

## CORRESPONDENTS



Richard Florida

Creative Class Exchange

May 6 2009, 7:00AM

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## More Megas and High-Speed Rail

Seeking Alpha comments on why railroads will make us richer:

"Along the northeastern corridor, there are cities that made the jump from industrial to post-industrial economy fairly successfully, namely, those that had developed knowledge-intensive industries like finance or technology even as industry was beginning to leave center cities. In between these successful cities are interspersed others that were heavily reliant on industry, and which didn't fare nearly as well over the past half century (Baltimore is the best example).

"But where the industrial core in the Midwest has seemingly entered an irreversible decline, rotting industrial hubs along the northeast corridor hit a bottom and began to recover over the past decade. Baltimore continues to lose people, but its economy is fairly stable, and much of the city has seen significant redevelopment.

"The reason for the turnaround is proximity to thriving markets. The ability to take advantage of certain aspects of the Washington metropolitan market has strengthened Baltimore. Similarly, New York has generated economic opportunity for much of the northeastern corridor, touching off redevelopment in Connecticut, New Jersey, and Pennsylvania. One of the chief lessons of economic geography is that a good way to get rich is to be near other rich places; remoteness is costly. If we could shift all the cities in the Midwest closer to each other, and then pick them up and move them nearer to the northeastern corridor, we would go a long way toward restoring the economic viability of many Midwestern cities.

"We can't literally do that, but we can effectively accomplish something similar by improving physical links within the Midwest and between it and other regions. We could decongest highways and airports with congestion charges, for instance, and plow the proceeds into high-speed passenger and freight rail connections among Midwestern cities and between the Midwest and the northeastern corridor (as well as healthy Canadian metropolises. Richard Florida makes the case here).

Absolutely. Amtrak and its Acela have played important roles in the economic transformation not just of Baltimore but of Philadelphia and, I would argue, Washington, D.C. Not to be overly controversial to my Beltway-area friends and colleagues, but there's no getting around the fact that better rail connections have (at least in part) enabled the region's resurgence as in effect a "suburb" of NYC. A whole raft of companies that might have located in the NYC region have been able to locate in greater Washington, D.C. instead, taking advantage of its talent pool, relative lower housing costs, and quality of life. There has been a veritable mass migration of journalistic talent to the region. And my own figures on industry and occupational location show a surge not just in media jobs generally but in broadcasting - specifically, the kinds of jobs which were once more highly clustered in and around NYC. And, of course, the effect of the Metro system on redevelopment in the city and in Arlington is well understood.

So, transportation infrastructure plays a big role in economic development by opening up new spaces and by allowing for the redevelopment of old spaces in more intensive ways. There's not many transport technologies that promise to do that today for mega-regions straddling major cities except high-speed rail. High-speed rail is a technology that "fits" the geographic scale of mega-regions and can help spur more intensive development of them.

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The point about the industrial Midwest and Canada is spot on. Momentum is building in Canada for a high-speed rail link from say Windsor (just above Detroit) through Toronto over to Ottawa and onto Montreal and Quebec City. This would be a way of gluing together Canada's largest mega-region and spurring in-fill development along its corridors. With greater Toronto growing and immigrants continuing to flood in, it would stretch out the development frontier, while building size and scale across the entire corridor over time.

There are near constant calls to "do something" for the great industrial Midwest that "built America." High-speed rail is a much better way to go than any auto or other bailout. High-speed rail holds the potential to link declining cities along the Great Lakes corridor and tie them into the more vibrant economies of Chicago and even Toronto. Baltimore has bounced back in part because of its links to and cost advantage over D.C.; The same can be said of Philadelphia and NYC, or Providence and Boston.

Of course high-speed rail will not magically save declining places. The greater Detroit region for example needs to shift its economic base away from autos and toward the research and technology capabilities of area universities (like the University of Michigan in nearby Ann Arbor and Michigan State in not-too-far-away Lansing); and by leveraging the commercial capabilities of its world-class design and popular music industries: (How to stem the flow of top commercial talent like Jack White to Nashville?) But it can also be repositioned as a suburb of sorts for Chicago and potentially even Toronto. (My wife, who is from greater Detroit, and I make the drive regularly in under four hours). The Toronto to Windsor link may be the key here; Windsor is across the river from downtown Detroit and can be easily connected via subway.

Milwaukee-Chicago is a no-brainer. Pittsburgh and Cleveland can be tied in too. Perhaps, over time, Pittsburgh could even be connected to greater Washington, D.C. (When I lived in Pittsburgh I made the drive to D.C. in roughly four hours). High-speed rail would make this quite manageable especially in jobs that are flexible and require only intermittent commutes.

Mega-region hubs are becoming more economically central to our spiky world. There's no getting around this. Chicago has in effect sucked up scads of economic functions that used to be done by other second- and third-tier Midwest cities. On the east coast, Baltimore and Philadelphia and, yes, Washington, D.C. have prospered because of transit connections, including relatively fast rail, which has allowed them to grow by hiving off pieces of economic activity attracted into the world city orbit of New York.

What we are seeing is the further deepening of the spatial division of labor: Suburbia is being stretched in a process of ever more intensive and expansive geographic development.

There's a lesson there for the industrial Midwest and for other regions of the country, North America, and the world. Those places that position themselves for this new era of spiky, geographic growth and which have the infrastructure that connects them to major centers will prosper, while those that do not will likely fall behind even further.