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Many of you are already aware of Bruce Katz’s 2013 book, *The Metropolitan Revolution: How Cities and Metros Are Fixing Our Broken Politics and Fragile Economy*. Katz lays out four key observations about U.S. cities that point the way to a new era:

1. The future of cities increasingly relies on the leadership and commitments of private-sector institutions and their leaders.
2. Regional institutions have emerged as important players in growth and development.
3. Cities are finding new ways to tackle old problems like inequality and poverty.
4. Metro areas have become more savvy about dynamic learning.

Katz’s central argument is that cities will drive change as increasingly influential regional networks of actors push change forward and federal policy leadership wanes.

Here in North Carolina, we are still coming to terms with the role of our cities in our state’s future trajectory. We are rapidly becoming a state whose future rests upon the prosperity of its urban metro centers. Our eight largest metropolitan areas account for over 70% of state GDP. Within these areas and their anchor cities, we see many of the same promising trends observed by Katz. Successful
initiatives championed by our city leaders are paying off, like Durham’s downtown revitalization and Charlotte’s emergence as a vibrant and connected urban hub. However, although North Carolina’s cities are geographies promise, they are also places of painful contradiction. Our cities figure prominently on a new national list of metro areas with the largest growth in concentrated poverty.

Facts and Figures from the North Carolina Office of State Budget and Management

What sense are we to make of this dynamic? Back in 1991, Saskia Sassen coined the term “global city,” describing a new class of urban centers emerging as globally-connected hubs of commerce, information, and power. As part of her exploration, Sassen underscored several trends that typified the emergence of global cities, trends that illuminate our understanding of our emerging global cities in North Carolina:

- Divergent trajectories for professionals valued in the new economy compared to workers rooted in the old manufacturing and service economy
- Cities divorced from their wider regions despite the promise of the connectivity of the information age
- Economic trajectories influenced by global interconnections rather than domestic growth and development

We see evidence of all three trends in North Carolina. Our five leading economic sectors - technology, pharmaceuticals, banking, food processing, and vehicle parts - are much more dependent upon global economic trends than were our traditional tobacco, textiles, and furniture industries. I’ve noted the divergent trends of wealth and poverty in our urban centers. Our rural communities continue to lag behind our metros with respect to job growth and prosperity.
While Katz’s observations are instructive, they are ultimately aspirational examples for urban areas attempting to respond to constantly changing economic forces. Most observers agree that cities and urban economies will determine the fate of the states, regions, and nations that represent their parent entities. But the adaptive capacity of metros has limitations. As the pace of change increases year over year, what new approaches will they need to fashion keep up? Not least, what does this new metro-focused reality portend for our rural communities, and what responses can be fashioned to address entrenched pockets of poverty in our urban centers?

For some answers to these and other related questions about North Carolina’s economic future, make plans to attend IEI’s Emerging Issues Forum, *Innovation Reconstructed*, February 9-10, 2015, Raleigh Convention Center. Learn more in the sidebar.

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