IT TAKES A REGION (OR DOES IT?):

THE MATERIAL BASIS FOR METROPOLITANISM AND METROPOLITICS

Bennett Harrison
Milano Graduate School of Management and Urban Policy
and the Community Development Research Center
The New School University
New York, N.Y.

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Abstract

Within urban studies, the theoretical and policy debates about intra-metropolitan form and function are currently dominated by four big questions. First: In what ways, and to what extent, do cities and their suburbs share certain commonalities and mutual dependencies? For example, are firms that are located in one part of a metropolitan region more likely to subcontract goods and services from firms located in the same region than from outside the region? Are contemporary commuting flows such as to make the metropolitan area still a labor shed (in which the majority of residents work somewhere within the region)--which is effectively how the official boundaries of SMSAs were originally designated, a generation ago? Is the attractiveness of a U.S. site for a relocating foreign firm partly a function of the managers' perception of the metro region's health as a whole -- including its central city? Are metro areas with growing central cities more likely to also have growing suburbs (and vice versa), and why? In short, to what extent does the entire metropolitan area truly constitute a coherent, at least partially integrated economic region? This is the question of metropolitanism.

A second question is basically political. Do inner cities and at least some of their inner ring suburban communities share common public finance and public goods problems, such as insufficient tax base to adequately support their own schools, decaying infrastructure, increasing drug and crime problems, and minimal political influence with their state legislatures? If so, might this constitute the material, self-interested basis for the forging of new political alliances that transcend jurisdictional and especially racial boundaries, emphasizing instead what amount to common class interests with respect to urban services, access, and political effectiveness? This is the subject of the new field of political work known as metropolitics.

Still a third area of inquiry incorporates a widespread criticism of new low density development beyond the edges of metro areas, at the alleged expense of already built-up zones within the region. This critique focuses on the presumed waste, inequities, inefficiencies, and disproportionate environmental stresses associated with continuing to
invest at the region’s extensive margin, when the absorptive capacity of existing interior places is (allegedly) still not exhausted, especially if appropriate policies for central city reindustrialization are introduced. The metropolitics movement draws much of its moral force from the environmentalist emphasis on the need to promote “sustainable” development, which sprawl at the urban edge ignores or absolutely undermines.

And then there is a fourth issue — not nearly so widely discussed in popular circles, yet, but perhaps the most important in the long run. This is whether and to what extent local economic activity is at least shaped and perhaps increasingly driven by network connections to entities (firms, governments, systems of regulation, populations) that lie entirely outside of any one metropolitan area. That is, to what extent are particular places in the world economy becoming local nodes within global webs? To the extent that this is so, what room is left for local development policies to be anything more than symbolic gestures? Are there particular business or workforce development implications that follow from the “localism within globalism” paradigm?

My review of the theories, assumptions, and (still insufficient) empirical evidence is that these are actually mutually related, fully consistent stories. But that in turn implies that a politically and economically feasible metropolitics requires attention to all these different scales of development. The question of city-suburban interdependence demands a larger context — a broader palette — than it is typically accorded by local reformers and urbanists, generally.
IT TAKES A REGION (OR DOES IT?)

Ever since the 1960s, one of the most controversial subjects within the field of urban studies has involved the relationship between central cities and their suburbs. In the 1970s, a common way of examining this relationship was to formulate and test an “exploitation hypothesis:” to what extent do suburban jurisdictions (and their populations) extract surplus or redistribute rents from the core city in their metropolitan area? In short, do suburbs gain at the expense of their central cities? The general consensus was a resounding “yes.” It almost goes without saying that nothing much was done to rectify the imbalances.

Now, in the 1990s, with the tremendous growth of heterogeneity within the suburban ring(s) and large and growing variation across metro areas, the question has taken a different and far more nuanced form. In what ways, and to what extent, do cities and their suburbs share certain commonalities and mutual dependencies? For example, are firms that are located in one part of a metropolitan region more likely to subcontract goods and services from firms located in the same region than from outside the region? Are contemporary commuting flows such as to make the metropolitan area still a labor shed (in which the majority of residents work somewhere within the region)--which is effectively how the official boundaries of SMSAs were originally designated, a generation ago? Is the attractiveness of a U.S. site for a relocating foreign firm partly a function of the managers' perception of the metro region’s health as a whole -- including its central city? Are metro areas with growing central cities more likely to also have growing suburbs (and vice versa)? In short, to what extent does the entire metropolitan area truly
constitute a coherent, at least partially integrated economic region? This is the question of metropolitanism.

A second question is basically political. Do inner cities and at least some of their inner ring suburban communities share common public finance and public goods problems, such as insufficient tax base to adequately support their own schools, decaying infrastructure, increasing drug and crime problems, and minimal political influence with their state legislatures? If so, might this constitute the material, self-interested basis for the forging of new political alliances that transcend jurisdictional and especially racial boundaries, emphasizing instead what amount to common class interests with respect to urban services, access, and political effectiveness? This is the subject of one aspect of the new field of political work that Myron Orfield first named metropolitics. The inner city-inner suburb nexus does not exhaust the concerns of metropoliticians like Orfield and David Rusk (other issues include forming coalitions to slow state and federal investment in continuing sprawl at a metro region’s edge, and the creation of region-wide systems for distributing and maintaining various public services, if not full-blown multi-county regional governments). But it is certainly the aspect of metropolitics that has captured the greatest interest among such veteran urban scholars as John Mollenkopf and Margaret Weir, and such activist-scholars as Joel Rogers and Theda Skocpol.

