CHAPTER ONE

Major Shifts in Population and Economic Activity

Despite the unprecedented prosperity of the 1990s, urban issues have sunk below the threshold of serious national policy discussion.[1] During the intense policy debates of the national presidential campaign of 2000, neither major-party presidential candidate offered a platform on the state of the cities or their suburbs. The one minor exception was Vice President Albert Gore's anti-sprawl position.[2] Voters entered voting booths more knowledgeable about anti-ballistic missile shields, the benefits of long-term trade relations with China, and the long-term rate of return on social security contributions relative to the Nasdaq index than about the continued deterioration of Camden, New Jersey, or East Palo

1. In describing a bill in the U.S. Congress in 2000 (subsequently adopted), David Boldt, writing in the *Philadelphia Inquirer,* notes that "urban aid has been off the table since at least 1992, the year of the Los Angeles riots." But as Boldt points out in the article, "the proposed legislation sets up no new programs, provides no new services, and largely bypasses the state and city bureaucracies. The benefits accrue directly to individuals, businesses, and community groups in the distressed areas." David Boldt, "Parties Toss Old Formulas in Fresh Effort to Help Cities," *Philadelphia Inquirer,* June 25, 2000, p. D1.

2. Vice President Gore talked about "an American movement to build more livable communities," and said, "In the past we adopted national policies that spend lots of taxpayer money to subsidize out-of-control sprawl. . . . [Such policies] suck the life out of urban areas, increase congestion in the suburbs, and raise taxes on farms." Timothy Egan, "The Nation Dreams: Dreams of Fields; The New Politics of Urban Sprawl," *New York Times,* November 15, 1998, Section 4, p. 1.

Alto, California. This stands in contrast to strong interest in earlier decades: the 1960s, when urban problems, eventually resulting in the Kerner commission report, were high on the national political agenda; the 1970s and early 1980s, when the divergent fortunes of the Northeast and Midwest (the Frost Belt or Rust Belt) and the South and West (the Sun Belt) generated intense discussion about the regional implications of the federal budget. Nevertheless, the absence of public debate does not mean that city and suburb, Sun Belt and Frost Belt, no longer provide important axes for policy or analysis.

Urban policy has become largely a state and local preoccupation, despite the continued urban efforts of the U.S. Department of Housing and Urban Development (discussed in chapter 2).[3] Some of the issues that are currently being raised at the state and local level have antecedents. The widespread attack on suburban sprawl has links to questions raised in earlier decades about how suburbanization affects society as a whole and whether this pattern of growth can be sustained environmentally. Some critics have suggested that suburbs should be required to help their core cities, perhaps by fiscal integration, but the dramatic improvements in the quality of life in many cities during the 1990s have muted these arguments. The still-unexplained drop in crime rates has reduced the urgency of some of these concerns. The growth of sectors such as Internet-related firms, whose main requirements are often low-cost loft space and a nearby Starbucks, has led to a reinvigoration of dilapidated areas in some cities—for example, "Silicon Alley" in Manhattan. During the booming stock market of the 1990s, young single persons who preferred cities to suburbs bid housing prices up, which led to a perception that cities were again robust and needed no special attention. The slowdown in 2000 tempered this perception somewhat.

Despite these phenomena, there are two major long-term trends that require analysis, namely, the continuing shift of economic activity and population from the Frost Belt to the Sun Belt and from the city to the suburb. To determine whether these trends are desirable and whether they should be the focus of public policy requires first documenting the process and then attempting to understand it. Public policy becomes relevant only if the geographic redistributions have undesirable consequences or if

3. Katz (2000) points to the growing state and local efforts to adopt "smart growth" plans. "In last fall's elections alone, more than 200 communities debated—and more than 70 percent adopted—measures to support smart growth," p. ix.

Table 1-1. ***Share of Metropolitan Population and Income in Cities and Suburbs, by Decade, 1960-90***

Percent

	Population		*Income*	
Decade	*Cities*	*Suburbs*	*Cities*	*Suburbs*
1960	44	56	45	55
1970	40	59	39	61
1980	36	64	33	67
1990	34	65	30	70

Source: See Data Note (based on 277 MSAs).

undesirable consequences result from current government policies that distort normal underlying economic processes. Analysts who are concerned with cities often assume that some public policy is necessary to foster growth, often focusing on the potential contribution the suburbs can make. The perspective in this book is on the huge regional shift that has occurred in economic activity and population. As one measure, almost all of the fifty fastest-growing metropolitan statistical areas (MSAs) are in the South and West, and almost all of the slowest-growing ones are in the Northeast and Midwest.[4] It seems unlikely that even perfectly managed suburb-city integration will suddenly propel ten metropolitan areas of the Northeast and Midwest into the top fifty or remove ten from the slow-growth list.

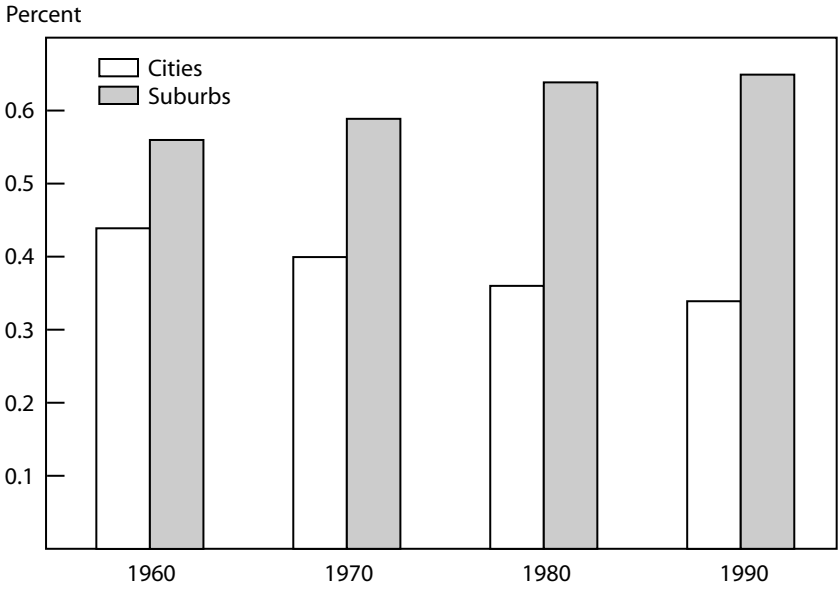
Thus, my view is that urban issues in the United States must necessarily be considered in a regional framework—a perspective that was widely held during the 1970s and gradually abandoned. The remainder of this chapter provides the empirical documentation for these views.

Urban Development: The Post–World War II Shifts

Two shifts in the locations of population and industry have resulted in a major change in the urban structure of the United States. The relocation from city to suburb (table 1-1 and figure 1-1) and from Northeast and Midwest to South and West (table 1-2 and figure 1-2) have brought to the

4. The terms *metropolitan area* and *MSA* are used interchangeably throughout this volume.

Figure 1-1. ***Metropolitan Population in Cities and Suburbs, by Decade, 1960–90***



forefront the problems of cities, particularly the older cities of the Northeast and the Midwest.[5] The regional shifts in the distribution of the metropolitan population (figure 1-2) are striking. The metropolitan populations in the South and West have been growing steadily, while the metropolitan populations in the Northeast and Midwest have been declining.

