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Reconnecting Massachusetts Gateway Cities:
Lessons Learned ands an Agenda for Renewal

Excerpts:

Massachusetts' "Gateway Cities"—its traditional mill towns—continue to lose ground as the state economy converges even more around Boston. The trend is stark.

Notwithstanding the aggregate success of the Bay State economy, its increasing "unevenness" has left a significant number of the state's major population centers struggling to move from an industrialized past to a knowledge-based future.

The consequences of these trends are serious, and threaten the state's economic competitiveness. Most notably, the sharpening unevenness of the state's economic map is vexing the state's housing markets, distorting land-use patterns, and likely complicating the state's labor-force challenges.

In the Boston area, the intense agglomeration of high-paying knowledge jobs in a relatively small patch of close-in towns has helped bid up home prices and harmed the state's ability to retain and attract quality workers. More broadly, stark house-price differentials between Greater Boston and the rest of the state are helping to widen the vast ring of suburban sprawl that is sweeping across much of eastern Massachusetts, eroding the state's quality of life.

Finally, the disproportionate concentration of the state's economic activity in the Hub may well be complicating firms' efforts to hire sufficient workers, even as the isolation and demographic tilt of

many Gateway Cities cuts employers off from the human capital they need to support business growth and economic development. The bottom line: The stark geographical unevenness of Massachusetts' changing economy is a statewide problem, and may be placing a drag on the state's economy as a whole.

And yet, the Gateway Cities offer important potential assets to the state, even if daunting obstacles to their renewal persist. On the upside, these cities hold out to Massachusetts realistic hopes of responding to some of the Commonwealth's most pressing growth and development challenges. To a state struggling with high housing prices, the Gateway Cities offer more reasonably priced middle-class housing.

To a state concerned about sprawl and traffic congestion, Gateway Cities look like a natural place for pursuing "smart growth," as they actually want to grow and are already served by roads, schools, and often rail links.

Sky-high home prices in eastern Massachusetts are motivating middle-class home-seekers to take another look at living in affordable satellite cities like Lowell or Brockton. Real estate values and house starts are up in virtually all of the older regional cities, from New Bedford to Springfield. And in many of the mill towns the catastrophic population losses of the 1980s have stabilized. For the first time in decades, the cities' reconnection to prosperity seems, in some places, at least imaginable.

And yet, for all that, the condition of Massachusetts' proud old manufacturing cities must be counted—on balance—distressed. And that is why we ask: Can the state truly prosper if just one region is truly flourishing? To which question, we would answer: No, it cannot.

Looking closer: Massachusetts' economy remains geographically concentrated and highly uneven

And yet, notwithstanding the state's progress, aggregate trends obscure a more troubling reality. …Most starkly, the Commonwealth's uneven economic map epitomizes the tendency of today's "knowledge" economy to cluster within relatively narrow geographic areas, even as it leaves other nearby industrial places behind there are a daunting set of obstacles to economic reconnection

Spotty linkages to the state and global economy

Spotty transportation, electronic, and human linkages to the state and global economic mainstream present a final set of obstacles to the Gateway Cities' reconnection to the knowledge economy.

With information exchange now the key factor of production, full participation in the knowledge economy requires a rich, friction-free array of connections to the wider world.

Unfortunately, gaps in the cities' "connectivity" continue to impede their engagement in the collaborative networks of the knowledge economy.

Transportation gaps

Incomplete transportation networks represent the most visible shortcoming in the Gateway Cities' infrastructure of connectivity. Massachusetts is fortunate to have in place the rough outline of a comprehensive system of direct, convenient, and varied transportation links connecting at least most of Gateway Cities to each other and Boston.

Massachusetts Bay Transit Authority (MBTA) trains currently deliver workers to and from downtown Boston from six Gateway Cities (Brockton, Haverhill, Fitchburg, Lawrence, Lowell and Worcester). Taken together, such connections place most of the easternmost Gateway Cities within a 50-minute commute of most of the region's major high technology and financial services companies and provide them essential links to the re-

gion's economic core.

And yet, these links cannot really be called comprehensive, especially when it comes to commuter and intercity rail connections. Even in eastern Massachusetts, gaps in the network and service shortcomings on the Fitchburg and Worcester commuter rail lines likely impede revitalization....Such service shortcomings surely impede Gateway Cities' attempts to attract and retain residents who might commute elsewhere, spur revitalization near transit nodes, and link regional businesses and workers.