Still a third area of inquiry incorporates a widespread criticism of new low density development beyond the edges of metro areas, at the alleged expense of already built-up zones within the region. This critique focuses on the presumed waste, inequities, inefficiencies, and environmental stresses associated with continuing to invest at the region’s extensive margin, when the absorptive capacity of existing interior places is (allegedly) still not exhausted. The
metropolitics movement draws much of its moral force from the environmentalist emphasis on the need to promote “sustainable” development, which sprawl at the urban edge ignores or absolutely undermines. It is this conviction that has led to the creation of growth boundaries in cities like Portland, Oregon and Seattle, Washington, and in some of Chicago’s suburban counties.

And then there is a fourth subject area, concerning whether and to what extent local economic activity is at least shaped and perhaps increasingly driven by network connections to entities (firms, governments, systems of regulation, populations) that do not co-locate, and that may be situated entirely outside of any one metropolitan area (or even country). That is, to what extent are particular places in the world economy becoming local nodes within global webs? This perspective does not deny the relevance of agglomerative forces, as such, but sees them as co-existing in dynamic tension with technological and organizational innovations that facilitate relationship at a distance. The validation of network relationships seems relevant to both intra-urban (e.g. ghetto-suburban linkages) and inter-urban policy-making.

In this paper, I want to explore these four aspects of the metropolitanism-metropolitics thesis. I will have more to offer about some aspects than about others, due partly to sheer ignorance and partly to lack of space. At this point, I have no new hard data to offer (although one of my objectives will be to suggest what kinds of new information might have the biggest potential payoff in furthering the discourse, and to advocate for its collection, sooner rather than later). I also want to distinguish as best I can between the normative and positive aspects of these questions. For example, even if some good people think cross-border political alliances might be a good thing, what is the quality of the evidence on the existence and solidity of the material/economic bases upon which such a politics would have to be built? While I will of
course draw on some of the more salient writing in the field, this is not intended to be a comprehensive literature review so much as a framing of a set of compelling economic and political issues. My bibliography is therefore inevitably incomplete.

In Part I, I will ask why many progressives and urban activists seem to like the idea of metropolitanization, and want more of it. Part II moves from the normative to the positive (insofar as such functional distinctions can ever be clearly drawn), to query the quality of the empirical evidence that metro areas really are, at least to some extent, integrated economic regions. What it is that the advocates of a spatially more unified metropolitics would like to see done about interjurisdictional fragmentation and explicit and implicit public subsidization of sprawl -- the policy choices -- is the subject of Part III.

This is followed in Part IV by a fairly detailed enumeration of the unfinished business, unanswered questions, and still missing (or not very convincing) empirical research that needs to be done to establish the thesis of metropolitanization, about which — it must be said — there is not at present anything like strong, widespread support within any of the relevant scholarly professions. This is where I raise the specific question: what’s in it for low income inner city communities of color? It is precisely because I have a sense that very much indeed is at stake for the urban poor that I wish to join the coterie of scholars and activists who are trying the replace the old city-versus-suburb, space-versus-race ways of thinking about urban social policy with a newer view erected on the building blocks of collaboration, strategic alliances, and city cum region as local node within increasingly global webs of business, political, and even social relationships.
I. The Social and Political Concerns Created by a Dis-integrated Metropolis

Probably the most strongly held concern of the advocates of the forging of a metropolitics is that by producing a maze of individual towns and communities with highly uneven qualities of schooling and other public services, housing affordabilities and minimum lot size restrictions, transportation access, and degrees of bias against race-mixing, jurisdictional fragmentation is simply *racially unjust* (even if, according to neoclassical urban economics, such diversity among suburbs may be technically efficient a la Tiebout). This theme of an association between fragmentation and racial inequity is what most ties together the work of John Mollenkopf, David Rusk, Neal Pierce, and Anthony Downs. Edward Hill, Harold Wolman and Coit Cook Ford III have reported a growing central city-suburban disparity in per capita incomes between 1980 and 1990. Because of fragmentation, according to Paul Jargowsky, even minority “suburbanization” has resulted as much in a geographic diffusion of spatially concentrated pockets of urban poverty as in the reduction in concentrated poverty that advocates of more open suburban housing had wanted and expected.

But it is a second, and rather different (although certainly not mutually exclusive) concern about inequity that has come to dominate the subject recently. Mollenkopf, Myron Orfield, Theda Skocpol and Stanley Greenberg, Joel Rogers and Dan Luria and others have all recorded and reported on the marked deterioration in the quality of life, especially of the public services, in many of those inner suburbs that were settled since the end of World War II on the fringes of the cities, mostly by white working class populations. As Orfield elaborates, the tax bases of these communities are especially unstable and overwhelmingly dependent on the fluctuating value of residential property. Beyond the cinema multiplex, there are generally few
amenities, from universities to regional parks to museums to athletic facilities, that are capable of
drawing fee-paying outsiders from elsewhere in the region.