Table 1-2. ***Regional Distribution of U.S. Metropolitan Population, 1950–96***

Percent of metropolitan total[a]

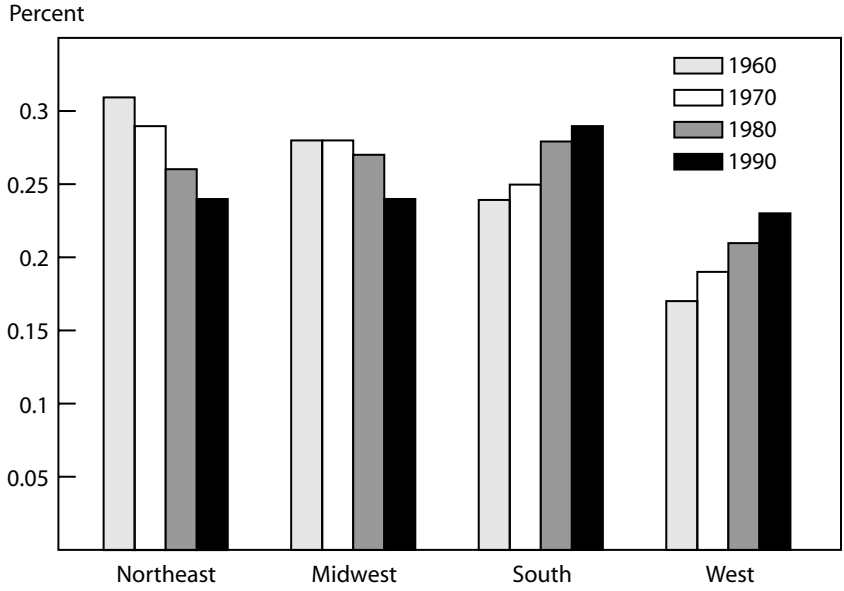
Census region	*1950*	*1960*	*1970*	*1980*	*1990*	*1990**	*1996*
Northeast	34	31	29	26	24	22	20
Midwest	29	28	28	27	24	25	24
South	23	24	25	28	29	32	33
West	14	17	19	21	23	22	23

Source: U.S. Department of Commerce, Bureau of the Census.

a. 277 metropolitan areas; 1990* and 1996 based on 250 metropolitan areas.

5. The four census regions are Northeast, Midwest, South, and West. The states in each of these regions are listed in appendix A.

Figure 1-2. ***Distribution of Regional Metropolitan Population, by Decade, 1960–90***



Between 1950 and 1996 the metropolitan populations of the Northeast and Midwest declined from 63 percent of the metropolitan total to less than 45 percent (table 1-2). During the same period, the proportion of the metropolitan population living in the West and South increased from less than 40 percent to more than 55 percent (table 1-2).[6]

These dramatic interregional shifts are graphically illustrated in maps 1-1 through 1-9 (see color plates), which show the population growth rates by quintiles for each of the metropolitan areas in the sample. Maps 1-1 through 1-3 show metropolitan area growth rates for the 1960s, 1970s, and 1980s; maps 1-4 through 1-6 show suburban area growth rates for the same three decades; and maps 1-7 through 1-9 show the

6. Data for 277 metropolitan areas are included in table 1-2 (facing). They contained 63 percent of the total U.S. population in 1990. Since they include all the largest metropolitan areas, they undoubtedly contain even larger percentages of personal income and total output. These 277 metropolitan areas are referred to as the metropolitan areas and their population as the metropolitan population (as if they included all metropolitan areas). For 1996, 250 metropolitan areas are covered, and the comparable proportions are shown for the 250 MSAs for 1990*.

growth rates for central cities for these decades. Both the regional central tendencies and the intraregional variation are clear. In the 1970s, for example, nearly all of the metropolitan areas in the Northeast and Midwest experienced decreases in population or small increases. In the South and West growth rates were nearly all positive. Although the metropolitan population growth rates showed a similar regional pattern in the 1980s (map 1-3), the declines were greater and the growth rates somewhat lower. The contrast in the suburbs is not surprising for the Northeast and Midwest in the 1970s and 1980s: although most grew slowly with some declining, several of the suburban areas, particularly in the Midwest, experienced somewhat more substantial increases in population growth (maps 1-5 and 1-6). In the 1960s many more of the suburban areas in the Northeast and Midwest experienced substantial population increases (map 1-4). The geographic population growth pattern for cities was very similar to that for the suburbs, with one important difference: the cities that declined experienced much larger decreases in population than the suburbs that lost population (maps 1-7 through 1-9).

Given the simultaneous shift of population from cities to suburbs and among regions, the cities of the Northeast and Midwest experienced the greatest declines in population, falling from 33.4 million in 1960 to 29.2 million in 1990.[7] During this same period, their total suburban populations continued to increase (table 1-3). In the South and West, the populations of most cities actually increased.[8] The data in table 1-3 are the basis for the preoccupation of urban scholars and policymakers with the decline in city population and the low growth rates in both cities and suburbs of the Northeast and Midwest (as well as with the differences between cities and suburbs, in per capita income and poverty, in all regions of the country, analyzed in chapter 3).

Just as population shifted from cities to suburbs and among regions, so too did total income. In 1960, 45 percent of metropolitan income was in central cities. By 1990 the proportion had fallen to 30 percent (table 1-1 and figure 1-3). In 1960, total income in the metropolitan areas of the Northeast and the Midwest was 62 percent of the metropolitan total. By 1990 the proportion had declined to 49 percent (table 1-4 and figure 1-4).

7. The period 1960–90 forms the basis for most of the data described in this volume.

8. This is due in part to the annexation of parts of the suburbs by the cities of these regions discussed in chapter 2.

Table 1-3. ***Total Population and Population Growth: Region, City, and Suburbs, by Decade, 1960–90***

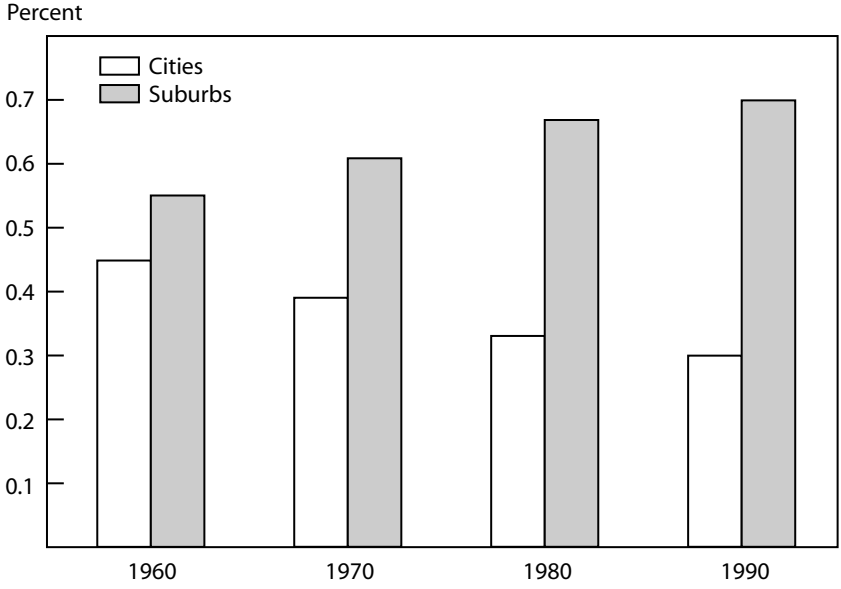
Units as indicated

	Total income[a]				*Percentage change*			
Area	*1960*	*1970*	*1980*	*1990*	*1960–70*	*1970–80*	*1980–90*	*1960–90*
All MSAs	127,575	149,125	164,042	182,512	17	10	11	43
Cities	56,529	60,568	59,279	62,114	7	–2	5	10
Suburbs	71,046	88,557	104,764	120,398	25	18	15	69
Northeast	39,173	43,229	42,752	44,116	10	–1	3	13
Cities	16,142	15,705	13,896	13,892	–3	–12	0	–14
Suburbs	23,031	27,524	28,856	30,224	20	5	5	31
Midwest	36,264	41,004	42,094	43,149	13	3	3	19
Cities	17,227	17,516	15,787	15,284	2	–10	–3	–11
Suburbs	19,036	23,489	26,307	27,865	23	12	6	46
South	30,625	37,278	45,463	53,349	22	22	17	74
Cities	14,207	16,695	17,551	18,506	18	5	5	30
Suburbs	16,418	20,583	27,912	34,843	25	36	25	112
West	21,513	27,613	33,733	41,898	28	22	24	95
Cities	8,952	10,653	12,045	14,431	19	13	20	61
Suburbs	12,561	16,961	21,689	27,467	35	28	27	119

Source: See Data Note (based on 277 MSAs).

a. Thousands of dollars.

