Miracle Mets

Our fifty states matter a lot less than our 100 largest metro areas.

California, it is often noted, accounts for more than a tenth of the national economy. That's true—but somewhat misleading. The "California economy" is not evenly spread across the state, but rather it is driven by a few metropolitan areas. The Los Angeles and San Francisco metropolitan areas are responsible for more than half the state's economic clout. Along with San Diego and San Jose, they together contribute 72 percent of the state's GDP. True, if California were its own country it would have the eighth largest GDP in the world, but if these four metros alone were a separate nation, they would outpace India, Mexico, South Korea, and Australia.

Two other economically powerful states, Illinois and New York, are even more dependent on their metro powerhouses, with Chicago and New York each

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constituting more than three-quarters of their state's GDP. (The New York metro actually powers two states: the portions of the metropolitan area in New York account for 75.7 percent of that state's GDP, and the chunk of the metropolitan area across the river in New Jersey accounts for 77 percent of Jersey's GDP). Texas and Florida likewise each get 80 percent of their economic heft from the handful of major metros within their borders.

Though our economic development policies don't reflect it, America doesn't really possess a national economy, or even a collection of 50 state economies. Instead, America's long-term prosperity stands or falls on the more local prosperity of its 363 distinct, varied, clustered, and interlinked metropolitan economies, dominated by the 100 largest metros—many of which cross county and state jurisdictions and incorporate multiple city centers, suburbs, exurbs, and downtowns in a way that the old hub-and-spoke model of urban geography never did. In that sense, America is quite literally a "MetroNation," utterly dependent on the success of its metropolitan hubs.

From the hundreds of square miles that constitute contemporary London to the sprawling Brazilian city-states of Sao Paulo and Rio, metros are the new norm in global economic development, shaped by twenty-first-century forces of globalization, innovation, and cultural diversity. These forces assign enormous value to a relatively small number of factors—infrastructure networks, industrial innovation, human capital, the quality of place—and then reward those nations and places that are best able to marshal and align those assets. And those places are, increasingly, metros—pulsating zones of urban, suburban, and exurban synergies and exchange that revolve around cities. Metros—and not only their constituent individual cities, suburbs, or isolated municipalities—are therefore one of the most critical places where federal policymakers should focus their attention and resources as they seek to restore prosperity to our nation.

Yet here is the problem: While America is more metropolitan than ever, the nation's policies and structures rarely match economic reality. As a nation, we remain fixed in old arrangements, established decades ago and kept in place by bureaucratic inertia and entrenched political interests. Such a misunderstanding of contemporary urban structures inevitably leads to bad public policy decisions. Take as an example the nation's crumbling infrastructure, now finally in the public eye. We should be spending money on metropolitan infrastructure, such as new transit lines or the maintenance and upgrade of existing roads and bridges, because it gives the best return on investment, the most bang for the buck. And yet the federal government sends the overwhelming bulk of national infrastructure funds to states, not metros. Given the vagaries of state politics, state departments of transportation in turn tend to scant metro investments in

favor of building brand-new roads in far-flung places. Money that could be fueling the metro economic engine ends up widening a rural highway.

We can no longer afford this mismatch. As the nation gathers its energies to emerge from the current rattling recession, President Barack Obama and Congress need to re-imagine the relationships between the federal government, states, and localities to more fully realize the potential of metropolitan America. Washington must lead in areas that transcend the reach of local action and require national vision, direction, and purpose—areas such as the provision of world-class interstate road and rail links, investments in science and basic research, immigration reform, and the creation of a framework for controlling greenhouse gas emissions. At the same time, Washington needs to get past its focus on states and empower metro areas—often made up of dozens of independent governments—to work closer together and begin asserting themselves as coherent, if widespread, entities. And finally, Washington and all levels of government need to maximize their performance by deploying information, standards-setting, and data to improve decision-making and problem-solving.

America can no longer pretend that it is a single economy, nor can it imagine that it is a nation of independent, small towns, punctuated by large but isolated urban centers. It must embrace its metropolitan future—and all the wrenching change that entails.

The New Metro Reality

Strictly speaking, a metro is a core urban area of more than 50,000 people, the surrounding county, and the adjacent counties that are economically and socially connected, as measured by commuting patterns. (In the 1950s, when commuting data was less reliable, connections were measured by phone calls.) That bare definition suggests that a metropolitan area is essentially a big city and its surrounding, subordinate suburbs. In the 1940s and 1950s, metropolitan areas were likely to be a simple hub-and-spoke system, with cities that were geographically, economically, and psychologically central to their surrounding region. Cities were related to, and interdependent on, their surrounding suburbs, but they were also largely self-contained, with their own diverse economies and geographies.