Moreover, by the time these places were settled, the central cultural organizing power of
the Catholic Church, which had played such an important role in maintaining cohesion back in the
city neighborhood days, had become greatly diminished, and there has been no comparable secular
or religious institutional framework to serve a a substitute, not even the venerable parent-teacher
association. Many of the social problems that have posed such a challenge to community
coherence within inner city neighborhoods — drugs, crime, the declining availability of jobs with a
future (or at least of well-mapped pathways into such jobs) — now characterize these Italian,
Irish, Polish, and other “white ethnic” enclaves. Within many of these communities, low density
and dispersed physical land use arrangements preclude easy socializing, or at least make it more
difficult or expensive, e.g. highly dependent on private automobile ownership.

The theorists of metropolitics join environmentalists in bemoaning the continuing
tendency toward urban sprawl: new low density development beyond the edges of metro areas, at
the alleged expense of already built-up zones within the region. This critique focuses on the
presumed waste, inequities, inefficiencies, and environmental stresses associated with continuing
to develop what had been open space, productive (but relatively less profitable) farm land, and a
source of recreation for residents of the region’s older sections. The critics challenge the
efficiency or necessity of using public policy incentives to encourage further investment at the
region’s extensive margin, when the absorptive capacity of existing interior places is (allegedly)
still not exhausted, or could be expanded through the use of appropriate planning tools such as
adaptive reuse of older central city industrial sites. The metropolitics movement draws much of
its moral force from the environmentalist emphasis on the need to promote “sustainable” development, as (for example) defined and analyzed by the urban planner, Scott Campbell.

Astute political reformers and activists who have been searching for many years for a key to reforging an economically (if not always socially) progressive faction of consequence within the Democratic Party see this downward mobility of the white ethnic inner suburban population and the continuing problems of the central city poor and working poor as constituting a potentially unifying basis for the creation of such a coalition, if not a full-blown movement. Integrating environmental concerns about ex-urban sprawl into such a movement is rather more complicated, although there are instances in recent history when alliances along these lines have been formed and been effective, as in the case of the ex-urban, suburban, city and neighborhood alliance in Boston that managed to stop the building of a highway in the early 1970s that would have displaced substantial numbers of residents and taken considerable ex-urban green space. Rogers, Luria, Mollenkopf, Dreier, Skocpol, Greenberg and others on the programmatic Left have all written extensively on this theme, and there are some (not many) actual small efforts on the ground in several places. Whether this is wishful thinking, whether the deep divisions of race and history can be transcended by this route, whether whatever alliances that might be possible turn out to be purely opportunistic -- all remain open questions.

To stay on this subject a moment longer, consider the question of school integration across city-inner suburban lines. It has long been thought by liberal social scientists and policy makers that school integration is almost surely a sine qua non for transforming momentary alliances into the lived experience of social and racial integration, without which strong and effectual people’s movements cannot succeed. All too often, the schools have turned out to be an
unbridgeable fault line in this regard. Whether the unquestionable deterioration of inner suburban schools can push parents in these places into taking steps with respect to racial integration which they have heretofore fought, tooth and nail, is certainly not clear.

II. What is the State of the Evidence That Metropolitan Areas in Fact Continue to Function as (at least partially) Interdependent Economic Regions?

Henry Savitch and his colleagues were among the first scholars in the 1990s to identify a statistically significant (if not especially large) bivariate positive correlation between employment growth of central cities and that of their suburbs, with the latter taken as an aggregate (even as those very suburbs were becoming increasingly socially and economically heterogeneous). Hill and Wolman initially took issue with this finding, but eventually came to substantially agree that such a correlation did indeed exist.

Hill has further explored why such a correlation might exist, and found a nonlinear relationship between suburban growth and suburban employers’ derived demand for central city workers; only above a critical threshold of suburban growth do employers situated there hire city residents. But except for this bit of very preliminary research (excluding the new papers written for this conference), no one — including William Barnes and Larry Ledebur, who extended the correlation studies to household income — has really made an effort to get at causal behavior linking the parts of the metro region. Even Manuel Pastor, Peter Dreier, Eugene Grigsby and Marta Lopez-Garza’s demonstration of an inverse correlation between metro area per capita income growth and the incidence of central city poverty among 74 areas is just that: a descriptive
correlation. We simply cannot tell from any of these studies how much of the apparent interdependence is attributable to labor absorption, how much to inter-jurisdictional revenue sharing, or whether there are hidden (unspecified) effects having nothing particularly to do with intrametropolitan relations, at all. Indeed, the only formal, hypothesis-driven modeling of central city-suburban interactions of which I am aware, by William Goetzmann, Matthew Spiegel and Susan Wachter, concerns housing prices and markets, not labor, at all. They do detect systematic interdependence among city and suburban house prices across California cities, presumably attributable to filtering and related processes.

