of eating places, large and small, many fronting on terraces overlooking the harbor . . . It will not be like stores or restaurants that people only enter for the purpose of doing business—but a very public place open day and night where people will stroll, sit, watch, eat, and shop." Comparing the project to Chiradelli Square and Faneuil Hall Marketplace, Rouse promised, "Harborplace will be uniquely 'Baltimore' in its feeling and function."⁵⁷ In answer to the argument that "commercial development is obviously contrary to public recreational, educational, and cultural uses," Rouse official Scott Ditch answered, "we are not causing the loss of any open space whatsoever to nonpublic uses. As a matter of fact, what we will do on this land will expand and enhance the usefulness to the public, thus making possible recreational, educational and cultural uses over weeks, months and hours when they would otherwise not be possible."⁵⁸ Indeed, for much of the year the waterfront typically remained barren and windswept.

Both of the city's newspapers, leading professional organizations like the American Institute of Architects and CPHA, and many average citizens saw much to be gained from the project. With support of many leading and wealthy citizens organized in the Citizens for Harborplace committee, Rouse succeeded in winning support for the plan in a November 1978 referendum. The city signed a seventy-five-year lease, and Rouse promised \$105,000 in yearly ground rent and 25 percent of net profits yearly. During the final hearing before the signing, opponents wondered, humorously, if "it is unimaginative to tie the city down like that. If the mayor of 75 years ago had done this, Mayor Schaefer might be strapped with 700 hitching posts."⁵⁹ The marketplace nevertheless opened in 1980.

Essential to the selling of Harborplace from the beginning was a mix of local elements: local goods, local merchants, and local shoppers. Each of these received a great deal of attention before opening, but as a vision these elements have been neglected during the past twenty years. Martin Millspaugh believes even today that Harborplace's success is the result of its being "sold to people as their place."⁶⁰ Not only did the company promise to do a great deal to encourage minority ownership (which started well but failed miserably), but also Rouse promised all who would listen that the market would be a Baltimore place rather than a national chain store location. He wrote to the mayor of Baltimore in 1978 that Harborplace "must be a democratic, embracing, comfortable place for all people—rich and poor, young and old, of all races—a place which the diverse people of Baltimore can be proud to share." He also promised that "in recruiting tenants for the space in Harborplace, we will give special emphasis to 'local tenants'—meaning independent non-chain merchants with their only or principal place of business in the Baltimore area—preferably Harborplace. To the fullest extent possible, we want owners on the other side of the counter serving customers. We believe this to be important to the spirit of Harborplace."⁶¹ Rouse also wondered, "How should Baltimore's heritage, personality, needs, yearning be expressed and served through Harborplace?"⁶² According to the *Baltimore Sun*, "Rouse hopes to recapture a turn-of-the-century market in the interior where meats, cheeses and dairy products will be sold. Another section will have a bakery and wine, coffee and health food stores. There will be a crafts area and a number of small pavilions where various kinds of food will be for sale."⁶³ These promises smelled strongly like the faltering small-scale capitalistic vision of Faneuil Hall.

Early promotional materials made much of the city market characteristics of Harborplace: "The Light Street Pavilion includes at ground level a Colonnade Market featuring purveyors of produce, fish, meat, and dairy foods, and a two-story skylit Trading Hall for baked goods, gourmet foods, candies, coffee, tea and other specialties. On the second level a Food Hall . . . offers a variety of small eating places serving international foods. The adjoining Sam Smith Market . . . is a colorful bazaar for a changing array of crafts and gift items." According to these materials, "approximately 120 to 150 businesses, primarily local and owner operated, reflect the character and life styles of Baltimore and the Chesapeake Bay region."⁶⁴ Marhias Devito of The Rouse Company bragged in 1981 that 90 percent of the businesses were Baltimore-Washington businesses.⁶⁵

Rouse Company officials were not above soliciting Lexington Market retailers, either, as indicated by a letter from the Lexington Market Authority to DeVito: "To my dismay, I learned that your leasing people at Harborplace are approaching clients of the Lexington Market Authority."