But as the decades have passed, and people and then jobs have moved beyond city borders, it no longer makes sense to think about, say, New York City without thinking about northern New Jersey, or Chicago without looking to Joliet. The Office of Management and Budget, which sets the metropolitan area definitions, and the Census Bureau no longer even refer to central cities but instead to "principal cities," in an acknowledgement that there is no single "center" in many metropolitan areas. What we casually refer to as the New York metropolitan

area is formally the "New York-Northern New Jersey-Long Island NY-NJ-PA" metropolitan area; Chicago is "Chicago-Naperville-Joliet, IL-IN-WI." Unwieldy as they may be, those bureaucratic handles encode the boundary-jumping, state-spanning, increasingly complex reach of metropolitan life.

In the Chicago metropolis, for example, the real economic and social geography stretches from the hustle of the downtown Loop to the leafy suburban neighborhoods of Oak Park to the prairie landscape of Goose Lake to the employment center of Schaumburg and to the satellite cities of Aurora and Waukegan. Cook County, home to Chicago, draws in more commuters than any of the other counties in the region, but it also sends more commuters out than any other county. And it's the Chicago metro area, not the city itself, that is the real international business hub. Chicago proper has only 16 percent of the foreign-owned companies that have headquarters in the Chicago region and only a third of the local businesses with international subsidiaries. The rest are in the suburbs.

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And increasingly, these metros are what propel the American economy. Chicagoland and the other 100 largest metros in America, in this respect, represent just 12 percent of the nation's land area but generate two-thirds of U.S. jobs and three-quarters of the nation's output. Almost two-thirds of the population lives in the 100 largest metros, including 85 percent of the nation's immigrants and 77 percent of its minority residents. Surprisingly, half of all Americans who live in rural areas (which are defined by population density) also live within the boundaries of metropolitan areas (which, recall, are defined by economic and social connections). There is no longer a rural-metropolitan dichotomy; there's a rural-metropolitan overlap.

What is more, metropolitan areas contain and aggregate key drivers of the nation's prosperity. Ports and airports in the largest 100 metros handled 75 percent of all foreign seaport tonnage, 79 percent of all U.S. air cargo weight, 92 percent of all air passenger boardings, and 95 percent of U.S. public transit miles traveled. The largest 100 metros produced 78 percent of all patents, attracted 80 percent of NIH and NSF research funding, and received 94 percent of all venture capital funding in 2005. Similarly, metros are the crucial stewards of U.S. human capital, as they encompass two-thirds of major U.S. research universities, 72 percent of adults with a post-secondary degree, and 75 percent of workers with graduate degrees.

But—critically—metros are more than the sum of their parts. When they function at their highest pitch, metros epitomize the special "multiplier" value of concentration, clustering, and agglomeration in economic life, a value celebrated over the centuries by economists such as Adam Smith, Alfred Marshall, and Paul Krugman. The gains are manifold. Thanks to the cost-effective sharing of fixed resources in relatively dense locations, infrastructure investments yield markedly higher payoffs in metropolitan areas than in non-metro areas, or in the old hub-and-spoke, urban/suburban model. Metropolitan density yields invention: Patenting rates rise markedly with increased employment density, such as is provided by metropolitan areas. Metro areas also accelerate residents' wage growth, because they promote learning, help match people to jobs and people to people. Economists Edward Glaeser and David Maré found that workers in large metro areas earn a 33 percent wage premium, that the premium accrues to them over time, and that it stays with them when they leave the area. Metro areas themselves seem to speed the accumulation of human capital.

And finally, metropolitan land-use and placemaking bring special advantages. More compact development patterns preserve rural lands and valuable ecosystems that rapid suburbanization might otherwise consume. Likewise, such development expands transportation options and generates fewer vehicle miles and associated greenhouse gas emissions. One result: U.S. metro-area residents—frequently supported by public transit and greater residential densities—have smaller per capita carbon footprints than the average American.

Washington: Too Far and Too Close

Given the importance of its metropolitan areas, the nation needs a framework of federal policies and stances that provide metropolitan actors the supports, investments, rules, flexibilities, and tools they need to maximize America's prosperity. The problem is, Washington does not provide such a framework, even though metros cannot prevail on their own.