There is another sense in which the various spaces within a metropolitan area might constitute a “region.” This is the promising (but still not well documented) idea that, in the context of global webs of business and political relationships, localities larger than the central city, proper — which might or might not be coterminous with MSAs — constitute the objects of locational and investment consideration by transnational companies. I have published an appreciative critique of this notion of “local nodes within global webs” elsewhere (in Lean and Mean), and would like to see more empirical research on the subject. Is it particular clusters of attractive industries (e.g. in the production of culture, software development, biotech, or finance) that make those metro areas whose clusters specialize in these well-networked sectors necessary locales for global firms to establish bases? Or is it the particular clusters that matters to the TNCs, which are at best only weakly interested in the central cities themselves? (For a concrete example: do the Japanese, German, Swiss and other microelectronics and pharmaceutical companies and labs for whom Princeton and other central New Jersey communities are clearly important nodes really have much to do with Philadelphia, Newark, or even New York City? This is a researchable question -- which no one to my knowledge has ever researched).
In the leading work on this subject of local nodes in global webs, neither Allen Scott nor Michael Storper have yet to empirically investigate this distinction. Michael Porter implies it, by asserting the growing value of inner city cheap labor and strategically accessible, well-connected, sites to outside firms, including global companies. But we have no systematic empirical evidence from that quarter, either. A recent popular excursion into the future of North American urbanism, by journalist Robert Kaplan, provides delightful and compelling anecdotes, especially for and about the continent’s west coast, from Los Angeles (he might as well have started with San Diego) to Vancouver. But again, no systematic data.

This sort of connection matters quite a lot, I think. Global companies exert inordinate political influence on both subnational and national governments. It would be interesting to model a potential relationship between the presence of such powerful organizations somewhere in the metro area and the level and growth of public investments in infrastructure and training in the region as a whole. I guess I am asking to what extent we can generalize from Rosabeth Moss Kanter’s case studies in World Class, which both document and advocate for such linkages; from the recent analysis of the local-global nexus out of the University of North Carolina (by Dennis Rondinelli, James Johnson and John Kasarda); and from all those splendid journalistic anecdotes from popular writers such as Kaplan.

III. What the Advocates of Metropolitanization Would Like Government to Do

It is my sense that what the advocates are really after is, to coin a popular phrase, leveling the playing field among the jurisdictions within metro areas. A second essentially political concern is to make suburban jobs more accessible to inner city residents, in terms of both
transport and social network connectivity. While several scholars (including Melvin Oliver, Edwin Melendez, Barry Bluestone, and Pastor et. al.) have shown empirically that in at least two places (Los Angeles and Boston), the extent of regional labor mobility of minorities is perhaps greater than expected, there can be little doubt that wanting to overcome the much-studied “spatial mismatch” is a major object of enlightened social and economic policy. Programs for promoting “reverse commuting” were popular during the first half of the 1970s, and then (like public service employment) fell into disrepute. Recently, they have been revived, as in the U.S. Department of Housing and Urban Development’s six-city ”Bridges to Work” demonstration, designed by Mark Alan Hughes, who had written extensively on the subject beforehand. One version of the reauthorization of ISTEA would include a specific “jobs access” title to promote greater intrametropolitan mobility for residents of the inner city.

Of course progressives also continue to advocate for the building of additional units of affordable housing, especially outside of neighborhoods of concentrated poverty and uniform race. HUD, in particular, under former Secretary Henry Cisneros and present Secretary Andrew Cuomo, is strongly committed to supporting a mix of all approaches, including reverse commuting, suburban and scattered-site affordable housing, “vouchering-out from inner city housing projects, and inner city business and workforce development. I celebrate HUD’s explicit rejection of the old-fashioned dichotomy between “inner city development” and “dispersal” that over the years has consumed so much debating time, especially among academics.

By far the most comprehensive vision of government-led investment and regulatory restructuring aimed at simultaneously rebuilding the central city and re-integrating the spaces and places within the metro area — making it truly an interdependent region — is the one proposed
by Orfield. Indeed, his persistent advocacy of rehabilitation of older parts of the metropolis, of
challenging the unquestioned social benefits from continuing to physically extend the edges of the
urban region into the countryside, and his savvy political “trick” of displaying the spatial
distributions of public expenditures (and disinvestments) by congressional district — thereby
naming names — constitutes the most well thought out and popularly accessible critique of
conventional urban development that perhaps any social critic has yet produced.

Briefly, Orfield would legislate property tax equity across the cities and towns of a metro
area (mainly to increase the chances for equalizing the quality of K-12 schooling); tilt public
reinvestment in infrastructure toward older cities and the older inner suburbs; strictly enforce fair
housing laws and regulations; coordinate land use planning and growth management to reduce the
tendency toward inefficient and inequitable sprawl; judge (and reward or penalize) the success of
welfare reform programs by how quickly and well the former recipients are placed into and retain
jobs, not (as in New York City) only how quickly the welfare rolls decline; and rebalance
transportation investments and transit planning to maximize the mobility and accessibility of all the
region’s residents, not just those who can afford reliable private automobiles.

In their forthcoming textbook on urban economic development, Joan Fitzgerald and
Nancy Green Leigh examine such detailed interventions as planned industrial districts, tax
increment financing, and targeted brownfield siting of new central city projects. These all fit well
into Orfield’s comprehensive agenda, although it is important to remember that the efficacy (let
alone the redistributive aspects) of such policies depends crucially on exactly how they are
implemented. For example, as we know from Chicago (and as reported in Kim Phillips-Fein’s
writing), TIFs can be used to subsidize high-end development at the expense of alternative, more
equitable uses. As usual, it all depends on the politics.

As for policies to promote sustainable development at the metropolitan region’s edges, planners call for zoning and transit policies that would combine higher density cluster development of residential and commercial uses with strict growth boundaries that effectively wall off the extensive green space beyond. Examples can currently be found in Portland, Oregon, Seattle, Washington, and in at least one of Chicago’s suburban counties. The problem, of course, is a classic prisoner’s dilemma: unless all suburban/exurban places join together in agreements to pursue such policies, the one or more violators will attract all the new growth, forcing those who tried to cooperate to abandon the goal of sustainability and hustle to get their share of rateables.