Figure 1-3. ***Metropolitan Income in Cities and Suburbs, by Decade, 1960–90***



As a mirror image, the share of total income during this period in the South and West increased from 38 percent to 51 percent.

The geographic patterns of per capita income growth rates are shown in maps 1-10 through 1-18 (see color plates). Shifts in total income are described above. Per capita income is a very different indicator. It is possible to have declining population and declining total income but rising per capita income; that is, an increase in the welfare of the population. It is also possible to observe the opposite pattern: rising population and total income but slow growth or decline in per capita income. The maps show both of these. In the 1970s, the lowest rates of growth (including many declines) in per capita income in metropolitan areas occurred in the Northeast and much of the Midwest. By the 1980s, it was the metropolitan areas of the Northeast in which per capita incomes were growing most rapidly; the situation was the reverse in the Midwest. A similar pattern, particularly in the Northeast, characterizes the suburban portions and central cities of the metropolitan areas. These differences in population and per capita income growth patterns are important throughout this volume.

Table 1-4. ***Share of Total MSA Income: Regions, Cities, and Suburbs, by Decade, 1960–90***

Percent

Area	*1960*	*1970*	*1980*	*1990*
Northeast	32	30	26	26
Cities	13	10	7	7
Suburbs	19	20	19	19
Midwest	30	28	26	23
Cities	15	11	9	7
Suburbs	15	17	17	16
South	20	22	26	27
Cities	10	10	10	9
Suburbs	10	12	17	19
West	18	19	22	24
Cities	8	8	8	8
Suburbs	10	12	14	16

Source: See Data Note (based on 277 MSAs).

During the 1970s, the far more rapid growth in total income and population in the Sun Belt states of the South and West than in the Frost Belt states of the Northeast and Midwest was a major urban policy concern.[9] The Sun Belt–Frost Belt literature documented the convergence of per capita incomes among regions that reflected the high growth rates in per capita incomes in the South—incomes that had been far below those in other regions. In contrast, the Northeast and Midwest grew more slowly. Between 1960 and 1990, the total income in the metropolitan areas of the Northeast and Midwest grew by 101 percent and 91 percent, respectively, compared with 234 percent and 216 percent in the South and West (table 1-5, last column).

One might reasonably think that such enormous shifts among regions influenced the development, form, and welfare of the growing regions as well as of the declining regions. However, it remains to be determined whether this is so and if so how these influences differed and why (see chapters 3 and 4).

9. See, for example, Coelen (1978); Haveman and Stanfield (1977); Jusenius and Ledebur (1976); Nourse (1968); Olson (1976); Pack (1980); Perry and Watkins (1977); Peterson (1977).

Figure 1-4. ***Proportion of Total Metropolitan Income, by Regions, Cities, and Suburbs, by Decade, 1960–90***

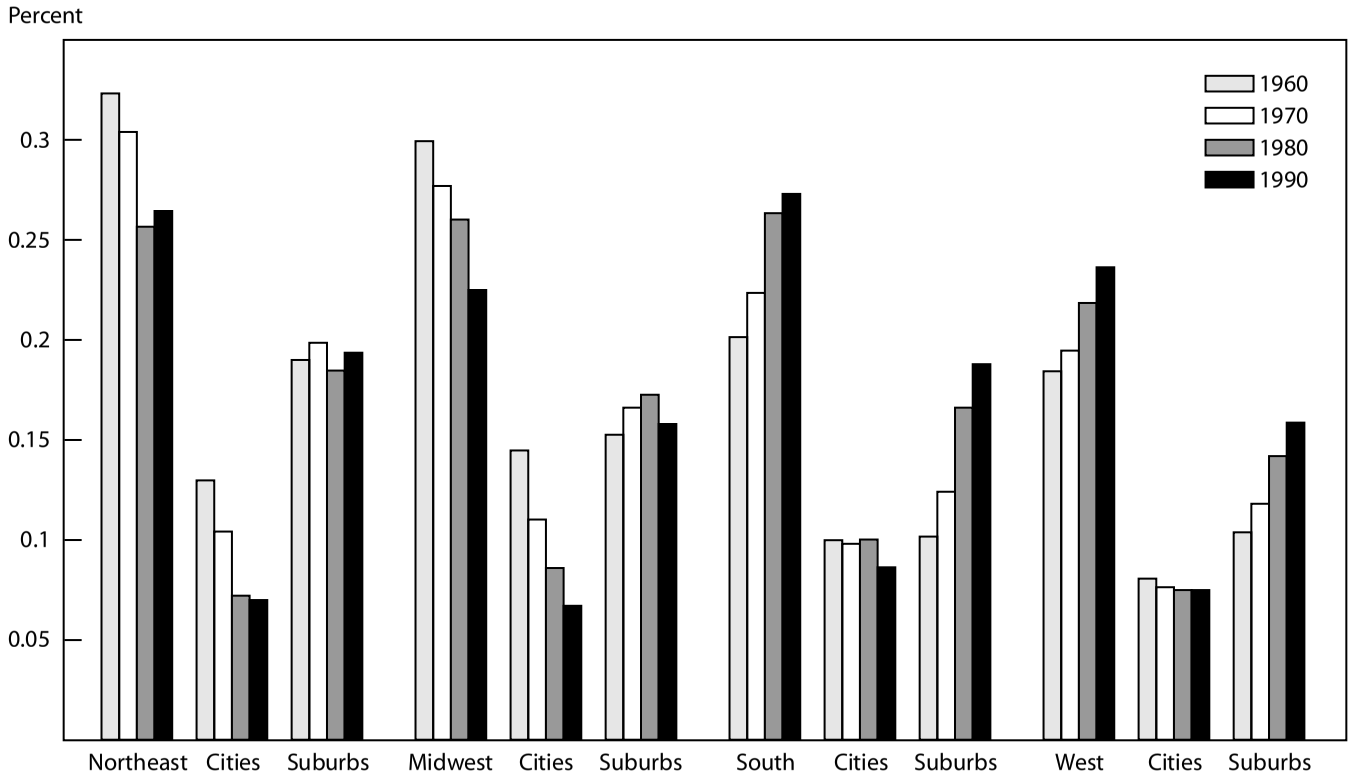


Table 1-5. ***Total Income and Income Growth: Region, City, and Suburbs, by Decade, 1960–90***

Units as indicated

	Total income[a]				*Percentage change*			
Area	*1960*	*1970*	*1980*	*1990*	*1960–70*	*1970–80*	*1980–90*	*1960–90*
All MSAs	883,427	1,294,485	1,546,296	2,173,290	47	19	41	146
Cities	393,478	506,438	514,136	651,980	29	2	27	66
Suburbs	489,949	788,047	1,032,160	1,521,310	61	31	47	211
Northeast	285,736	393,750	397,886	574,440	38	1	44	101
Cities	114,594	135,680	112,766	152,850	18	–17	36	33
Suburbs	171,142	258,070	285,120	421,590	51	10	48	146
Midwest	256,421	358,940	402,820	489,540	40	12	22	91
Cities	120,080	144,060	133,410	144,860	20	–7	9	21
Suburbs	136,341	214,880	269,410	344,680	58	25	28	153
South	178,159	289,715	407,750	594,430	63	41	46	234
Cities	87,260	128,318	150,640	186,750	47	17	24	114
Suburbs	90,899	161,397	257,110	407,680	78	59	59	348
West	163,112	252,080	337,840	514,880	55	34	52	216
Cities	71,544	98,380	117,320	167,520	38	19	43	134
Suburbs	91,568	153,700	220,520	347,360	68	43	58	279

Source: See Data Note (based on 277 MSAs).

a. Millions of dollars.