Of course, metropolitan-area leaders have no alternative but to try to succeed, and many are working creatively and energetically to tackle big problems and augment their regions' stocks of crucial assets. In Denver, the metropolitan mayors' caucus spearheaded a $5 billion bond issue for transit and changed local zoning laws to create the density that makes transit successful. In Chicago, the Metropolitan Mayors' Caucus is presenting a united front to the federal government, asking for aid and investments that will benefit the entire region, rather than dividing and fighting over federal funds. In the Cleveland area, the Fund for Our Economic Future brings the civic, business,

and non-profit sectors from across the region to promote economic development and organize industry clusters around health care, biosciences, and fuel cells, deploying more than $23 million in grants to further its mission between 2004 and 2007.

And yet, no matter how much metros focus and innovate, metro leaders do not have the resources, reach, or powers to "go it alone." In trying to rebuild the nation's crumbling infrastructure, for example, metro-based leaders face gargantuan price tags for the upgrades (one estimate runs to $1.6 trillion over five years for the nation as a whole), in addition to tricky organizational riddles that come with the boundary-crossing nature of commuting, rail travel, and freight shipments. As they struggle to assemble necessary innovation inputs, metro economic leaders can rarely equal the scale of other nations' stepped-up investments in science R&D and technology commercialization. And for that matter, the movements of talent and capital or the drift of carbon emissions all take place at the global scale and have impacts that far transcend parochial borders.

Clearly, the nation needs a set of relationships between Washington and its metropolitan areas that places the well-being of metros at the center of American federalism. Yet Washington is failing the nation's metros in three critical ways.

Intervention to address vast, diffuse problems that spill across state borders and outside state capacity remains a critical responsibility of the national government. Yet the federal government has frequently failed to lead. Absolutely no national plan or overarching goals exist for the nation's surface transportation system, whether to govern inter-jurisdictional freight corridors or inter-metro rail service. On innovation the nation lacks any explicit national strategy for promoting breakthroughs or their commercialization. Washington's failure to establish coherent legal frameworks on the two most critical, boundary-transcending challenges of the era—reducing carbon emissions and supervising immigration—has created much uncertainty and left states and metropolitan areas scrambling to work out responses. Similarly disappointing has been the ebbing of federal efforts to encourage cohesive regional or cross-jurisdictional problem-solving within metros—an essential prerequisite for regions and the nation to make the most of their assets.

At the same time, the federal government remains all too present when cities, suburbs, and states need more flexibility and room in which to innovate. The diversity of U.S. metros alone suggests that regions and localities need substantial autonomy to respond to distinctive local realities. And yet the federal government frequently distorts or limits state and metropolitan problem-solving.

In many cases, one-size-fits-all federal rules, as on workforce training, complicate metropolitan entities' efforts to tailor programs to local needs and goals. In other cases, federal programs preempt metro-level decision-making and insert Washington's biases into local policymaking. Surface transport programs remain biased against transit and towards highways, just as highway programs remain biased toward building new roads when the more crucial need is to maintain and renovate old ones.

Similarly, ill-considered federal involvement has generated significant unintended consequences, the grimmest example being the way that federal low-income housing policy—with its heavy focus on housing the very poor in special units concentrated in isolated urban neighborhoods—has contributed to the concentration of poverty.

Finally, Washington's habit of either dictating to or ignoring other jurisdictions is an outdated way of governing. While there are significant differences between governments and businesses, new business models provide intriguing suggestions for a new kind of relationship between Washington, states, cities, and suburbs. High-performance organizations tend to understand the geography, people, markets, and social realities of their locality; to understand the relationships between different sectors and encourage them to work together; to shift from a focus on prescriptive rules to a focus on outcomes; and to share information to achieve performance targets.

Unfortunately, though, very few federal agencies have fully transformed themselves into high-performance, twenty-first-century organizations along these lines—and that creates problems for metropolitan-area leaders. Thus, transportation policy continues to assign states the primary role in transportation planning despite metros' centrality to problem-solving. Economic policy pays very little attention to regional economies and industry clusters despite their importance. Affordable housing policies focus mostly on cities, yet there are one million more poor people living in suburbs than in cities—suburban St. Louis County has 50 percent more working poor families than the city of St. Louis itself.