IV. Unanswered Questions and Unfinished Business (especially about networks and linkages)

Even as the advocacy for a metropolitics based on a presumption of metropolitanism builds up steam, led by the new Center on Urban and Metropolitan Policy housed at the Brookings Institution, there are more than a few insufficiently researched, weakly documented, and imprecisely articulated assumptions and conclusions about which we need to know very much more. To say the least, the case for promoting what is still a politically marginal, if not entirely outre position in the context of contemporary American politics would be immeasurably strengthened by taking a breather in the advocacy and doing some much-needed homework.

I have already alluded to the fact that virtually all of the empirical research associating central city and suburban growth rates is based on pretty flimsy, often simple bivariate
correlations. Looking for regional variations in the strength and shape of these correlations, as Janet Rothenberg Pack is currently doing, should help to tease out suggestive hypotheses about causality, but correlations stratified by region are, by themselves, still just correlations. The field needs to do a much better job of articulating formal hypotheses about why, how, under what conditions, to what extent, and for whom -- for which residents -- the places within a metro area do and do not interact.

I am mainly interested in two economic aspects of such interaction, and so will leave the debates about the prospects for cross-jurisdictional political alliances and the feasibility of enforcing sustainability constraints on growth to the political scientists and urban planners. For this conclusion, I will focus on the metro area as labor shed, and on the question of the extent and significance of intra-metropolitan business linkages, especially in a context of increasing globalization.

**Urban Labor Markets, Networks, and Social Capital.** To the extent that metro areas really do function (or can be made to re-function) as labor markets -- if workers and employers do focus their searches disproportionately on candidates, sources, and networks that are strongly attached to the MSA, and if most commutes are really intra-metropolitan -- then we have the basis for demonstrating one very concrete proof of interdependence. Here, Ned Hill is surely onto something very important. But we must go much further in modeling just how tight suburban (and national) labor markets need to get (taking into account the availability of suburban seniors and youth as substitutes for prime-age employees) before employers located there will accept central city workers. Formally, how do threshold levels within processes of statistical discrimination interact with macroeconomic conditions? And of course, even where a potential match of
suburban demand and inner city supply is *ex ante* forthcoming, there are obstacles, from the inefficiency of information flows, generally, to the spatial layout (and cost) and the ease or difficulty of intermodal commuting transfer, that may still prevent matches from being made -- again, for some workers more than for others.

We now know -- it has been well-documented -- that firms and workers often find one another through the intersection of their social networks of relatives, friends, present and former employees, instructors and purchasing officers. Being disconnected from these networks is an important reason why especially the low-skilled residents of poor neighborhoods, with their often tattered job histories, fail to make a successful transition to the world of work (this is not the only explanation for ineffective job-matching, of course; many inner city residents are also frankly unprepared for the contemporary work world, and need substantial training in both hard and “soft” skills).

Purely individual, choice-based treatments have shown themselves to be insufficient to make a major dent in urban poverty. Prospective trainees and workers, those displaced from farm or from older industrialized employment and needing a second chance, and long term welfare recipients needing to look for a job will not succeed, if all that happens is that they undergo some short term training process, acquire formal certification, and are sent out into the street (or even to a “one-stop”) to find their way into a job. Obviously, we must continue to invest in skills, the capacity to learn, and the formation of attitudes that appeal to the gatekeepers who control access to jobs. But taken by themselves, these approaches will never be enough. This is why the development of the federal regulations for, and the actual implementation of the new national Workforce Investment Act of 1998 needs to get beyond its excessive emphasis on information
efficiencies and individual choice by job-seekers (the “customers”), to actively encourage organizationally- and network-assisted job search, placement, and follow-up/retention services.

Quite apart from the difficulty and expense of physically getting back and forth between home and the job site, we now know that job seekers from low income neighborhoods may not be able even to find employers with openings because the social networks to which these workers and their prospective employers belong fail to intersect. Or the workers already hired by an employer do not connect to low income communities of color, and so conventional word of mouth channels for recruiting bypass the inner city, altogether. The significance of such disconnects is that they leave employers and other gatekeepers with no alternative but to rely on their perceptions or beliefs about inner city workers as a class. If those perceptions are generally negative, employers will not be open to even considering hiring such prospective workers.

Why do private sector managers value networks? As Roger Waldinger has documented, and to directly quote Charles and Chris Tilly, from the perspective of the employers, recruitment networks "facilitate the creation of patron-client chains...and guarantee some accountability of suppliers for the quality of workers supplied." That may be why companies are increasingly using temp agencies and other external contractors to screen prospective employees. Marc Granovetter further argues that hiring through referrals is also more reliable. The reason is that trust tends to decay with the length of the chain of contacts. Governors responsible for managing welfare reform and workforce development system delivery under devolution, take note: This is why the impersonal computer printouts from job banks are never as persuasive to employers as information systems specialists imagine.
It follows that the most helpful intermediaries -- training institutes, parent-teacher groups, trade associations, unions, community- and city-wide advocates -- are those that are not too “relationally distant” from the actual employers with the job openings. Their relational (not just geographic) proximity to, and continued (not just one-time) engagement with many of the companies with which they work, are among the most important reasons for the widely acknowledged job training and placement success of such non-profit community-based organizations (CBOs) as the San Jose-based Center for Employment Training (CET), Project QUEST in San Antonio, and STRIVE in New York City. I will have more to say about the CET case in a moment.