One of the purposes of this chapter is to present a broad overview of the major changes in urban growth over a fairly long period so as not to become entangled in excessive detail and idiosyncrasy. Despite these very large regional shifts, however, some regions and individual metropolitan areas showed substantial differences in growth rate from decade to decade. As indicated above, in the discussion of the maps, the most striking of these decadal contrasts occurs in per capita income growth between the 1970s and the 1980s. The average metropolitan per capita income growth was 14 percent in the 1970s and 19 percent in the 1980s. However, the change in growth rates was scarcely more than 1 or 2 percentage points in each of the regions but the Northeast. In the Midwest the average metropolitan growth rate in per capita income increased from 13 percent in the 1970s to 15 percent in the 1980s; in the South the average rate increased from 18 percent to 19 percent; and in the West the rate increased from 15 percent to 17 percent. In contrast, in the metropolitan areas of the Northeast the average growth in per capita income rose from 5 percent in the 1970s (lowest of all the regions) to 32 percent in the 1980s (the highest of all regions) (table 1-6).

It is critical to recognize these differences in each of the decades in the analyses in chapter 3, in which the effects of growth on the welfare of the population are estimated, and in chapter 4, in which the determinants of differences in growth rates are estimated. When such large relative (and absolute) regional swings in the growth of a major variable occur, it does not make sense to use averages over three decades.

The Fastest-Growing and Slowest-Growing Metropolitan Areas

Identifying more specifically the metropolitan areas that are growing most rapidly and most slowly will help to anchor the emphasis on the importance of region in analyzing urban trends. Listed in tables 1-7 and 1-8 are the 50 metropolitan areas whose populations grew most rapidly (table 1-7) and those that grew most slowly (table 1-8) between 1960 and 1990.[10] It is not surprising to see that 48 of the 50 most rapidly growing regions are in the South and West (more than one-third of the 137 metropolitan areas in these two regions). Only 2 metropolitan areas from the

10. Growth is defined as (total population or total per capita income in 1990 minus total population or total per capita income in 1960) divided by total population or total per capita income in 1960.

Table 1-6. ***Average Metropolitan Area per Capita Income Growth, by Region, 1970s and 1980s***

Percent

Region	*1970s*	*1980s*
All 250 MSAs	14	19
Northeast	5	32
Midwest	13	15
South	18	19
West	15	17

Source: See Data Note (based on 250 MSAs).

Midwest appear in the list: Columbia, Missouri, ranked 40th, and Lawrence, Kansas, ranked 49th. Moreover, the fastest-growing metropolitan areas are concentrated within a small number of states: 11 of the 50 are in California, 11 are in Florida, and 8 are in Texas.

There is also substantial regional concentration among the most slowly growing metropolitan areas (table 1-8): 38 of the 50 metropolitan areas with the slowest population growth are in the Northeast and Midwest (38 of 113 metropolitan areas in these two regions). Of the 12 remaining, 10 are in the South, with several bordering the Northeast or Midwest (in West Virginia and Ohio). The slowest-growing areas are also concentrated in a few states: 10 of the 50 are entirely or partly located in Ohio, 6 are in Pennsylvania, 5 are in Illinois, and 5 are in New York (see also maps 1-1 through 1-3).

It is not surprising that just as rapid population growth has been concentrated in the metropolitan areas of the South and West, so too has the growth in total income.[11] Of the 50 MSAs with the most rapidly growing total incomes over the three-decade period, only 5 are in the Northeast and Midwest. Among the 50 slowest-growing MSAs, 40 are in the

11. Since $(Y/P)(P) = Y$ (where Y is total income and P is population), it would take large changes in Y/P to make the two groups—the fifty metropolitan areas with the fastest-growing populations and the fifty areas with the fastest-growing incomes—very different. The fact that the two groups are not identical is due to the places where relative Y/P has changed radically. Thus, although there is not a perfect correlation, there is very substantial overlap between the fastest-growing and the slowest-growing metropolitan areas on the two dimensions: population and total income. Of the fastest-growing metropolitan areas, thirty-seven are among the fastest-growing in both dimensions; among the slowest-growing metropolitan areas, thirty-eight appear in both categories.

Table 1-7. ***Fifty Fastest-Growing Metropolitan Areas, Population, 1960–90***

Rank	*MSA*	*Region*	*Growth*[a]
1	Las Vegas, Nev.	West	4.84
2	Fort Pierce, Fla.	South	3.47
3	West Palm Beach-Boca Raton-Delray Beach, Fla.	South	2.79
4	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	South	2.76
5	Sarasota, Fla.	South	2.61
6	Fort Collins-Loveland, Colo.	West	2.49
7	Phoenix, Ariz.	West	2.20
8	Riverside-San Bernardino, Calif.	West	2.20
9	Orlando, Fla.	South	2.18
10	Boulder-Longmont, Colo.	West	2.03
11	Reno, Nev.	West	2.01
12	Daytona Beach, Fla.	South	1.96
13	Austin, Tex.	South	1.93
14	Colorado Springs, Colo.	West	1.76
15	Santa Cruz, Calif.	West	1.73
16	Bryan-College Station, Tex.	South	1.71
17	Santa Rosa-Petaluma, Calif.	West	1.63
18	Tampa-Saint Petersburg-Clearwater, Fla.	South	1.52
19	Tucson, Ariz.	West	1.51
20	Provo-Orem, Utah	West	1.46
21	Houston, Tex.	South	1.44
22	Lexington-Fayette, Ky.	South	1.44
23	San Diego, Calif.	West	1.42
24	Gainesville, Fla.	South	1.36

(continued)

Northeast or Midwest (tables 1-9 and 1-10). Just as income growth is slightly less concentrated by region than is population growth, it is also somewhat less concentrated in only a few states. Among the 50 MSAs with the fastest-growing total incomes, 9 are in Florida, 7 are in California, and 6 are in Texas. Of the 50 MSAs with the slowest-growing total incomes, 10 are entirely or partly in Ohio, and Pennsylvania, Illinois, and New York have 5 each.

Among the metropolitan areas with rapidly growing populations, there are some obvious contrasts: Las Vegas and Reno, Nevada, are growing in population for very different reasons than are Raleigh-

Table 1-7. ***(Continued)***

Rank	*MSA*	*Region*	*Growth*[a]
25	Modesto, Calif.	West	1.36
26	San Jose, Calif.	West	1.33
27	Dallas, Tex.	South	1.28
28	Atlanta, Ga.	South	1.27
29	Sacramento, Calif.	West	1.26
30	Las Cruces, N.Mex.	West	1.26
31	Bremerton, Wash.	West	1.25
32	Vallejo-Fairfield-Napa, Calif.	West	1.25
33	Fort Worth-Arlington, Tex.	South	1.23
34	Boise City, Idaho	West	1.20
35	Santa Barbara-Santa Maria-Lompoc, Calif.	West	1.19
36	McAllen-Edinburg-Mission, Tex.	South	1.12
37	Raleigh-Durham, N.C.	South	1.08
38	Miami-Hialeah, Fla.	South	1.07
39	Laredo, Tex.	South	1.06
40	Columbia, Mo.	Midwest	1.04
41	Tallahassee, Fla.	South	1.01
42	Stockton, Calif.	West	0.92
43	Salt Lake City-Ogden, Utah	West	0.92
44	Athens, Ga.	South	0.92
45	Panama City, Fla.	South	0.89
46	Denver, Colo.	West	0.89
47	Salem, Oreg.	West	0.89
48	El Paso, Tex.	South	0.88
49	Lawrence, Kans.	Midwest	0.87
50	Bakersfield, Calif.	West	0.86

a. Defined as (population in 1990 – population in 1960)/population in 1960.