In this respect, Washington's structures, policies, and rules today remain narrowly defined and poorly coordinated, ill-suited to supporting creative, "joined up" problem-solving on the ground in metro areas. There are now 108 federal surface transportation programs, 180 federal economic development programs, and 44 workforce training programs—facts that greatly frustrate metro leaders' efforts to put solutions together. More broadly, federal governance fails to recognize the interconnectedness of whole program areas, so that programs dealing with housing and school issues, for example, or housing and transportation

issues, or transportation and energy issues remain largely divorced from one another, precluding integrated problem-solving.

Federal programs and regulatory approaches remain intensely rule-bound and hard for metropolitan actors to employ for creative problem-solving. Most effective organizations, public and private, here and abroad, have been shifting away from systems that rely on tightly drawn rules and regulations to ones that promote flexibility and creativity. These organizations understand that pre-set, one-size-fits-all standards can't manage turbulent realities and may lock out creative solutions. However, rule-driven, compliance-oriented management remains alive and well in Washington. Federal rules keep workforce investment boards focused more on maintaining the Workforce Investment Act infrastructure of one-stop career centers than on the goal of developing a workforce with the skills necessary for success in the local job market. New federal unemployment-assistance rules force states to focus more on arbitrary process-oriented participation rates and guidelines and less on actually promoting key employment and income goals for their beneficiaries. And various procedural rules make it difficult to use Small Business Administration and HUD programs to create mixed-use developments, the preferred form of metropolitan development.

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On top of all this, Washington rarely provides the necessary information infrastructure to give metros insight into how they are performing, how their performance compares to similar metros, and how other places have improved performance. Whole Foods Market equips its 270 store-based management teams with rich data on how they are performing and an evidence-driven accountability system that measures and rewards their successes. By contrast, the federal government barely funds the national Census. The nation still lacks a comprehensive national indicators system for monitoring outcomes and providing a clear sense of where the nation and its metros stand on crucial indices. And for that matter, the nation too rarely provides the metro-scale or smaller-area data needed to monitor, for example, carbon dioxide emissions at the local level so as to drive metropolitan problem-solving to reduce them.

In short, Washington's current combination of absence, presence, and backwardness fails to provide American cities, suburbs, and states the mix of leadership, flexibility, and effectiveness they need from a crucial partner if they are to deliver metropolitan (and national) prosperity. Instead, years of drift have

led to underachievement, deterioration, and fragmentation of programs and governance, both at the local level and nationally.

Making MetroPolicy

And so America—a MetroNation—requires MetroPolicy: a national policy framework that recognizes that U.S. prosperity emanates overwhelmingly from its metropolitan areas. MetroPolicy points to a new stage of federalism that reworks relationships between Washington and the other levels of government. No longer can the nation hew either to the mid-20th century model of "made in Washington" or the later-20th-century model of "get it out of Washington." Instead, the nation needs to work out a more mixed, intensely collaborative, and pragmatic division of labor that catalyzes innovation at all levels of government to promote metropolitan prosperity above all. Three crucial principles should imbue this new scheme.

First, the federal government should lead where challenges transcend parochial borders and require national vision, direction, and purpose. Quite simply, the sheer scale of global economic integration (or disintegration), migration flows, and climate change means that states and metropolitan areas cannot go it alone.

Second, the federal government must empower metros to reflect the variety of metropolitan experiences and unleash the potential for innovation and experimentation that resides closest to the ground. Boston, Boise, Akron, Dallas, and San Francisco are all different. Federal programs, and the nation as a whole, will only be successful if they reflect the distinct realities of disparate metros, and unleash and add up the latent creativity of metropolitan, state, and local actors. To that end, greater flexibility in program design must be diffused throughout the system.

Third, to keep up with rapid change and use taxpayers' dollars wisely, the government must maximize performance both in Washington and across the entire federal system. MetroPolicy therefore requires a new governance style that moves beyond rule-driven relations with states and localities; deploys data, flexibility, and benchmarking to drive local innovation and results; and, in all areas, favors integrated, rather than siloed, solutions. The question the federal government has to ask is not, "Does this policy work for 50 states?" but "Have we clearly defined the outcome we seek to achieve with this policy and arrayed the tools provided so that 363 very different metropolitan areas with very different capacities can achieve the end result?"