As illustrated by the examples just mentioned, in a number of cities across the country, local organizations outside the mainstream delivery system have been busily and creatively at work for many years--some for a quarter of a century--in making just these needed connections. Community development corporations (CDCs) and other community based organizations, community colleges, and training specialists deeply rooted in racial and ethnic networks are already providing or brokering successful skill training for disadvantaged populations in strategically targeted sectors and occupations. Equally important, they are entering into formal and informal alliances with farsighted companies, regional public-private authorities, and even linking back into the high schools, in the process becoming intermediaries capable of re-connecting poor people to the world of work. Brookings Senior Fellow William Dickens is currently investigating the ways in which such organizations and their networks are, in some circumstances, actually substituting for the fragmented, perhaps eroded social capital thought to be lacking (or at least unevenly available) in poor communities.
Thus, for the residents of low income areas, CDCs and other CBOs can and sometimes do attempt to fill this role of collective agent for individual job seekers. Those youth who are unlikely to go beyond high school, along with adults undergoing retraining and people coming off the welfare rolls, are expected by employers to be better equipped to learn new skills on the job, to take further training, and to be, by mainstream standards, willing and able to accept the disciplinary requirements of most workplaces. These abilities to “code switch” between the “streets and the suites” are what Chris Tilly, Philip Moss, Ronald Mincy and others have called the “soft skills”--and are precisely what many community-based organizations are thought to be especially adept at cultivating. Such organizations work with the schools, community colleges, social workers, and occasionally with unions. Because they know the trainees, their relatives and friends, sometimes on a first-name basis, they are thought to be especially well-suited to provide informal recruiting and follow-up counseling. The most experienced of the CBOs have learned to use their political presence or organizing base as a fulcrum with which to leverage area companies and government offices to open up training and jobs to their constituents or members - - as Communities Organized for Public Service (COPS) and the Metro Alliance quite explicitly do, in San Antonio. This is an important part of the widely acknowledged success story of that city’s exemplary Project QUEST, which was originally designed by COPS-Metro, itself an affiliate of the Industrial Areas Foundation community organizing network.

Community-based groups are especially well situated to provide the much-needed recruiting, case management and post-placement counseling that are the keys to increasing job retention--the thing that employers say they most value, since high turnover is so costly for them. Retention also leads to a virtuous circle, since it both increases people’s exposure to subsequent on-the-job learning (a key to productivity growth) and expands the pool of well-connected
employees who can then serve as references for and informal mentors to the next round of job-seekers from similar backgrounds.

Production/service and training collaboratives between CBOs and major corporations now exist across neighborhood, city and suburban boundaries in many places. Some examples include a sixteen year old partnership in Seattle between Pioneer Human Services and Boeing, and Detroit’s network between Focus HOPE and the Ford Motor Company. A more recent example would be the recently developed fee for service arrangements between New York City’s Wildcat and the prominent Wall Street firm of Salomon-Smith-Barney. In Chicago, CBOs across the city collaborate through their own alliances, such as the Chicago Jobs Council, working with (and, as in San Antonio, sometimes also standing up against) city and state officials. Joan Fitzgerald and Davis Jenkins at the Great Cities Institute of the University of Illinois-Chicago have documented the especially promising role of community colleges as partners--sometimes, the central players--in these collaboratives, in Chicago and elsewhere.

The leading national and local non-profit private foundations are actively encouraging their CDC and other CBO grantees to form or enter into collaborative alliances and networks that explicitly see their jurisdictional turf as the region. For all but the very largest community groups, with a proven track record, the foundations are advocating alliance-building as an alternative to the CBOs’ trying to meet all of their policy objectives by themselves, which can overload their own organizational capacities and actually diminish the chances of making a sizeable dent in the problems of poverty alleviation and system change. Thus, the Ford Foundation supports twenty city-wide CBO collaboratives, from Portland to Boston, aimed especially at securing long term local funding for the member organizations that make up the network. The Annie E. Casey
Foundation has mounted regionally-oriented collaboratively networked Jobs Initiatives in six metropolitan areas, from Seattle to New Orleans.

A Sustainable Workforce Network that would greatly expand the capacity and the range of activities of already cooperating organizations and institutions in Chicago is currently on the drawing board at the MacArthur Foundation. Also in its earliest stage of development is a promising idea for creating a national membership network of workforce development providers, community groups, and activists from the offices of governors, mayors and business executives. This initiative is being designed at Philadelphia’s Public/Private Ventures, a research and action firm which has already demonstrated leadership in promoting interregional, boundary-spanning collaborations through its direction and management of the “Bridges to Work” reverse commuting project of the U.S. Department of Housing and Urban Development. All of these initiatives seek to promote the building of local capacity, both within individual CBOs and in their collaborative networks as a whole, e.g. through greater attention to staff and leadership training, personnel exchanges across groups and regions, and enhanced ability to conduct or contract for truly strategic labor market research.