DeVito explained logically that although Harborplace was an addition to existing districts, "we have made the equally strong commitment that, to the fullest extent possible, Harborplace will be a largely local enterprise, with a wide representation of local merchants." It appears that the market merchants may have been seeking out Rouse officials, not the other way around.⁹⁵ In the early years, too, the fresh food market area seemed to be catching on at Harborplace. According to a marketing study from 1981, "The fresh food markets at Harborplace appear to have been accepted by shoppers in that 40 percent of respondents have made purchases there."⁹⁶

The Rouse Company carried out an impressive job at first of finding local tenants or nurturing new ones that would create the local, market feeling. In the Light Street Pavilion, focused on food (the other, the Pratt Street Pavilion, focused upon dry goods), the Colonnade Market included A. B. Cheese, Inc., Bayside Fruit and Nut, the French Bread Factory, Herbs Unlimited, Light Street Bakery, Homemade Polish Kielbasa, Philips Sanford, Vincenzo's Produce Company, Harvest Fare, a flower shop, and a few desert places that were mostly local businesses. The Food Hall, however, featured fairly conventional fast food including Heagen Donut ice cream, but also Tanisha's French Fries (a regional favorite), Little Greece, some African food, and Southern Barbecue. Cafés included branches of successful upscale eateries from the region: the American Café and Phillips (specializing in seafood), but also gourmet restaurants such as Jean Claude's Café and the Soup Kitchen. Harborplace opened with a financial bang in its first year: 42 million dollars in taxes for the city, 2,300 new jobs, and 18,000 visitors.⁹⁷

The *Baltimore Sun*, ever a Rouse supporter, buttressed these claims to regional uniqueness, particularly in 1980 as the market first opened: "This is a big day for the Baltimore region and for all of Maryland as once again at Pratt and Light streets as in days of yore, commercial activity will bring together Chesapeake Bay seafood, Eastern Shore poultry and melons, dairy products and vegetables from Western Maryland and all kinds of native craftsmanship and retail ingenuity." Another agent in the *Sun* explained that Harborplace "is ours" with all its jobs, new business ventures, supply orders, tax revenue and year-round vitality. And also, we discovered, with its massive smells of chocolate, spices, flowers, French fries, cheeses, crabs and new-car interior.⁹⁸ Harborplace was also a democratic space according to the *Sun*: "But we hope that always at the Inner Harbor, efforts will be made to bring old and new Baltimore together, that those who voted for Harborplace or created it will feel at ease to shop and drink there, and that floppy-shoedurchins will continue to munch crabs as part of Baltimore's enduring charm."⁹⁹ Rouse explained his success in 1983 when he claimed, "It is in the marketplace that all people come together—rich and poor, old and young, black and white. It is the democratic, unifying, universal place."¹⁰⁰



Figure 25. At the Harborplace project (1980) Rouse promised the City of Baltimore that he would make a new marketplace that reflected Baltimore's unique sense of place and history. Although it remains an attractively designed set of buildings, and has been financially successful, it has become an open-air, homogenized selling environment little different from the many railroad-era marketplaces managed by The Rouse Company. Photo by the Author.

As a piece of urban design, Harborplace remains one of the leading sets of commercial buildings created in America during the postwar period, and the pavilions remain underappreciated in the architectural community in light of, and perhaps because of, their tremendous popularity with the public. Harborplace's two pavilions created a corner to the harbor and buffered promenades and public spaces along the waterfront from the busy boulevards. The development also added public value to the surrounding area.

Jane and Ben Thompson sought out prototypes "related to this dual setting of harbor and park where land and water meet" and borrowed from "the tradition of commercial waterfront construction," including warehouses, bathouses, and ferry terminals as well as "pleasure pavilions" found in urban parks.⁹ Rouse explained that "over 60% visit Harborplace with no intention of eating or buying but simply for the delight of being there, for the festival provided by thousands of people sitting, standing or walking slowly along the harbor promenade."¹⁰

