July 26, 2002 - New York Times
People Who Can Rebuild a City

By RICHARD FLORIDA

PITTSBURGH — As planning for the former World Trade Center site enters a pivotal stage, it's clear that more is at stake than designing a memorial. The future of a region is being shaped. While the recently released plans and the reaction to them have sparked much discussion of architectural vision, the real issue is economic. We can't assess whether the plans are sufficiently visionary, or say whether the vision is the right one, until we have a clear sense of how Lower Manhattan is to function in the greater New York economy.

That economy is fundamentally a creative economy. Growth derives from the endless creation of new firms, new industries and new ways of doing things. The directions these may take in a free-market system are unpredictable. Thus the most sensible overall planning approach is to help Lower Manhattan become what it is becoming anyway — a multifaceted creative hub — rather than to indulge in economic overplanning or try to micromanage the future.

Planners must avoid the temptation of using public land and subsidies to set industrial policy, either by trying to prop up existing industries or to pick winners from among the new ones. The fear that Lower Manhattan is losing its status as a center of the financial industry, for example, is not new and should not be allowed to drive planning. Well before Sept. 11, financial-sector activity was diffusing away from Wall Street, as when Goldman Sachs & Company decided to move many operations to a new building across the Hudson River. But the Street isn't dead. If it were, firms would be moving to Austin or Taipei, not New Jersey. What we're seeing is a natural cycle: all industries cluster and then diffuse over time.

To replace the tax revenue lost by this diffusion, some favor promoting biotechnology in Lower Manhattan. But biotech startups are complex and iffy, burning tons of cash through long development cycles, and even a substantial biotech sector would hardly be able to replace financial services. It's never wise for communities to bet a big chunk of the farm on one industry — be it biotech or baseball. Even a hot growth industry may cool off or evolve in unexpected ways.

No one knows what the next big thing will be, and it often emerges where two or more fields intersect. Mayor Michael R. Bloomberg built his business ventures by mixing finance and information technology; others have built theirs by mixing information technology with retail savvy, graphic arts or music.

It's not surprising that the most successful metropolitan areas are places that attract a range of creative workers — not just technical and business types but the artists, writers, performers, designers and others who make up the creative class.

San Francisco, Seattle and Boston are prime examples; so is greater New York. Every such region has at its core an urban hub. Typically these hubs have teeming cultural districts like the blend of galleries, music clubs and other small venues long found in Greenwich Village; mixed-use, live-work-play areas like those in the former warehouse districts of SoHo and Tribeca; ethnic neighborhoods like Chinatown; and artists' havens like Williamsburg, Chelsea, Dumbo and Red Hook near Lower Manhattan.

These hubs, in turn, play multiple roles in the economic life of a metropolitan area. They attract talent, are good venues for any business that is creativity-intensive and serve as places for people from many different fields to exchange ideas.

From Seattle to Cambridge, Mass., the coffee house, the bistro and the bikepath serve the functions that the businessmen's club and the golf links always have: they're where the next generation of movers and shakers meet and mingle.

Lower Manhattan is ideal for this role. It lies at the crossroads of the region and adjacent neighborhoods have the diversity and creative culture required today for competitive advantage. Combine this with the financial expertise and capital long available here and you have what could be a natural setting for the growth of new ventures building on existing strengths.

In practical terms, how can planners best help Lower Manhattan keep evolving in this direction? First, don't muck up what's organic and unique, either by force-feeding certain industries or by building the generic malls that turn off many creative workers.

Instead, integrate with what's already blooming. Think about seeding institutions that draw a diversity of jobs and talents: perhaps multidisciplinary think tanks or university branches. Make room for more housing, and when adding cultural amenities, think beyond tourist attractions and big-ticket high-art venues. Add or encourage participatory features that residents can enjoy regularly: more green space, bikepaths and walkways, and waterfront access.

Above all, work on connectivity. Not just a transit system to shuttle workers from bedroom communities to office towers but vastly upgraded rapid transit by rail, water, you name it — in and out of the hub and all around the tri-state region. That's expensive and a tall order. But it is vital for an age in which high-growth regions must have a variety of urban subcenters around a creative hub, rather than a few monolithic business or industrial districts.

The real opportunity here is to help Lower Manhattan become the prototypical hub of the 21st century — by accelerating its natural evolution from a center of global financial innovation to a place that feeds creative growth across the region.