The modeling of urban labor markets as intersecting networks of weak and strong ties began with the formative work of Albert Rees and George Schultze in the 1960s and 1970s, and was taken a great step forward in the 1970s by Granovetter. In recent years, Howard Wial, James Montgomery, Mark Lazerson, Brian Uzzi, Harry Holzer and Katherine O’Regan and John Quigley have all been influenced in one way or another by these network concepts. My own recent work, on which I have been drawing in the previous paragraphs, ties this research into how the most effective community based inner city organizations exploit and develop their positionally
unique ability to mediate between job seekers and employers with vacancies -- and do so at a regional, rather than only or even primarily at the neighborhood or inner city level.

By way of illustration, permit me one extensive quotation from a February 1998 book by Marc Weiss and myself, and from a 1998 journal paper with Edwin Melendez, on what is generally agreed to be the most effective minority (in this case, Latino) community based workforce development organization in the country: the Center for Employment Training (CET), based in San Jose, California:

"We trace CET's extraordinary success so far to two qualitative characteristics of the organization... First, as already suggested, CET more than almost any other training program in modern American history has profoundly institutionalized the process of interfacing with the already trusted recruiting and training networks of companies...."

These networks are local, regional, national, and even transcend the U.S.-Mexican border.

Yet another manifestation of this institutionalization of the "employer mentality" is the key role of the Industrial Advisory Boards, or IABs, and the Technical Advisory Committees, or TACs. Each site has its own IAB and TACs (although some obviously work better than others), which comprise corporate executives, human resource managers, first-line supervisors, and even engineers. The best of the IABs are highly structured, meet often, engage (and sometimes take the lead) in curriculum development, fund raising, and seeking or donating their own equipment.... The term "stakeholding" has been much overused and abused in this field, but it is clear that companies including I.B.M., Hewlett-Packard, Motorola, Lockheed, Price-Waterhouse, Pacific Telephone and Telegraph, FMC, United Technologies, Container Corporation of
America, General Electric, and Manpower, Inc. [located throughout Silicon Valley and the wider San Francisco Bay area] see themselves as stakeholders in CET's success, and have, over two decades, acted accordingly.

Upon opening a training center, CET staff immediately begin dialogues with human resource and other managers from the area's private firms. In forming its TACs, not only is CET assessing job opportunities and identifying appropriate occupations for training, but it is identifying receptive managers upon whom its job developers may expect to continue to call for engagement in their process....

CET [also] derives great strength from its association with a powerful social movement. Many of the same forces and actors who created or sustained the modern farm workers' organizing activities, and eventually the United Farm Workers of America (UFW), itself, played a role in the formation and sustenance of CET.

The ethnic/social movement connections were central to CET's breaking from the largely African-American and east coast-dominated [Opportunities Industrialization Center] by 1976. Chicano groups throughout California and the farm workers' movement brought pressure to bear on the Nixon Administration back in Washington to provide funds for training displaced immigrant and seasonal farm workers and assisting them to make the transition to industrial and urban occupations....

[In sum] CET emerged as a community-based organization embedded within a powerful Chicano farm worker's movement. Through time, CET has provided a door to the labor market for those facing multiple barriers to their successful employment. While ethnic and racial minorities are sometimes connected to networks which channel them to the "wrong" type of job opportunities, CET's emphasis on inserting itself directly into the recruiting networks of employers partly bypasses, or at least corrects for the limitations of individuals searching for jobs based on the connections and referrals of families and neighborhood friends. Success as a job matching intermediary in the low wage segment of the labor market therefore largely depends on the organization's ability to mediate the expectations and demands of two rather distinct constituencies.
There is much additional research to be conducted, both in formally modeling these processes and in assigning empirically grounded values to their parameters. In a new research project that begins this month, “Network Approaches to Mediated Job Search,” Dickens and I will undertake just such an inquiry, under the sponsorship of the National Community Development Policy Analysis Initiative. Dickens has already made an important start on synthesizing the theoretical work to date, and on building impressionistically calibrated simulation models.

**Inter- and Intra-Metropolitan Business Linkages (especially Sourcing).** As I have repeated several times, while we need more of it, we already benefit from the legacy of a substantial volume of research on metro areas as labor sheds. A newer question, still barely addressed in empirical work, and surely of growing importance if “globalization” means anything at all, is the extent to which companies located in one part of a metropolitan region engage in indirect production relations with others, and how this is changing over time. This may be the single most important criterion for judging whether an MSA truly constitutes an economic region (in the input-output sense), but as far as I can tell, practically no one besides Allen Scott, Michael Schwartz and Frank Romo, and a handful of other scholars has conducted systematic empirical explorations of such spatial linkages.

Let me give an example of why the study of these linkages would be useful to, say, workforce development planners and the foundations that support this work. To the extent that firms do co-produce or source with one another locally, policy makers may be overemphasizing the urgency of literally transporting inner city workers to outer edge plants, warehouses and stores. A job in a closer-in subcontractor to a big edge city firm may be just as attractive, more
accessible, and attainable through personal contact with the CEO and senior managers of the big firm, which then imposes informal hiring “goals” on its smaller suppliers. This is (or has been) standard practice in Japan, and at a retreat last spring at the Harvard Business School, we heard several CEOs (notably United Airlines’ Gerald Greenwald) explain that this was precisely how they were going about meeting President Clinton’s goals for getting corporate America to help in employing women coming off the welfare rolls -- by working through their supplier chains.

