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Mayors, Say No to Amazon

City leaders should pledge to compete on merits, not incentives.



An Amazon Prime truck at the company's headquarters in Seattle, May 4, 2017. Photo: Stephen Brashear/AP Images

By
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When Donald Trump and Mike Pence handed Carrier a boatload of money in 2016 to save a handful of jobs in Indiana, many people shuddered. When Carrier pocketed the cash and fired some of the workers a year later, the skeptics nodded knowingly. But when Amazon dangles the opportunity to host its HQ2, asking the most progressive mayors on the planet to bend over backward to lavish it with corporate welfare, many excuse it away as required to compete for the jobs and investment this project will bring. It isn't. It is a disgrace.

The roster of mayors in Amazon's 20 finalist cities reads like a who's who of leading Democrats: New York's Bill de Blasio, Los Angeles's Eric Garcetti, Chicago's Rahm Emanuel, Washington's Muriel Bowser, Pittsburgh's Bill Peduto and Newark, N.J.'s Ras Baraka. At home they're all about fighting inequality and gentrification, creating affordable housing, increasing the minimum wage, and generating "inclusive" prosperity. But they apparently have no problem forking over hundreds of millions of dollars, in some cases billions, to a corporate giant led by the world's richest man. Is it any wonder many cities have kept the terms of their Amazon offers under wraps?

America's leading cities should say no to this kind of reverse Robin Hood. A good model is Toronto, an HQ2 finalist whose bid to Amazon offers little in the way of tax incentives, while proposing that the city make much-needed local investments in its workforce, transit and other areas.

At heart the HQ2 competition is a ruse. Amazon without a doubt already has a very good idea of where it wants to put its new headquarters. The map of the 20 cities on the short list has clusters that give away the game. New York City and Newark are next to each other. So are the District of Columbia, Northern Virginia and Montgomery County, Md. Clearly, Amazon wants to be in either the New York metro region or Greater Washington. (Jeff Bezos, not coincidentally, has homes in both.) Those five options are in four separate states, plus the capital—and states are the entities likely to contribute the most money to incentive packages.

Amazon's plan is surely intended to pit those five cities and states against each other to come away with the biggest deal.

Will America's progressive leaders stand by as Amazon picks the public fisc? They don't have to. These big-city mayors must know one another. They could take the high road and organize a mutual nonaggression pact, pledging to renounce incentives for Amazon and compete on the merits.

It's often said we'd be better off if mayors ruled the world. If the mayors on Amazon's short list want to stay true to their progressive roots, they should stand together instead of allowing Amazon to divide and conquer.

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