 [Click to Print](#)

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

IN OUR OPINION

Boost cities to help turn state around

February 15, 2008

Michigan's economic future depends on healthy cities, as successful states and regions have shown. That will require a new economic focus at the state level -- a big shift from arguing about raising or cutting taxes to making smart, targeted investments in cities and education.

The 4%, or \$16-million, increase in revenue sharing proposed by Gov. Jennifer Granholm in her new budget is a good sign that somebody recognizes how much cities matter. The state has slashed revenue sharing by more than \$2.5 billion in the past six years, forcing cities to cut important services, including 1,600 police officers and 2,400 firefighters, according to the Michigan Municipal League.

Advertisement

That's not a strategy for growth, but decline. From 2000-06, Michigan slipped from 16th among states in per-capita income to 26th. That slide is likely to continue as the manufacturing base keeps shrinking and Michigan remains stuck in 34th place among states in the education level of residents.

Granholm's proposed increase in revenue sharing would be the first boost in six years. The Legislature ought to approve it. Struggling cities hold back entire regions -- and metro areas are home to 80% of Michigan's people.

A just-released report -- Michigan's Transition to a Knowledge-Based Economy -- by Michigan Future Inc., argues that metro Detroit and the state must attract and retain more educated young workers to prosper in the new knowledge-based economy. Such workers seek urban areas with vital, dense downtowns and good mass transit. In Seattle, for example, 53% of residents have four-year degrees. In Chicago, the share is 29%, compared to 11% in Detroit.

"Central cities matter most because that's where young college graduates are concentrating," Lou Glazer, president of Michigan Future, told the Free Press.

His study shows that states that do well have a large metropolitan area that does even better, and nearly all prosperous regions have a healthy central city. The all-too-common notion that Detroit doesn't matter to southeast Michigan, and southeast Michigan doesn't matter to the rest of the state, is nonsense.


Michigan has become a case study in what not to do, and how not to think.

The state and region need a new strategy for growth that invests in cities and education. A small increase in local revenue sharing is a modest but welcome start.

Read the Michigan Future Inc. report on line at michiganfuture.org.

Find this article at:

http://www.freep.com/apps/pbcs.dll/article?AID=/20080215/OPINION01/802150327

 **Click to Print**

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Check the box to include the list of links referenced in the article.