The cluster concept and literature, as developed by Sabel, Piore, Porter, Scott, and Storper emphasizes intra-cluster relationships. But this emphasis on what Edgar Hoover (following Alfred Marshall) originally called “localization” may systematically miss other intra-regional interdependencies, such as those broader contextual externalities that Hoover and Jane Jacobs subsume under the notion of “urbanization”. Furthermore, standard urban and regional models have of course long since incorporated intra- and inter-regional trade into their apparatus, but usually at levels of aggregation far too great to permit the identification of particular company ties (and opportunities). True, there is a substantial literature on “outsourcing,” largely constructed around the make-buy/boundaries of the firm concepts from Williamsonian transactions cost theories. These can be helpful in the conceptual and modeling stages, but what empirical work there is in this field is often overaggregated, or too geographically imprecise, for our purposes.

An awful lot of even the best of this research is based entirely on secondary (usually Census) data sets, seriously over-aggregated for the purposes at hand and missing direct observations, especially on the dependent variable (for example, much of the literature infers the presence and strength of agglomerative forces from measurements of comparative rates of
aggregate employment or output growth across places). That is why Maryellen Kelley and I became convinced that the only way to measure exactly where the customer firms and supplier firms in the dyads within a particular sector (machining-intensive durable goods) were located, and what difference proximity (or its absence) made, e.g. to productivity and the rate of adoption of new technologies, was to conduct original surveys of managers and purchasing agents. Our initial findings, and Kelley’s subsequent, more econometrically sophisticated longitudinal studies with Susan Helper, offer fairly precise estimates of “dynamic external economies” -- how localization, urbanization, and firm effects interact to shape establishment decisions to adopt a new technology.

There are some already-available administrative and survey data available for studying the geography of sourcing, but not much. I see little alternative to scholars rolling up their collective sleeves and going out and conducting original surveys of the geography of procurement. I hope that the metropolitics and metropolitanism movements will encourage and even underwrite such research. We need to know how firms located at different sites within a metropolitan region interact, the “weight” of these transactions, and the possibilities firms face for substituting long-distance co-production and sourcing. To put but one question: do corporate takeovers reduce a local branch plant or office’s dependence on local sourcing?

On this score, an admirable start has been made by my New School colleague, Alex Schwartz. He utilizes the proprietary Corporate Finance Bluebook, an annual directory of the country’s five thousand largest public and privately-held companies. The computer tapes for 1991 allowed Schwartz to track the geographic location of the principal suppliers to these companies of up to twenty-two business services, from accounting and auditing to banking and
insurance. He found that firms based in central cities seldom rely on service providers located in the suburbs or beyond. Rather, they depend overwhelmingly on sources located in the same central city or in other “world cities.” By contrast, while there is substantial intrasurban sourcing of business services (i.e. both members of the dyad are located somewhere in the suburbs of the same metro area), suburban big firms, too, rely mainly on central city-based suppliers of these kinds of services. On the other hand, suburban-based companies are less likely to go outside their region for services than are inner city-situated firms.

Some of this — the urban orientation of producers’ services — is of course old news to students of economic geography. Moreover, Schwartz’ data set does not permit him to measure the density or “weight” (volume) of these transactions. The point is that, even as they need to be improved, investigations such as these are invaluable in identifying which sectors are the most likely to cluster within a metropolitan area, how they interact, and what kinds of employment opportunities in which sub-regional locations are being created.

V. Conclusion

If the objective is to concretely document the extent to which the segments of the metropolitan area constitute some kind of economically integrated “system,” there are still other questions that I have skipped over, and will end this paper by only mentioning. To what extent are some companies encountering suburban labor shortages or a need to access agglomeration economies that is driving them to seek a return to the central city? This is said to be happening already in Chicago (and, presumably, in other places), but it needs to be documented and then analyzed very carefully to avoid wishful thinking.
On the labor side, the availability of the year 2000 Census of Population will allow us to see whether and by how much short- and long-distance migration patterns have changed since the 1980s. In particular, I should think that the advocates of allying inner city and inner suburban populations will want to investigate the comparative residential mobility or immobility of both sets of people. On the one hand, inter-censal immobility of inner city “white ethnics” could be a sign of satisfaction with their relatively homogeneous fortress enclaves. But if their standard of living is falling (i.e. if family incomes are stagnant and, as suspected, the quality of the public goods to which they have access is also deteriorating), then such residential immobility takes on rather different implications for their “organizability.”

On the commodity flows side, interdependent regions are characterized — indeed, defined — as intersecting webs of transactions and flows. Even as they become more geographically extensive, whatever the degree of the central cities’ “elasticity” a la Rusk, are these webs becoming more or less intricate, more or less dense, more or less supportive of the welfare of the area’s different populations? These questions are closely related to those being raised by the students of clusters. But we still need a broader geographical conception of the region than one circumscribed by the cluster, district, or growth pole, per se. In other words, the “old” urban economics of a Brian Berry, which always explicitly treated the metropolitan area as an economic region; the “new” business economics of a Michael Porter, with its focus on localized clusters; and the “postmodern,” local-nodes-within-global-webs approach of Scott, Storper, and other urban geographers and planners are perfectly mutually consistent. We need all three perspectives — three scales of analysis — in order to make progress in measuring “metropolitanism “ and to more ably advocate for a new “metropolitics.”
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-38-