Durham, North Carolina, or San Jose, California, and their rapid population growth is of a very different kind than that of the retirement communities of West Palm Beach–Boca Raton, Fort Lauderdale, or Sarasota, Florida. The metropolitan areas with slowly growing populations appear to have somewhat more in common; they are generally the older heavy-manufacturing areas and the coal- and steel-producing areas of Pennsylvania, Ohio, and West Virginia.[12]

12. Brezis and Krugman (1997).

Table 1-8. ***Fifty Slowest-Growing Metropolitan Areas, Population, 1960–90***

Rank	*MSA*	*Region*	*Growth*[a]
1	Wheeling, W.Va.-Ohio	Midwest	–0.16
2	Steubenville-Weirton, Ohio-W.Va.	Midwest	–0.15
3	Johnstown, Pa.	Northeast	–0.14
4	Duluth, Minn.-Wis.	Midwest	–0.13
5	Pittsburgh, Pa.	Northeast	–0.13
6	Jersey City, N.J.	Northeast	–0.09
7	Charles Town, W.Va.	South	–0.09
8	Buffalo, N.Y.	Northeast	–0.09
9	Saint Joseph, Mo.	Midwest	–0.08
10	Altoona, Pa.	Northeast	–0.05
11	Cumberland, Md.-W.Va.	South	–0.05
12	Utica-Rome, N.Y.	Northeast	–0.04
13	Sioux City, Iowa-Nebr.	Midwest	–0.04
14	Cleveland, Ohio	Midwest	–0.04
15	Elmira, N.Y.	Northeast	–0.04
16	Youngstown-Warren, Ohio	Midwest	–0.03
17	New York, N.Y.	Northeast	–0.02
18	Pittsfield, Mass.	Northeast	–0.02
19	Terre Haute, Ind.	Midwest	–0.01
20	Wichita Falls, Tex.	South	–0.01
21	Decatur, Ill.	Midwest	–0.01
22	Waterloo-Cedar Falls, Iowa	Midwest	0.02
23	Huntington-Ashland, W.Va.-Ky.-Ohio	South	0.03
24	Gadsden, Ala.	South	0.03
25	South Bend-Mishawaka, Ind.	Midwest	0.04

(continued)

Explaining Interregional Shifts

Many explanations have been offered to account for divergent regional experiences. Economists, influenced by international trade theory, emphasized the role of low wages and land prices in inducing the movement of factories from the more expensive locations in the North.[13] But other factors were also adduced to explain the shift of population and firms from the Midwest and Northeast to the South and West.[14] Public policies, tech-

13. Borts and Stein (1964).
14. Pack (1980).

Table 1-8. ***(Continued)***

Rank	*MSA*	*Region*	*Growth*[a]
26	Pueblo, Colo.	West	0.04
27	Danville, Va.	South	0.04
28	Kankakee, Ill.	Midwest	0.05
29	Newark, N.J.	Northeast	0.05
30	Pine Bluff, Ark.	South	0.05
31	Norfolk-Virginia Beach-Newport News, Va.	South	0.05
32	Gary-Hammond, Ind.	Midwest	0.05
33	Binghamton, N.Y.	Northeast	0.06
34	Great Falls, Mont.	West	0.06
35	Scranton-Wilkes-Barre, Pa.	Northeast	0.06
36	Enid, Okla.	South	0.07
37	Mansfield, Ohio	Midwest	0.07
38	Muncie, Ind.	Midwest	0.08
39	Dubuque, Iowa	Midwest	0.08
40	Detroit, Mich.	Midwest	0.08
41	Peoria, Ill.	Midwest	0.08
42	Williamsport, Pa.	Northeast	0.09
43	Akron, Ohio	Midwest	0.09
44	Canton, Ohio	Midwest	0.09
45	Beaumont-Port Arthur, Tex.	South	0.09
46	Chicago, Ill.	Midwest	0.10
47	Davenport-Rock Island-Moline, Iowa-Ill.	Midwest	0.10
48	Toledo, Ohio	Midwest	0.10
49	Erie, Pa.	Northeast	0.10
50	Lima, Ohio	Midwest	0.10

a. Defined as (population in 1990 – population in 1960)/population in 1960.

nological changes, and market forces all played important roles in the process. Technological changes in manufacturing production, transportation, and communications and more capital-intensive agricultural innovations encouraged a shift from earlier regional economic specialization. The development of air conditioning, the aging of the population, and increases in international competition propelled growth and development in the South and West; lower wages and the absence of unions in the South attracted labor-intensive industries from the Northeast and Midwest. On the policy side, the national highway system, water projects, and continued subsidization of water usage opened up arid areas in California and Arizona to both urban and agricultural use. Defense procurement

Table 1-9. ***Fifty Fastest-Growing Metropolitan Areas, Total Income, 1960–90***

Rank	*MSA*	*Region*	*Growth*[a]
1	Fort Pierce, Fla.	South	9.22
2	West Palm Beach-Boca Raton-Delray Beach, Fla.	South	8.00
3	Las Vegas, Nev.	West	7.24
4	Fort Lauderdale-Hollywood-Pompano Beach, Fla.	South	6.27
5	Seattle, Wash.	West	6.16
6	Fort Collins-Loveland, Colo.	West	5.69
7	Austin, Tex.	South	5.19
8	Boulder-Longmont, Colo.	West	5.11
9	Orlando, Fla.	South	5.02
10	Phoenix, Ariz.	West	4.65
11	Lexington-Fayette, Ky.	South	4.50
12	Scranton-Wilkes-Barre, Pa.	Northeast	4.45
13	Riverside-San Bernardino, Calif.	West	4.32
14	Savannah, Ga.	South	4.31
15	Dayton-Springfield, Ohio	Midwest	4.26
16	Bryan-College Station, Tex.	South	4.14
17	Raleigh-Durham, N.C.	South	4.06
18	Atlanta, Ga.	South	3.87
19	Tampa-Saint Petersburg-Clearwater, Fla.	South	3.71
20	Colorado Springs, Colo.	West	3.67
21	Santa Rosa-Petaluma, Calif.	West	3.63
22	Gainesville, Fla.	South	3.60
23	Tallahassee, Fla.	South	3.60
24	Houston, Tex.	South	3.25
25	Reno, Nev.	West	3.23

(continued)

concentrated defense industries in areas with warmer year-round climates and large expanses of open land.[15] The enactment of environmental laws—compliance with which was relatively more difficult in the more industrialized and more densely developed Northeast and Midwest—also resulted in some relocation and start-up of businesses in the South and West.

15. Of course, there were exceptions, such as the production of nuclear submarines in Connecticut, but the quantitative importance of such exceptions in national procurement was small.

