

## Editorial: A tale of cool cities and economic revitalization

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**Kalamazoo Gazette Editorial Board**

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### **Metro areas are key to future prosperity for Michigan**

As Michigan charts a course to prosperity, one of the toughest sells on the west side of the state may be the notion of any major investment in the east side.

Years ago, former Gov. John Engler, after he had stepped down from office and left the state for a new job, told a gathering in Lansing that, if he were still governor, he would abandon ship as far as Detroit was concerned, and make Ann Arbor "the new Detroit." Given the scarcity of tax dollars to support economic revitalization, there is likely some agreement among certain factions that Engler's approach has merit.

But the statistics tell another story.

In its recently released report on this state's transition to a knowledge-based economy, Michigan Future Inc. underscores the importance of strategic investment in major metropolitan markets that, like magnets, have the power to attract and retain talented people.

"What most distinguishes successful areas from Michigan are their concentrations of talent, where talent is defined as a combination of knowledge, creativity and entrepreneurship," according to the Ann Arbor-based nonprofit think tank. "... in a flattening world, the places with the greatest concentrations of talent win! States and regions without concentrations of talent will have great difficulty retaining or attracting knowledge-based enterprises, and they are not likely to be the places where new knowledge-based enterprises are created."

Michigan Future Inc., funded by the Charles Stewart Mott Foundation, Frey Foundation, Hudson-Webber Foundation, and the Herbert H. and Grace A. Dow Foundation, collected data for states and the 55 metropolitan areas with a population of 1 million or more, plus Lansing and Madison.

It found that the highest prosperity states have big cities with residents earning a higher per capita income than the state.

“The most successful regions will be those that highly value learning, have an entrepreneurial spirit, and are welcoming to all,” writes Lou Glazer, president of Michigan Future Inc. “However, for many Michiganders, vibrant central cities are part of the past. They view core cities as no longer relevant.”

But prosperous states are seeing core cities as increasingly relevant.

Simply put, place matters. Many college graduates pick the place they want to live, then find the job they want.

“Attracting those graduates — the asset that matters most in the knowledge economy — requires creating safe, vibrant, walkable neighborhoods, particularly in and around downtown Detroit, Ann Arbor, Grand Rapids, and Lansing,” Glazer points out. “It means investing in amenities like transit, recreation, public safety, and the arts — with cooperation between the central city and its surrounding suburbs.”

The prosperity of Detroit and, on a smaller scale, Grand Rapids and Kalamazoo are key to the health and well-being not only of the primary regions they serve but, ultimately, the future of the state of Michigan.

Glazer quotes Rich Karlgaard, publisher of Forbes magazine: “Best place to make a future Forbes 400 fortune? Start with this proposition: The most valuable natural resource in the 21st century is brains. Smart people tend to be mobile. Watch where they go! Because where they go, robust economic activity will follow.”

When viewed from the west side of the state, the future seems pretty bleak for Detroit. That’s not how they see it in Toronto. In fact, business columnist David Olive, writing for thestar.com in Canada, heralded Detroit’s “comeback bid” as an inspiration.

Olive cites a recent report on older industrial cities for the Brookings Institution and the London School of Economics in which researchers Bruce Katz and Jennifer Bradley “describe a new spirit of rebirth in Detroit.”

“The city is attracting social entrepreneurs who are excited by the challenge of fundamentally remaking a city,” he writes. “Philanthropies are pouring in money and imagination.”

According to Olive: “Detroit’s tycoon philanthropists left a legacy of world-class colleges and medical institutions, and an art gallery and symphony ranked among the nation’s best. And Detroit is still home to three Fortune 500 manufacturing enterprises. (Philadelphia has none.)”

Sometimes, because we remember so well what once was, we have a difficult time envisioning what could be.

It’s important for residents here and across Michigan to understand that investment in our core cities, east and west, is an investment in a prosperous future for all of us in the years to come.

And, in Detroit, it's time for the phoenix to rise from the ashes.

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