Limited regional linkages.
Finally, the Gateway Cities contend with the vestiges of a last barrier to their full reconnection: The Commonwealth's persistent localism….Increasingly, "the global economy…divides itself along regional lines, with conventional political boundaries having less and less relevance," remind the authors of "Lessons Learned."

The bottom line: Massachusetts' Gateway Cities' stand poised by dint of logic, location, real estate trends, and demography, to gain a new economic relevance. But it won't happen automatically. Governments shaky on the basics, stressed and inadequate education systems, and the cities' variable linkages to the wider world all impede their reconnection to the mainstream and must be dealt with.

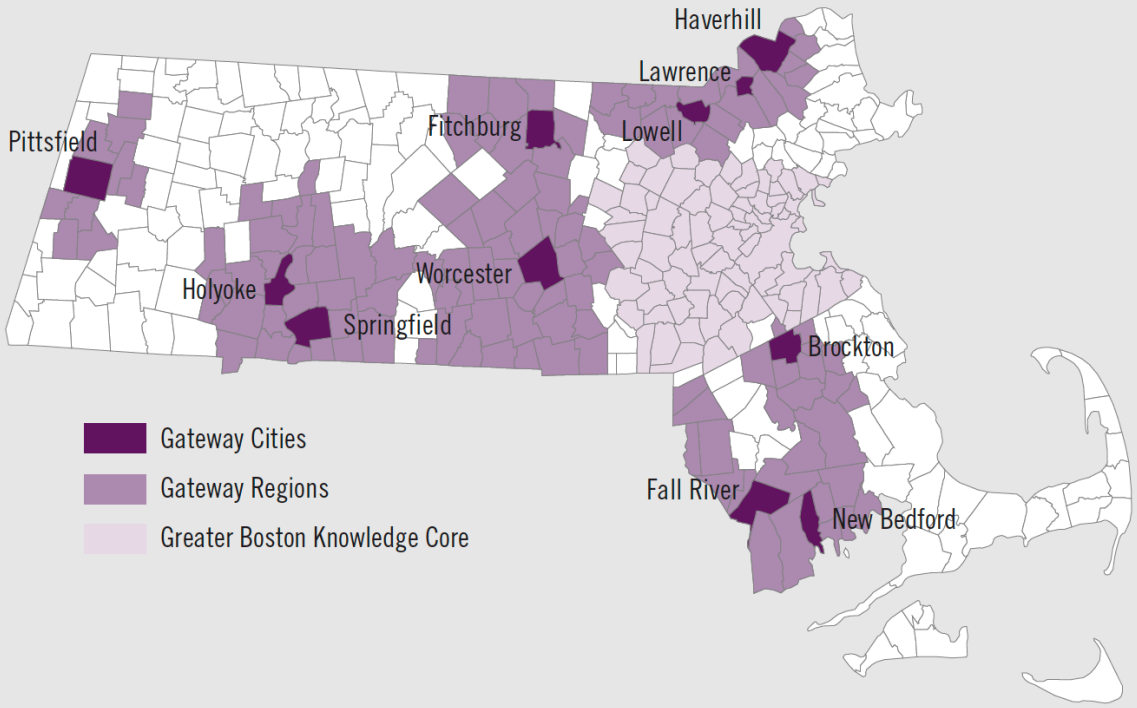
…state and local leaders must negotiate a new partnership to capitalize on the cities' legitimate strengths: their affordability, centrality, and demography. *These strengths represent potent competitive assets — both for the cities themselves and the state.*

CREATE NEW ECONOMIC CONNECTIONS FOR THE 21ST CENTURY

Finally, the Gateway Cities, their regions, and the state must adopt a new mentality of collaborative competition. In the past, prosperity turned on the sovereign power of individual capitalists, individual factories, and individual mill towns.

Today economic development depends more on establishing partnerships, nurturing networks, and building interconnected regions that can compete globally for jobs and services.

Key recommendations: Put rail connections on the fast track.

The state's enviable but incomplete web of rail links requires attention. Few doubt that Brockton, Haverhill, Fitchburg, Lawrence, Lowell, and Worcester have greatly benefited from commuter rail connections. ....The train stations also provide opportunities for smart-growth housing development and new business ventures that take advantage of locations near the rail station to serve commuters. Along all of these corridors, bolstering service with increased train service represents a sound investment.

Massachusetts' Gateway Cities and the Greater Boston Knowledge Core