

## Biz Beat: Perhaps sprawl cost us after all

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Old Madison fave Richard Florida is back with a good piece in the New Republic titled [Roadmap to a High Speed Recovery](#).

There, Florida opines that America needs to stop subsidizing what he calls the "auto-housing-suburban complex." Think McMansion, Kwik-Oil, Strip Mall Takeout and the rest of it.

Florida -- who gave Madison raves for its gays, music and urban tech scene in his 2002 "Rise of the Creative Class" -- wants to end government subsidy of the sprawl housing industry.

That means eliminating the mortgage interest tax deduction along with federal backing of the secondary mortgage market.

"Federal policy needs to encourage less home ownership and a greater density of development, along with the construction of smaller and more low-energy houses," he says.

That's not just green -- but it frees up capital to invest in technology development for a future economy.

Florida's reasoning is that homeownership worked well for a nation whose workers had secure, long-term careers like in the days before NAFTA and 401(k)s. But now, he says, being tied to a mortgage impedes the flexibility of a labor market that requires people to move around and change jobs several times.

Instead of new housing, Florida says the government should be promoting things like high-speed rail. He says modern rail can help create inter-connected mega-regions, like the Boston-Washington corridor and the Char-lanta region (Atlanta, Charlotte, and Raleigh Durham).

"High-speed rail may be our best hope for revitalizing the once-great industrial cities of the Great Lakes," he writes. "By connecting declining places to thriving ones -- Milwaukee and Detroit to Chicago, Buffalo to Toronto -- it will greatly expand the economic options and opportunities available to their residents. And by providing the connective fibers within and between America's emerging mega-regions, it will allow them to function as truly integrated economic units."

Sounds like states connected by high-speed rail could rock in the 21st Century. Somebody tell Walker and Neumann.