INFRASTRUCTURE

What sort of specific policies would this dictate? Begin with federal transportation policy, which has degenerated in recent years into an unaccountable free-for-

all of earmarks and waste even as roads and bridges crumble, traffic builds, and carbon emissions climb. Clearly, the federal government has a special responsibility to ensure that the nation maintains a world-class network of roads, rail, and air links capable of connecting the nation to the world, linking its markets together, and doing it in a way that shapes sustainable metropolitan areas. At the same time, individual metros—the crucial hubs of movement—need sufficient latitude to design and build systems appropriate to their local needs. And all of this needs to be guided by goals and evidence, rather than politics.

Given all of that, the nation should insist on a three-pronged strategy for reforming the nation's transportation program. First, the federal government must lead by providing vision and resources in those areas where there are clear demands for national uniformity or a need to match the scale or geographic reach of certain problems. To that end, Congress should create a permanent, independent commission—the Strategic Transportation Investments Commission (STIC)—to set a unified priority map for U.S. transportation and use its work to inform the activities of a new National Infrastructure Bank (NIB).

STIC would break radically from the current pork-barrel ethos of Washington, and move—as nations like Germany and the United Kingdom have done—to identify the crucial nation-shaping projects that require federal investment, with a focus on maintaining the interstate system, developing a true intermodal freight agenda, and promoting inter-metro passenger travel. The new infrastructure bank would match resources to the vision and provide the nation a much-needed new financing authority that would identify, evaluate, and help finance infrastructure projects of substantial regional and national significance. This approach differs significantly from our current strategy, which puts money and decision-making power into the hands of 50 state departments of transportation and hopes that the sum of all these decisions will yield a strong national system. It doesn't, of course, because state programming rarely looks to the construction of a truly national, inter-metro, inter-state system. If we want a national system that links our economic and population hubs and facilitates the flow of goods and people between them, it has to be envisioned and financed at the federal level and built in metros.

At the same time, Washington must also empower metropolitan areas, the hubs of U.S. transport, and maximize the performance of the federal-state-metro system. Metros should gain more discretion and resources to deal distinctively with local challenges even as the federal government reassumes responsibility for issues of national concern. Accordingly, a new Metropolitan Empowerment Program initiative should provide the metropolitan planning organizations (MPOs) in major metropolitan areas more direct funding and project-selection

authority. Likewise, Washington should quit circumscribing metro decision-makers' ability to craft their own solutions with rules biased toward one or another transportation mode. Let Portland build bike lanes while Denver piles onto light rail and Indianapolis opts for concrete, if those solutions are the preferred ones locally within the demands of national standard-setting.

As to maximizing the performance of America's intricate transportation system, Washington should commit itself (and recipients of federal funds) to an evidence-based, outcome-driven, performance-measured way of doing business. To promote decisions based on fact and performance, rather than horse-trading, the federal government should launch a new TransStat initiative to erect a platform of data, metrics, analytic tools, and spatial planning techniques to enhance transparency. With TransStat in place, good performance could be recognized and rewarded, with high-performing states or MPOs gaining regulatory relief or extra funds. The federal government should also provide strong incentives for the adoption of market mechanisms like congestion pricing that would help metros better manage road networks and contend with capacity constraints, climate challenges, and revenue allocation.

INNOVATION

Now turn to America's slipping leadership on commercial innovation. Over time, both local and national prosperity depends heavily on firms' constant invention of new products, processes, and business practices, a process that today occurs most formidably in metros. Innovation, in this regard, contributes to productivity, which supports rising standards of living. Meanwhile, regional (frequently metropolitan) industry clusters—geographic concentrations of interconnected firms and supporting organizations—represent a potent source of innovation, knowledge transfer, and productivity. However, federal economic policies today largely ignore the importance of innovation and remain largely blind to the role that metropolitan industry clusters play in spurring innovation and creating jobs.

That must change. The federal government should, for one thing, ensure that the nation develops a true national and metropolitan innovation focus by creating a National Innovation Foundation (NIF)—a nimble, lean, collaborative organization devoted to uniting and amplifying the government's fragmented current efforts to boost innovation. NIF would champion the cause of innovation broadly, and more specifically catalyze it through industry-university research grants, grants to support technology commercialization, and data collection. In all it would stress the importance of metro-level industrial innovation, since metros are where the bulk of the nation's innovation activity occurs.

