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Detroit shows way to beat inner city blues

By Richard Florida

The nascent turnaround offers a model from which other cities can learn, writes Richard Florida



Detroit, in the minds of many people, looks like something from the film *Gran Torino*, in which Clint Eastwood's retired car worker defiantly manicures his lawn and flies an American flag as the city around him descends into chaos. With its fraying social fabric and the imposition of an [emergency manager to cope with its collapsing finances](#), it would be easy to argue a city that was a global centre of carmaking and musical innovation 50 years ago has passed the point of no return.

Easy, yes; but wrong. Detroit's days as a manufacturing powerhouse – like those of many industrial cities in America, Europe and elsewhere – are irrevocable. But its

downtown is rebounding, thanks to the kind of central location, affordable property, improved efficiency and productivity also bringing people and businesses back to struggling former industrial hubs such as Cleveland and Pittsburgh.

Thousands of residents, including designers, techies and music makers, have moved to Detroit's old central business district. They are drawn, to borrow a phrase from Jane Jacobs' 1961 work, *The Death and Life of Great American Cities*, to the old buildings new ideas require. More than 40 per cent of the young adults living there are university educated, [according to a recent report](#), compared with 11 per cent for the city as a whole, 29 per cent for the state of Michigan and 31 per cent for the nation. The urban centre is home to more than 600 new companies and draws 10.5m visitors to its leisure attractions each year.

The nascent turnaround is driven by a coalition of profit-led entrepreneurs, philanthropic foundations and grassroots groups unhindered by city government. They offer a distinctive model of revival from which cities in the US and beyond can learn. For example, motivated by good business sense and community altruism, local company Quicken Loans has moved thousands of jobs from the suburbs to downtown. It bought millions of square feet of office and residential space with access to good transport links, much of it for pennies on the dollar. A consortium of local businesses has provided funding for 100 new police cars. Foundations and companies have pledged \$100m for a new light rail system linking emerging neighbourhoods along the reviving economic spine. The [Kresge Foundation's Detroit Future City initiative](#) will provide \$150m to create more concentrated economic development, reuse 100,000 vacant plots and add parks.

Unemployment remains high, much of the city is distressed and the murder rate hovers near record levels. A cynic might say business interests and corporate urban pioneers are merely colonising the one economically viable district, leaving those in distressed areas to the mercy of its broke, powerless government. Indeed, a political divide has opened up between the largely young, white, educated "new" Detroit and the mostly African-American, undereducated and unemployed longstanding citizens. Nonetheless, if it can be sustained, the downtown revival will be a first step to creating the jobs, economic activity and tax revenues needed to underwrite broader recovery. The city's economic future will then be driven by its ability to deepen the creative component of all its industries. It must focus on turning low-skilled, low-paid service jobs into family-supporting jobs by tapping workers' knowledge and skills. A new urban social compact is needed to upgrade underfunded schools, and to train and connect more people to the emerging downtown economy. This too can be a [model for other](#)

[distressed cities](#), as well as for more affluent ones such as New York, San Francisco and London with similar (if not higher) levels of inequality.

Downtown developments, together with the wider region's economic assets, put Detroit on a better economic footing than it has enjoyed for a couple of generations. The resurgence at its heart provides grounds for real hope tempered with cautious optimism. *The writer is a director of the Martin Prosperity Institute at the University of Toronto, Global Research Professor at NYU, and editor-at-large of Atlantic Cities*