Thompson Associates again showed that it had the vision to make a truly inspiring addition to a city's fabric. As Mary Griffin of the *Baltimore News American* wrote in 1983: "Now, when you promenade along the water, it is against a backdrop of people and activity, of outdoor cafes and brightly

colored awnings, of glass and lights, rather than trucks and cars." She carefully noted the marked contrast between the old city markets and Harborplace: whereas the inside of Lexington Market "is full of colorful foods and tantalizing smells," from the outside it is "as blank and uninviting as a suburban shopping center." "Harborplace rejects this low-profile approach" and "is dazzling, particularly at night . . . the bands of tiny bright lights and dramatic merchandising displays continue to draw passers-by."⁷³ The festival marketplace was slick inside and out, better drawing in visitors. Lexington Market, a less attractive and lavish set of buildings, however, still includes tantalizing smells and market stalls and serves the actual residents of the city of Baltimore. Asian grocers sell vegetables, meats, and prepared foods to African Americans and a few white tourists and businesspeople. Located at a major transit stop on the subway and near a thriving low-cost shopping area, Lexington Market isn't slick and it is no great piece of urban design, but it still reflects the majority experience in Baltimore.

National press for Harborplace overflowed with praise from the first day. The finest analysis of the complex urban experiment in process came from Wolf Von Eckardt, architecture critic for the *Washington Post*. Eckardt believed that the new marketplaces being created by Rouse promised a renewed "heart" in center cities. They did this by creating unique spaces found nowhere else in America. Cities had grown up around markets, and without them they were perishing, citing for proof that "Paris has never been the same after *Les Halles* were demolished." "A real marketplace reaffirms our humanity," opined Eckardt. "It is not just a place to trade. It is a place to be, a place where lovers can meet, a place for spontaneous encounters, a place where buyers are not just consumers and sellers are not just sales personnel, but where people are dealing with people." He praised market halls, including Faneuil Hall and Harborplace, for their "fragrant mix of butcher's sausage, bakers' bread and candlestick makers' wares, of freshly caught seafood and freshly picked produce, of restaurants and eateries for all tastes and persuasions, of pushcarts and stores that are not in chains—the hustle and bustle of a real market, in short—is an irresistible attraction for almost everyone." The Harborplace market halls "are exactly as market halls ought to be, simple, dignified structures of concrete beams and columns, with pleasantly pitched green aluminum roofs," and "The west pavilion features restaurants, cafes, and the market. The meats, poultry, cheese, baked goods, seafood, and produce—all of it local—are sold from a white tile platform." Eckardt noted that proper administration would be essential to maintaining the mix or "the market will succumb to tackiness, T-shirts and trinkets." "But James Rouse denies that this could happen to Harborplace," Eckardt reported that Rouse promised, "We will maintain complete quality control."⁷⁴

The built-in problems that plagued Faneuil Hall eventually affected

Harborplace and have diminished respect for the design as a whole in critical circles. First to fail to appear was a genuine reflection of the city's population. At least part of the appeal of Harborplace was the diverse citizenry that was to fill its halls. Certainly they could be found out on the waterfront, but it was less likely that they would be found in the market of expensive fresh foods, restaurants and shops. By 1981 a Rouse marketing study recorded that "Harborplace is attracting a clientele which is affluent and proportionately more white than metropolitan Baltimore patterns. It draws more shoppers from the suburbs than from the city, and there is a distinct dependence on areas to the north which are suburban in nature . . . Additionally, Harborplace does not penetrate city or suburban blue-collar neighborhoods particularly well. High prices (or perceived high prices) may be responsible for this in large measure."⁷⁵ How much the market actually reflected Baltimore when it attracted primarily affluent consumers never really entered the discussion beyond the opponents of the marketplace. It is fair to say that the people who fill a marketplace are as important a part of its composition as its sellers. As Faneuil Hall was flooded by tourists, so too was Harborplace flooded by upscale white shoppers. That Harborplace was full of white suburbanites made it a financially successful place, but far more uniform in tastes and daily appearance than originally planned.