Table 1-9. ***(Continued)***

Rank	*MSA*	*Region*	*Growth*[a]
26	Vallejo-Fairfield-Napa, Calif.	West	3.11
27	Burlington, Vt.	Northeast	3.07
28	Dallas, Tex.	South	3.06
29	Santa Barbara-Santa Maria-Lompoc, Calif.	West	3.06
30	Fort Worth-Arlington, Tex.	South	3.03
31	Athens, Ga.	West	3.01
32	Modesto, Calif.	West	3.00
33	Tulsa, Okla.	South	2.97
34	Columbia, S.C.	South	2.86
35	Salem, Oreg.	West	2.80
36	Fayetteville, N.C.	South	2.77
37	Charlottesville, Va.	South	2.77
38	Boise City, Idaho	West	2.76
39	Bremerton, Wash.	West	2.73
40	Wilmington, N.C.	South	2.70
41	Lafayette, Ind.	Midwest	2.66
42	Panama City, Fla.	South	2.62
43	Dothan, Ala.	South	2.60
44	McAllen-Edinburg-Mission, Tex.	South	2.60
45	Sacramento, Calif.	West	2.60
46	Washington, D.C.	South	2.57
47	Sarasota, Fla.	South	2.55
48	Charlotte-Gastonia-Rock Hill, N.C.-S.C.	South	2.54
49	Columbia, Mo.	Midwest	2.52
50	Provo-Orem, Utah	West	2.49

a. Defined as (income in 1990 – income in 1960)/income in 1960.

The Movement from Cities to Suburbs

Market forces as well as public policies have also influenced intraregional shifts. In particular, growing population and industrial bases, technological changes, and increasing incomes are some of the factors that have both spurred and made possible the movement out of central cities to suburbs. As more land was needed to accommodate growth, other factors allowed households and businesses to widen their geographic horizons. Public policies such as subsidization of roads relative to mass transit, subsidies

Table 1-10. ***Fifty Slowest-Growing Metropolitan Areas, Total Income, 1960–90***

Rank	*MSA*	*Region*	*Growth*[a]
1	Steubenville-Weirton, Ohio-W.Va.	Midwest	0.21
2	Wheeling, W.Va.-Ohio	Midwest	0.26
3	Salinas-Seaside-Monterey, Calif.	West	0.29
4	Duluth, Minn.-Wis.	Midwest	0.34
5	Buffalo, N.Y.	Northeast	0.38
6	Youngstown-Warren, Ohio	Midwest	0.41
7	Utica-Rome, N.Y.	Northeast	0.41
8	Cleveland, Ohio	Midwest	0.42
9	Pittsburgh, Pa.	Northeast	0.44
10	Spokane, Wash.	West	0.45
11	Wichita, Kans.	Midwest	0.45
12	Jersey City, N.J.	Northeast	0.46
13	Elmira, N.Y.	Northeast	0.48
14	Waterloo-Cedar Falls, Iowa	Midwest	0.48
15	Johnstown, Pa.	Northeast	0.48
16	Great Falls, Mont.	West	0.49
17	Charles Town, W.Va.	South	0.51
18	Springfield, Mass.	Northeast	0.51
19	Terre Haute, Ind.	Midwest	0.53
20	Altoona, Pa.	Northeast	0.54
21	Mansfield, Ohio	Midwest	0.55
22	Pueblo, Colo.	West	0.55
23	Cumberland, Md.-W.Va.	South	0.55
24	Decatur, Ill.	Midwest	0.56
25	Casper, Wyo.	West	0.59

(continued)

for extension of water and sewer infrastructure, and mortgage and tax deductions in the federal income tax are among those that have supported the movement to suburban locations.[16]

In thinking about the dispersal of population and economic activity to the suburbs, it is important to recognize that these shifts have had both

16. On mortgage deductions, see Gyourko and Sinai (2000). It is not accidental that the policies mentioned are largely federal. Most research has found that there is little evidence that state and local governments have much influence on economic development. For many examples, see the papers and discussion in Bradbury, Kodrzycki, and Tannenwald (1997).

Table 1-10. ***(Continued)***

Rank	*MSA*	*Region*	*Growth*[a]
26	Gary-Hammond, Ind.	Midwest	0.60
27	Muncie, Ind.	Midwest	0.61
28	New York, N.Y.	Northeast	0.61
29	Binghamton, N.Y.	Northeast	0.65
30	Davenport-Rock Island-Moline, Iowa-Ill.	Midwest	0.65
31	Chicago, Ill.	Midwest	0.66
32	Jackson, Mich.	Midwest	0.66
33	Milwaukee, Wis.	Midwest	0.66
34	Toledo, Ohio	Midwest	0.66
35	Akron, Ohio	Midwest	0.67
36	Canton, Ohio	Midwest	0.67
37	Williamsport, Pa.	Northeast	0.68
38	Pittsfield, Mass.	Northeast	0.69
39	Enid, Okla.	South	0.69
40	Huntington-Ashland, W.Va.-Ky.-Ohio	South	0.69
41	Beaumont-Port Arthur, Tex.	South	0.69
42	Peoria, Ill.	Midwest	0.69
43	Erie, Pa.	Northeast	0.74
44	Kenosha, Wis.	Midwest	0.75
45	Odessa, Tex.	South	0.76
46	Lima, Ohio	Midwest	0.77
47	Kankakee, Ill.	Midwest	0.79
48	Daytona Beach, Fla.	South	0.79
49	Dubuque, Iowa	Midwest	0.81
50	Topeka, Kans.	Midwest	0.82

a. Defined as (population in 1990 – population in 1960)/population in 1960.

positive and negative effects. The positive impacts were increases in efficiency and consumer satisfaction as firms and households moved to preferred locations. The relatively large cities in the Northeast (average population of 343,460 in 1960), whose populations declined over the period, may have been too large, too dense, and too congested, and therefore their population declines improved the quality of life both for those who left and for those who remained in the cities.[17] Population and employment

17. The central cities of the South and West were much smaller in 1960: their average populations were 146,500 and 194,600, respectively. See Tolley (1974).

relocation to the suburbs increased efficiency, given the negative characteristics of the larger, older cities and the major technical changes of the post–World War II years—the increased ownership of automobiles and land-intensive changes in industrial technology. The policies that are now seen as biased in favor of suburban locations—mortgage interest deductions, property tax deductions, road construction, and infrastructure subsidies more generally—may have been important positive instruments to achieve improvements in quality of life and industrial efficiency.

At the same time, there may have been social costs associated with suburbanization. People were left behind—for various reasons, such as low levels of education or restrictive suburban zoning—who could not take advantage of the new opportunities in the suburbs or in the South and West. The result has been a concentration of poverty and other social ills in the central cities, which has harmed those directly involved and has imposed hardships on other residents.[18] As demonstrated in chapter 3, poverty rates are highly correlated in particular locations from decade to decade, partly because many large cities serve as entry and transformation locations for the poor—immigrants, for example—who are able to take advantage of the cities' opportunities and institutional assistance to increase their human capital and incomes. Having done this, they move on. But new migrants and immigrants continually replace them.[19] Thus both an initial poor population, many of whom are not mobile, and this additional influx of poor persons, many of whom move up the economic ladder and out of the city, put a fiscal burden on the city. As a result, large percentages of city budgets must be devoted to dealing with poverty, leaving little to maintain or improve the efficiency of city services to businesses and nonpoor residents.[20] Accordingly, if federal policies that helped to spur positive goals have also had negative implications, rethinking these policies may now be appropriate.

In sum, both current urban policy recommendations and the many urban and other policies that affect development in urban areas should be viewed in terms of their larger regional context. The development of cities and suburbs may depend on their own characteristics but will be conditioned in major ways by federal policies and by the region in which they are located.