At the same time, the nation should empower (as well as lead) metros by

responding to the single most pressing economic and innovative challenge of our time—the need for innovation and commercialization to transform the nation's carbon-based energy system—by stepping up energy R&D investments and delivering more of them through decentralized and commercialization-oriented research paradigms. Along these lines, the federal government should energize metropolitan-area innovation activity by creating a national network of regionally based, highly networked energy discovery-innovation institutes to serve as the hubs of a distributed university-, corporate-, and lab-focused research array. Such a step would represent federal leadership, but it would also greatly empower metropolitan economies. Such a network would be inherently metropolitan in that it would ramp up cutting-edge, applications-oriented research in dozens of U.S. metros as well as charge up the development of regional clusters of nearby start-up firms, private research organizations, suppliers, and other players—the true seedbed of innovation.

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And the Obama Administration could further empower metropolitan economies by placing the stimulation of all kinds of such metro-level cluster activity near the center of its economic development efforts. One way it could do this is by establishing a new "bottom up" grants program to foster the innovative and collaborative activity of regional industry clusters of all sorts.

Finally, the new government should maximize the impact of these and other efforts by wielding its special ability to marshal information to benchmark performance, assess what's working, and facilitate the exchange of best practices, perhaps through NIF. In these ways, Washington would prod the nation ahead while at the same time serving metropolitan economies as a facilitator of locally organized networking and creativity.

REGIONAL GOVERNANCE

Finally, the nation's interest in ensuring that its metros deliver on their boundless potential—combined with the internal fragmentation and fractiousness of most of them—requires a national push to encourage regional leaders to cooperate across city, suburb, and county lines to make the most of the prosperity driving assets they gather.

The federal government should lead by applying a sort of regionalism "steer" to essentially all of its activities, especially the scores of categorical, block, and other grant flows. Today, these flows often intensify local governance

fragmentation. With the attachment of modest incentives for regionalization in the form of extra funding, these flows could promote more effective metropolitan governance systems and problem-solving at very low cost. Likewise, a small portion of a region's entitlement to funds could be subtracted if it chose not to embrace regionalism.

But that's the nudge from Washington. The nation should also incentivize localities to figure regionalization out for themselves by issuing a bold, large challenge—call it a Governance Challenge—to localities to get their acts together and collaborate. The Governance Challenge would encourage and reward coordination across any wide swath of program areas, from social services or land-use planning to fiscal management, in exchange for modest financial rewards or (perhaps more attractive to localities) greater programmatic flexibility.

The federal government should also maximize the achievement and spread of governance innovation by supporting state-of-the-art knowledge-building and best-practice diffusion. That means rebuilding our deteriorating government statistics infrastructure by fully funding the Census; expanding electronic information-sharing networks between federal, state, and local governments and the private sector; and finding better ways to track federal expenditures like grants and contracts.

Beyond that, Washington should create a vehicle for sharing and disseminating integrated local governance innovations and supporting a national conversation about such work. Many groups of leaders and municipalities in metros want to collaborate but lack relevant models and are left having to reinvent the wheel. To fill the gap, Washington should work with leading corporate, civic, and philanthropic organizations to develop a new national forum—a Metro Innovations Network—tasked specifically with assessing, diffusing, and promoting the best and most creative regional policy integration breakthroughs.

Rethinking Federalism

MetroPolicy can be thought of as one more iteration of the "federalism bargain"—the nation's continuously renegotiated squaring of centralization and localism. Federalism has lasted because it is dynamic. Powers and responsibilities constantly shift between different levels of government—including localities—in response to the social, economic, environmental, and political imperatives of different eras. Over time, a decentralized nation centralized, prompted by wars and the Great Depression; then, beginning in the 1970s, new conditions brought a new drift toward devolution and state creativity.

Now, it is time—not least because of the current economic freefall—to adjust U.S. federalism and governance once more. Even as early as 1940, the historian

Arthur Schlesinger, Sr. saw this time coming, and noted that the rise of metropolitan areas would require a revision of federalism. "These urban provinces," he wrote, "new to the American scene, possess greater economic, social, and cultural unity than most of the states. Yet, subdivided into separate municipalities and often lying in more than one state, they face grave difficulties in meeting the essential needs of the aggregate population...It is clear that new and unanticipated strains are being placed on the federal system framed by the Fathers for a simple agricultural economy."

Seventy years later, the strains Schlesinger noted have only grown, and they must to be addressed if the American system is going to function in the future. It is these strains that cry for a new version of the federalism bargain. Metropolitan areas are the hub of our economy, and their strengths will, if properly tended to and harnessed, help pull us out of the current economic disarray. In so tending to them, we have a chance to reinvigorate, for our own time, the federalism our Founders bequeathed us. Our times require, and will reward, such boldness. **D**