

## Thinking about why some cities work . . . and why some don't

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By Terry Pender

Richard Florida became an academic superstar with the 2002 publication of *The Rise of the Creative Class*. His latest work will only add to his phenomenal reputation.

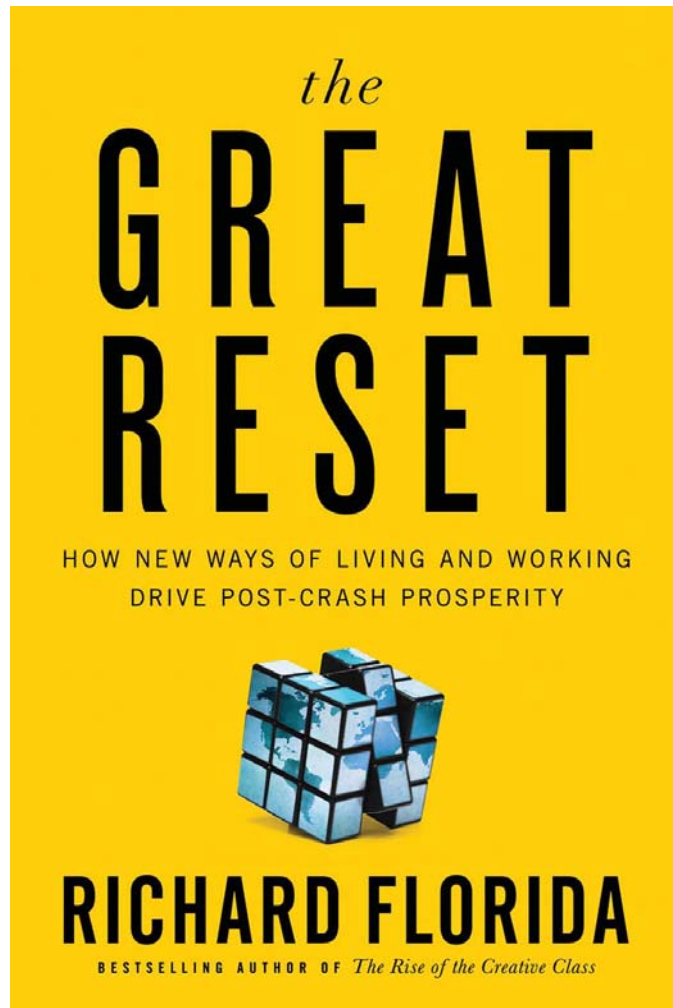
A professor at the Rotman School of Management at the University of Toronto, Florida looks at the big patterns that emerged from calamitous economic downturns in the past — the deep and prolonged depressions of the 1870s and 1930s — in his book *The Great Reset*.

The depression of the 1870s led to the rise of the large industrial city. Factories were often located in or near city centres along rail lines. People lived near their work or short trolley rides away.

The Great Depression of the 1930s led to suburban sprawl as governments built multi-lane freeways in and around cities and single-family homes became affordable with government-backed mortgages.

Suburban development came to dominate the urban landscape following the Second World War with disastrous consequences for the environment and the economy. The latest economic meltdown was started by the financial services industry in the U.S. providing unsecured mortgages for homes.

Now is the time of the Great Recession, which started in September 2008 and laid waste to financial markets and the manufacturing sector. As the economy recovers, Florida predicts the rise of the urban region.



Stop thinking about individual cities. Instead, think about corridors and regions—Toronto-London-Windsor, Montreal-Ottawa-Quebec City and Boston-New York-Washington.

These economies are closely linked and the success of one depends upon the success of the others.

As the world's economy recovers Florida has several concrete suggestions for how governments at all levels can help:

- High-speed rail lines should be built to link the downtowns of these urban regions. Flying is becoming more and more inconvenient because airports are mostly surrounded by highways choked with vehicles.
- More attractive downtown housing needs to be built for people who want to rent a place to live, walk to work or ride transit. Local governments and developers need to drop the focus on car-dependent suburbs.
- Governments should not provide funds to prop up old, failing industries. Instead, governments should provide the financial and social supports needed to help people get the education and training needed for success in the new economy.
- The service sector is one of the fastest growing parts of the economy, but the wages and benefits must be improved in that sector. The spread of trade unions during the Great Depression brought millions of workers into the middle class. They bought homes and cars, feeding the economic prosperity of the post-war era. The same thing needs to happen again.

Florida is an economic-geographer trying to answer a huge, fundamental question—why do some cities and surrounding areas prosper while others stagnate and decline?

The short answer is nobody knows for sure, but Florida has uncovered some fascinating associations in his empirical research. Perhaps the best known are Florida's Three Ts — talent, tolerance and technology.

Successful cities need educated workers (the talent), a social environment that tolerates different lifestyles, ethnicities and sexual orientations (tolerance) and the companies founded on applied innovation (technology).

Members of the creative class can choose where to live, so successful cities need lively streets, vibrant arts and culture and a variety of housing types. Downtown parking lots will not cut it.

Terry Pender is a Record reporter.