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Read urbanism expert Richard Florida's response on how big cities will thrive during the new era of remote work

Hillary Hoffower Feb 21, 2021, 8:50 AM



Are big cities dead? Urban studies theorist Richard Florida doesn't think so. Alexander Spatari/Getty Images

- Urban studies theorist Richard Florida spoke to Insider about remote work and its impact on big cities and the economy.
- He said things will likely look as they did pre-pandemic, with a few key changes.
- This is his response, edited for length and clarity, as told to correspondent Hillary Hoffower.
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Remote work is probably the biggest single effect of the pandemic. It has been building for some time, but it has really been accelerated.

According to the best statistics, we had about 5% of the workforce working full-time remotely before the pandemic and about 20% more likely to work full-time remotely after the pandemic, with about another 20% or 30% likely to work remotely some of the time.

So, it's a big shift.

But I don't think remote work by itself is affecting our geography in an extreme way. It is simply [accelerating shifts](#) that have been [going on for a while](#). And, of course, the preponderance of jobs amenable to remote work are highly knowledge-intensive. Professional jobs are massively concentrated in big cities in metropolitan areas. So that is why the effect is felt most there.

I think what remote work does is to enable people who might've moved to outlying suburbs before to consider moving to entirely new metropolitan areas. So instead of moving to the suburbs of New York, San Francisco, or Los Angeles, remote workers have the possibility of moving to more affordable places like [parts of Texas](#) or [parts of Florida](#).

There are several kinds of remote workers.

The ones that are going to leave big, expensive cities are mainly families. But families have always left big, expensive cities. It just cost a lot of money to have a house in a big, expensive city.

Also, urban schools in the United States are troubled and have been for a while and so people with kids move to the suburbs. My own parents moved from Newark, New Jersey, to an outlying suburb in northern New Jersey way back in the '60s. This has been going on for more than a half-century.

Young, single people are the ones who move to cities. They're very important because they're ambitious and [have newly minted skills](#). This is especially important for engineering talent to have the latest and greatest skills.

They are not going to live in isolated suburbs, they're not even going to live in small cities. And they're certainly not going to live in mom and dad's basement for a while. These people have and will continue to gravitate to big superstar cities.

According to recent research, about half of the urban revival and migration of people into or close to urban neighborhoods has been the result of young people ages 24 to 35.

The silver lining for places like New York and San Francisco is that the pandemic is making real estate more affordable to this group of people.

I've written a bunch of college recommendations this year, and every one of them was for universities in New York City.

These people may work remotely and still live in a big city. I think that's likely. I think what we'll see are lots of young people working remotely and living in big cities. Mainly because this is where most of the remote work jobs or jobs that are doable as remote work are located.

So, I think remote work will lead to acceleration of families out of cities to places outside of superstar metro areas, and an acceleration of young people into cities.

The third category of remote workers is the 1%. Those are the folks [moving to take advantage of taxes](#). They can move to Texas or Florida, they can move to [Austin](#) or [Miami](#), reduce their own tax burden, and leave their companies and investments still centered in the cities.

That's one that causes a lot of financial pain for superstar cities.

The other big impact of remote work will be on the central business district.

If the numbers above are correct by definition, we will see reduced demand for offices and office space. I think the central business districts will take a hit.

I think remaking the central business district of major cities is going to be one of the biggest and most interesting urban opportunities of our time.

Folks will know longer want to go into a cubicle farm. I've been talking to office designers and architects. The office is going to have to be re-designed, or something that's an experience. Going to the office will be akin to a business trip. We will schedule some meetings and lunch and drink coffee with colleagues. But it won't be just plugging into a cubicle farm.

If you look at the migration of remote workers, they are not panning out through the entire economy, are they? They are concentrating in a handful or a couple of handfuls of places.

I have long said that we will see the rise of the rest given the incredible expensiveness and affordability of existing superstar cities. But it's not going to be the rise of everywhere.

It's going to be the rise of a dozen or two dozen places. Oftentimes, I like to say if you want to look at a short list take a look at the [final list for Amazon HQ2](#) and that's a pretty good approximation.

It's Miami, and Denver, and of course Austin, and Nashville and Pittsburgh and Columbus and Indianapolis. And maybe Detroit. And maybe Phoenix. And then you start running out of places pretty quickly.

There are some lovely rural places mainly outside of superstar cities — parts of California or Colorado outside of Denver, or the Hudson Valley outside of New York City — that are clearly attracting people. But it's a very finite group of places.

I've been working with two communities very closely that are at the cutting edge of talent attraction and remote work. Tulsa, Oklahoma, has made a really big push in this area with [Tulsa Remote](#). They have real first-mover advantage, and it's been incredibly successful. They are attracting lots of people, and getting thousands upon thousands of applications, and people really appear to love it there.

[Bentonville, Arkansas](#), has made an attempt to attract talent more broadly and to build up a real cluster of talent in innovation and that seems to be working as well. But, again, these are two examples.

Being really strategic and intentional and focusing on remote work and attracting talent will be essential. More communities need to be strategic. This will not just happen.

One of the great ironies of the pandemic is that it fundamentally changes the game of economic development from chasing companies to attracting talent.

Companies are shrinking their footprint, they are reducing their office space, there's not much to attract there. So the pandemic changes the name of the game to attracting talent. And remote work opens up the possibility to attracting talent to more places.

But not everywhere.

Unfortunately, as remote work opens up the possibility for more places — small cities, mid-sized cities, suburbs, and rural areas — to participate in the talent economy, there will still be more losers than winners at every scale. That is because talent concentrates and clusters, and needs to be around other talent.

I think we'll see a resurgence of even bigger cities as we get to the vaccine because of this. Remote workers cannot sit inside in a back office or converted bedroom all day. Human beings are social animals. We require connection, we require human interaction. Remote workers who are by definition working outside of the office will require more of this.

So even as offices decline, the community or the neighborhood or the city itself will take on more of the functions of an office.

People will gravitate to places where they can meet and interact with others outside of the home and outside of the office.

The big question of our time, which we are just beginning to engage, is what is the ecosystem that is required for remote work?

That ecosystem is a community, not just a technology equipped home-office. The places that can build that ecosystem or where that ecosystem arises organically will be the big winners in the age of remote work.