The fresh food sellers fell by the wayside during the 1980s until there was not much left of this part of the market. The Colonnade Market area used to be vibrant but now nearly echoes except for Philips, an Italian bakery, and a few fast-food operators. Regional favorite Philips Seafood remains a major part of the Light Street Pavilion, but dominating Harborplace are chains like Sbarro, California Pizza Kitchen, Pizzeria Uno, Planet Hollywood, Hoorers, and the Cheesecake Factory. The food court area is entirely taken up with mall food court fare for the convention crowd. In addition, the unique stores have nearly all been replaced by national retailers like the Discovery Channel Store and Sunglass Hut or small retailers selling national goods or tourist junk. The ethos of the market is of national goods rather than the quirky soul of Baltimore.

Current Rouse Company materials make clear the transition: "Located at the center of Baltimore's Inner Harbor, Harborplace is an urban market packed with the most popular retail shops in the USA."⁷⁶ Jacques Kelly, a local food critic, writing in 2002, remembered twenty years back when Rouse promised "to take the charm of the city's public markets and replicate it by the harbor." Kelly described the original market flavor: "the original 1980 Harborplace had butchers, baskets of potatoes and onions and stands of flowers—the things that Jim Rouse knew and loved in the Baltimore markets of his youth. With many small merchants lined up displaying their wares,

the 1980 festival marketplace was not a bad imitation." He had less praise for the contemporary manifestation: "The Light Street Pavilion has been reconfigured, and much of that original recipe has been altered. The small shopkeepers were often replaced by chain restaurants. So much for the charm of city markets."⁷⁷

"Harbor Place [sic] is a busy place, Harbor Place [sic] is a noisy place, Harborplace is an expensive place. But I love Harborplace," explained fifth-grader Gardiner Offutt near opening day. Harborplace remains an impressive quasi-public environment with attractive views over the harbor and delightful outdoor chain restaurants; there is still much to love. It has helped catalyze extensive downtown renovation, but as at Faneuil Hall, the marketplace reflects only half of the ambitious promise on which it was based.⁷⁸ National companies like The Rouse Company built delightful urban spaces, but proved ham-handed when it came to restoring small-scale capitalism and the intimacy and character of actual city marketplaces.

For Rouse, even in its tourist market form the festival marketplace always remained a crucial piece of the businessman's utopia. Against growing evidence of homogenization in the 1980s, he still believed that visitors responded "to the color, fragrance, noises, texture of the marketplace, to small merchants, mostly independents . . . to the diversity of the shops, market, eating places, to the humanity, personality of the place. An unexpressed yearning was being satisfied."⁷⁹ Rouse defended the marketplaces in 1981 by appealing to qualities quickly slipping away: "There is a yearning for participation, for real merchants and real owners on the other side of the counter, for the informality, diversity, color, texture, fragrances."⁸⁰ Anyone who has had the pleasure of dealing with small businesspeople knows that there is an important qualitative difference between poorly paid service workers and dedicated, often charismatic, owners.

In 1987, as part of his activities with the Enterprise Foundation, Rouse developed new ideas about the possibilities of stall markets, particularly in low-income areas. He visited and was excited by Pike Place Market in Seattle and its "fifty stalls selling fish, meat, fruit and produce, etc., a farmers market with seasonal tables, a craft area of fifty spaces." He noted that it was "Very, very busy—any time . . . probably 50% tourist but stall market mainly local." He proposed that the foundation consider creating markets with real stalls, tables for farmers, small shops with crafts and antiques, street musicians, and so forth, and he pointedly noted, "It should not be formal, slick like a UPlace, FHM or Waterside. But seem 'public'—belonging to the people—simple, unfancy design—perhaps asphalt floors, wooden or tin pitched roof, open sides in spring, summer, fall . . . clean, neat, well-managed and promoted." He thought of certain towns like Norfolk, San

Antonio, Baltimore, or Long Beach as potential sites (and the Enterprise Foundation has renovated one city market in the Sandtown area).⁸¹

Rouse, the Midas of marketplaces, did have some sense that his own work had been slick, but he never entirely understood the reasons for his failure to capture that market feeling; his success in first-class management had made him a fortune, but was ill suited to the quirkier goals of the festival marketplaces. In 1983, for instance, he wrote to Mayor William H. Hudnut of Indianapolis after visiting the Indianapolis City Market, praising "the charm of a fine old building," and he suggested that the City Market could be valuable to the city "if it is leased, merchandized, managed, promoted with the sensitivity, taste and vigor to match its opportunity. We are uniquely equipped to develop this opportunity with the city."⁸² Luckily, the city turned down his offer and the City Market remains a vibrant public stall market.