18. Pack (1998).
19. Myers (1999).
20. Pack (1998).

Intrametropolitan versus Intermetropolitan Orientation: Analysis and Policy Implications

To analyze urban development and formulate a richer set of urban policies, it is necessary to investigate how the interregional differences in growth rates affect the principal outcomes of concern, that is, the indicators of the well-being of the population: poverty rates, educational attainment, unemployment rates, and per capita income. The intraregional and interregional perspectives are tied together in the description and analysis of interregional differences and the ways in which they affect intraregional links and the fortunes of metropolitan areas.

Differing Perspectives: Intrametropolitan

Figures 1-5 through 1-10 (see color plates) provide a way of contrasting the focus on intrametropolitan differences compared with interregional differences and point to much of what requires explanation. They show the growth in population (figures 1-5 through 1-7) and per capita income (figures 1-8 through 1-10) of cities and their suburbs within metropolitan areas, by census region and by decade, for the period 1960–90. Analysts who view the city-suburban link as the critical one for public policy rely on data and graphs like these that demonstrate the positive correlations between growth in cities and suburbs within metropolitan areas (as indicated by the dashed regression line; the only exception to the positive relationship is that for city and suburban population growth in the 1960s, when the relationship was insignificantly negative). The correlations are used to support the view that the growth of cities and the growth of suburbs are complementary.[21]

What can be inferred from the positive correlations between city and suburban growth rates found in the recent research? The conclusion that the fates of suburbs and their central cities are intertwined—the "linkage" view—is convincing. The stronger conclusion that healthy suburbs require healthy cities seems premature. Consider data from a study by the U.S. Department of Transportation of thirty-nine large metropolitan areas. The proportion of central-county residents (*note:* not identical to central city) working in the suburban counties increased between 1980 and 1990 by 2.5 percent, and central-county residents working in the

21. This literature is examined in chapter 2.

central county declined by a similar percentage, implying that, nationally, the core city is continuing to lose its importance as a source of employment. In some of the older cities the decline was marked; for example, in Baltimore and Saint Louis, the proportion of central-county residents working in the central county fell by 10 percent in one decade.[22] In addition, the percentage of suburban residents working outside the central county, in other suburban counties, or entirely outside the metropolitan area increased from 16 percent to 20 percent. Individual MSAs had very large shifts; for example, in Washington, D.C., the proportion of suburban residents working in the central county fell from 30 percent in 1980 to 23 percent in 1990; in Baltimore it declined from 29 percent to 20 percent; and in Atlanta it declined from 34 percent to 28 percent. Moreover, these shifts occurred despite a slowdown in the loss of population and an increase in population in some of these older cities. The metropolitan areas that showed large increases in the proportion of suburban residents working in the central county were mainly in the faster-growing regions—in Houston, for example, the proportion increased over the decade from 33 percent to 40 percent. No causality should be inferred.

Differing Perspectives: Interregional

The regional perspective or intermetropolitan focus can also be seen in these figures. The low population growth rates of the metropolitan areas of the Northeast and Midwest are graphically illustrated in figures 1-5 through 1-7. Many of their cities have declining populations, and their metropolitan areas are relatively tightly clustered. Within these two regions metropolitan areas experience relatively similar low growth (or decline). The South and West commonly have positive and high population growth rates in both cities and suburbs, but there is substantial intraregional variation among their metropolitan areas (maps 1-1 through 1-9). Moreover, contrary to the general pattern, there are many instances of city population growing more rapidly than suburban population in the South and West. Nonetheless, it is still the case that even in these regions, population is generally growing more rapidly in the suburbs than in the cities (figures 1-5 through 1-7).[23] There are two notable

22. Rossetti and Eversole (1993, tables 4-8, 4-8A, 4-9, and 4-9A).

23. The regional shifts are most outstanding in figures 1-2 and 1-4, described earlier, which show the average percentage of U.S. metropolitan population growth (figure 1-2) and income growth for cities and suburbs (figure 1-4) by census region and decade.

features of per capita income growth. The most striking is the regional difference between the 1970s, when the Northeastern metropolitan regions were tightly clustered at the lowest end of the per capita income growth scale, and the 1980s, when they shifted to the high end of the distribution (also discussed above in comparing maps 1-2 and 1-3)—a change that is taken into account in the analyses of the effects of growth rates on socioeconomic outcomes in chapter 3 and in chapter 4, in which the determinants of growth are estimated. The other change is the reduction in the variation among the metropolitan areas of the South, particularly in the suburbs (figures 1-6 and 1-7).

In the 1970s and early 1980s, the disparate fortunes of the Northeast and Midwest (the Frost Belt) and the South and West (the Sun Belt) were a source of considerable acrimony and a stimulus to analysis.[24] The implications of the enormous differences in growth rates among regions of the country have received less attention in recent discussions of urban policy despite the fact that the growth differences—those of population in particular—continue unabated. Between 1990 and 1996 (table 1-11), in the West the population of only one city among forty-three declined, and the average change was 10 percent. In the Northeast nearly all cities—thirty-one of thirty-six—experienced continued population declines, and the average change in city population was –4 percent. Even though suburban population growth was, on the average, positive in all regions, the differences were great, ranging from a low 2 percent average expansion in the suburbs of the metropolitan areas of the Northeast to 15 percent in the West. And even though in all regions average metropolitan populations increased, in the Northeast sixteen of thirty-six metropolitan areas had decreasing populations; in the West, only one of forty-three.[25] Census data for the period 1990–99 report the continued migration of population to the South, particularly to the South Atlantic states. The South as

24. This literature is described in chapter 2.

25. Looking only at cities, between 1990 and 1998, Bureau of the Census data show that the five fastest-growing cities with populations of 1 million or more were all in the Sun Belt: three in Texas, one in Arizona, and one in California. Of the twenty-six cities with populations of 500,000 or more, fifteen are in the South or West, and of these six had population growth rates of 10 percent or more over these eight years. Of the eleven cities in the Northeast and Midwest, none had population increases of more than 10 percent over the period; only one grew by more than 5 percent; and in five the population declined. U.S. Census Bureau, "Phoenix and San Antonio Lead Largest Cities in Growth; Small Cities Grow Fastest, Census Bureau Reports." Press Release, June 30, 1999.

Table 1-11. ***Population Change by Region, 1990–96***

Units as indicated

Region	*Mean percentage change*	*Number of MSAs declining*[a]	*Number of MSAs growing*[a]
Metropolitan			
Northeast	6	16	20
Midwest	11	11	66
South	18	9	85
West	16	1	42
City			
Northeast	–4	31	5
Midwest	1	39	38
South	5	28	66
West	10	1	42
Suburban			
Northeast	2	14	22
Midwest	7	4	73
South	10	5	89
West	15	2	41

Source: U.S. Department of Commerce, Bureau of the Census.

a. Number of MSAs in each region: Northeast, 36; Midwest, 77; South, 94; West, 43.

a whole absorbed a net migration of 3.6 million persons; the Northeast and Midwest together lost 3.7 million persons to net migration; and the West gained 100,000 new migrants.[26]

Policy Implications of the Two Perspectives

In thinking about policy, historical perspective must be added to the discussion. In the 1960s, a period of rapid postwar growth, the country was still playing catch-up in housing. After the depression of the 1930s and the war years of the 1940s, one of the primary consumption items in the vigorous postwar recovery was new housing. Crowded cities contrasted with suburbs with an abundance of vacant land, new infrastructure, and open space. Suburbs were the place to build the new single-

26. U.S. Census Bureau data. David Firestone, "Population Shifts in the Southeast Realign the Politics of the Suburbs," *New York Times,* June 3, 2000, p. A1.

family homes. In comparison, the 1970s were years in which major concern shifted to a "new war between the states" and the far more rapid growth of the states in the South and West than of those in the North and Midwest.[27] Intense regional rivalry, particularly about "unfair" federal taxation and expenditure policies that allegedly discriminated against some regions, became a major policy issue. Despite continuing regional growth differences, the regional consciousness-raising of the 1970s has disappeared. City-suburban disparities now preoccupy the interacting agendas of policymakers and policy analysts.