Rouse had entirely overlooked the salient elements that distinguished Pike Place and Indianapolis City Market from his festival marketplaces. Bernard Frieden and Lynn Sagalyn offer a succinct portrait of Pike Place in their book *Downtown, Inc.* that points up these differences. They found that the Pike Place merchants benefited from below-market rents, simple renovation standards kept rents low, and management had decided to reject chain businesses. In addition, "housekeeping standards are casual. This is no sanitized Disneyworld. It is a busy, littered market, kept tolerably clean, but showing all the signs of hard use." Even more important was that Pike Place is not only "public" in appearance, but also in operation. The public agencies that oversee Pike Place "use their control for the sake of helping merchants start businesses, preserve traditional retailing, and bringing in businesses to serve the poor." This approach could not be more different from Rouse Company policies.⁸³

Most of the arguments made against the festival marketplaces over the last twenty years, those showing little economic spillover from the marketplaces (particularly for low-income citizens) in the rest of the city, are important but have partly missed the mark. The simple fact is that the festival marketplaces that have survived—Faneuil Hall, South Street Seaport (New York City), Harborplace, and Riverwalk (New Orleans), to name a few—have made money not only for Rouse but for the cities in which they are located. Those that failed were largely those created by the Enterprise Foundation as charitable works and were placed in metropolitan areas, such as Flint and Toledo, that were too small and poor to support them.

What I believe is a far more relevant critique of the festival marketplace is that they have failed in spirit. Rouse did not propose chain malls when asking for choice urban spaces and market buildings; he wanted

renewed marketplaces with a strong community sense and daily shopping functions closely linked to local urban character and life. Although The Rouse Company made reasonable efforts to preserve or enhance a market feeling in the first years, the company proved insensitive to the needs of market sellers and so lost this important part of the marketplace formula. In their rush for profits and cutting-edge management, Rouse and his managers lost sight of half of their vision. Big business was simply not up to the challenge of urban "character" development. Rather than being a cynical ploy—Margaret Crawford believes that festival marketplaces "use cultural attractions such as museums and historic ships to enliven predictable shopping experiences"—we see a truncated historical process where excessive idealism about private sector capabilities failed to generate alternative values. It was too much to expect the private sector to generate its own critique. This, then, was the Midas story reinvented for postwar America.⁸⁴

At first glance, the festival marketplace and the malls, their close cousins, were convincing pieces of the businessman's utopia. They were two different but similar expressions of Rouse's private sector vision wherein the businessman demonstrated competency in ever expanding arenas of human activity. The mall offered the vision of a renewed civic life in suburbia, a luxurious type of Main Street by private interests. Rouse projected the festival marketplace as the private sector's catalyst for renewed local character, vibrant public space, and small-scale capitalism in older city centers. But the devil was in the details for both institutions, as Rouse himself at times admitted. How did one create genuine cultural and civic life in a mall when a private company controlled every aspect of the development? How did one preserve a genuine, small-scale market feeling in a festival marketplace after demands for profits squeezed out the real stall merchants? Both the malls and the festival marketplaces reflected a comparatively high level of design for their respective environments and continue to do so today. But the heart of each has been lost.

Private sector management on a national level creates select values well—cleanliness, slickness, quality design, and profit—but could not produce unique textures, diversity, spontaneity, individualism, informality, or local sensations, not even with the best of intentions. Although the public plays a major role in creating conditions for both types of institutions, rarely are public rights, or a broader notion of the public beyond a focus upon upscale consumers and vendors, factored into the ongoing management of malls or festival marketplaces. Much the same way leftists overplayed the role of the public sector, so businessmen like Rouse overplayed private sector talents.

Both malls and festival marketplaces today seem strangely out of place in their respective environments, and both are stamped with a model of urban culture that may have been cutting-edge in the 1960s and 1970s but now feels antiquated. These pieces of the businessman's utopia—the malls and festival marketplaces—still look good, but they smell funny and they pinch at the corners of the postmodern American.