Notwithstanding this shift in view, the positive relationships between growth in cities and growth in suburbs may still be more closely related to interregional shifts than to intraregional relationships. If households and firms are moving from the North to the South, both the cities and suburbs in the South will be growing more rapidly (or the cities declining less) than those in the North.

INTRAMETROPOLITAN POLICY FOCUS. A concern with intrametropolitan shifts leads to consideration of the important socioeconomic differences between central cities and their suburbs. Although the heterogeneity of suburbs is generally greater than is commonly understood, nevertheless central cities are generally poorer than their suburban neighbors.[28] Cities are not only poorer on average, they also house disproportionate numbers of persons with incomes below the poverty level and exhibit higher levels of unemployment and crime. Finally, cities are home to disproportionate numbers of minority groups and immigrants. Much, if not all, of this increased concentration of poverty is due to the movement out of the cities of middle- and upper-income households, rather than increased numbers of poor households in the cities.[29] This increased concentration of poverty in the central cities characterizes nearly all large metropolitan areas of the United States; whether metropolitan-area poverty rates are low or high, the poverty rates in the cities generally exceed by far those of the suburbs. Associated with this increased poverty concentration are increased tax burdens on the nonpoor who remain in the cities.[30] The overwhelming evidence is that the increased tax burdens

27. Coelen (1978); Haveman and Stanfield (1977); Jusenius and Ledebur (1976); Nourse (1968); Olson (1976); Pack (1980); Perry and Watkins (1977); Peterson (1977); and Weinstein and Firestine (1978).

28. Orfield (1997); Pack and Pack (1977).

29. Pack (1998).

30. Pack (1998); Summers and Jakubowski (1996).

cannot be sustained, as they provide an additional incentive for further movement of the nonpoor out of the cities, higher tax burdens on those remaining, and further movement.[31]

A focus on the linkage between cities and suburbs has produced a policy agenda that emphasizes the provision of incentives for greater intrametropolitan (city-suburb) cooperation. Among the coordinated policies suggested are infrastructure planning and financing, tax base sharing, school finance reform, school district consolidation, and land-use planning (directed against urban sprawl and interjurisdictional competition).[32] Nonetheless, intrametropolitan cooperation is still generally viewed as largely in the interests of cities. There are relatively few examples of significant cooperation, and the potential efficacy of local programs—even if metropolitan area–wide—is unclear.[33]

Skeptical views are often reflected in the news coverage, editorials, and letters to the editor in suburban newspapers. Two citations are typical. A 1995 editorial in the *Doylestown (Pennsylvania) Intelligencer* reflects the strong but quite typical view of most suburban communities that there is little, if any, link between the life, economies, and social development of cities and suburbs within metropolitan areas.[34] A 1995 series of articles in the *Philadelphia Inquirer* illustrated the equally common view that the city's losses are the suburbs' gains.[35]

INTERREGIONAL POLICY FOCUS. To illustrate a major policy issue that arises from interregional growth differences, one can consider metropolitan areas in regions that are not growing or are growing very slowly. If the more rapid growth observed in Phoenix and San Jose is attributable to region-specific factors—climate in the one and the proximity of Stanford University in the other—then promoting city-suburb cooperation in Bridgeport or Milwaukee is hardly likely to transform them into Sun City or Silicon Valley.[36]

31. Bradbury, Downs, and Small (1981); Inman (1992).

32. Carter Center (1997); Katz (1998, 2000); Ledebur and Barnes (1992, 1993); Rusk (1995, 1999); U.S. Department of Housing and Urban Development (1997, 1998). See also Lang and Hornburg (1997).

33. Summers (2000).

34. "We're Not Sold on Regionalism," *Doylestown (Pa.) Intelligencer,* January 29, 1995, p. C2.

35. "Jobs and the Economy: City Losses, Regional Gains," *Philadelphia Inquirer,* 1995.

36. This is not to argue that intrametropolitan cooperation may not be a useful tool for dealing with some intrametropolitan issues, for example, taking advantage of economies of scale in the provision of some public capital and services.

The intrametropolitan policy recommendations and their sources of support and opposition are presented to acknowledge the current thrust of much of urban research and policy. The departure in this book is to demonstrate that these city-suburban linkages cannot be considered apart from the determinants of metropolitan growth differences among regions. As indicated earlier, there is little evidence that state and local policy—coordinated or not—can have much influence on metropolitan growth.[37] Therefore, this analysis is focused on the determinants of regional growth. This undergirds a discussion of the possible role of public-policy intervention in the growth process and a consideration of whether federal policy, in contrast to state or local policy, might be directed toward reducing interregional growth differences as a means of improving the welfare of metropolitan areas.

From this discussion it can be concluded that it is critical to investigate the regional shifts in population and economic activity, the continued differences in growth rates, and their implications for urban development in different regions. The evidence of recent decades suggests that the region in which a metropolitan area is located may have more to do with its prospects than efforts to improve intrametropolitan cooperation. If Buffalo, New York, and its suburbs—with its topography, education, unemployment, and skill levels of 1960—had been scooped up by a giant moving device and deposited in Florida or Arizona, the city and suburbs would have done much better than they did in New York even had they enacted ideal cooperative arrangements. Such a broad statement may be somewhat of an exaggeration, as there were certainly success stories in the older regions. In the chapters that follow, an attempt is made to assess the validity of such views and to assess the importance of metropolitan-area conditions relative to those of the region in determining the vibrancy of a city and its suburbs.

The Plan of the Book

In chapter 2, the literature on interregional growth differences and city-suburban growth linkages are examined more closely. Recognizing the differences in growth across regions and between decades is critical to the examination in chapter 3 of the relationship between differential

37. Bradbury, Kodrzycki, and Tannenwald (1997); Fisher and Peters (1997); Flynn (1997); Tannenwald (1997); and Wasylenko (1997).

metropolitan growth rates and socioeconomic variables in cities and suburbs; poverty, income inequality, unemployment rates, and educational attainment. If rapid regional growth rates have a positive influence on poverty rates and reduce the income inequality between central cities and their suburbs, then variation in regional growth rates from decade to decade must be explicitly taken into account in the estimation. Also addressed in chapter 3 is the question of whether the most rapidly growing metropolitan areas are characterized by the same types of city-suburban differentiation as older, slowly growing metropolitan areas.

The identification of major differences in growth rates by decade is also essential for the analysis of the determinants of differences in metropolitan growth rates in chapter 4. In light of the variation in the growth rates across decades, any attempt to explain variation in growth rates across metropolitan areas must consider that the factors explaining growth are likely to differ from decade to decade. In chapter 4 the effects of differences in human capital, differences in the structure of employment bases in metropolitan areas across regions, and numerous other factors, such as weather and the presence of research universities, are identified and analyzed.

The findings given in chapters 3 and 4 call for a closer examination in chapter 5 of the faster and more slowly growing metropolitan areas. The chapter examines the major distinguishing characteristics of these places. In addition, chapter 5 tries to go beyond the quantitative analysis of growth rates in chapter 4 to identify the qualitative factors that have played important roles in the growth process in particular places—those that are and those that are not amenable to policy intervention; the systematic and the idiosyncratic; and the replicable and the nonreplicable.

In chapter 6, the findings concerning growth and its relationship to public welfare are brought together to raise questions about the need for a regional policy and, if needed, what the elements of such a policy might be.