



## Forum: Making Michigan cities talent magnets

By DAN GILMARTIN

Across the nation, the road to prosperity is being rebuilt. Increasingly, strong economies are emerging in cities where talented people -- creative, highly educated and entrepreneurial people -- are choosing to live and work.

A report issued Feb 12 by Michigan Future, Inc., an Ann Arbor think tank, demonstrates personal income is higher in cities with high concentrations of people with college degrees. Where talented people are living, industries with high-wage jobs and regional economies are thriving, concludes the report, "Michigan's Transition to a Knowledge-Based Economy."

The bad news: the report could find none of these cities in Michigan. Why? First and foremost, Michigan cities have an alarming shortage of residents with college degrees. As a result, cities such as Chicago, Boston and Madison, Wis., are leaving Michigan in the economic dust. These cities have significantly more households earning at least \$75,000 a year and fewer with incomes under \$25,000 than Michigan cities. Per-capita income growth is also stronger.

Other factors are keeping Michigan cities off the high-prosperity index. Michigan has spent most of a decade disinvesting in cities. Lansing has slashed state revenue sharing to cities by \$2.5 billion since 2002. City residents don't have the police protection, the good streets, the snow plowing or the garbage collection they should rightly expect. The answer is simple: The Legislature has cut state money to cities by 31 percent since 2000 -- nearly 50 percent with inflation.

Michigan also lacks viable mass transportation options so attractive to today's young college graduates. What must Michigan do to create cities that are talent magnets?

â€Recognize what college graduates want in the city where they choose to live and work. A 2006 study by CEOs for Cities found that two-thirds of young, mobile college graduates today will decide where they want to live first, and then look for a job. They want safe, clean cities with cultural offerings and amenities, including parks and green space. They want to live in downtowns and walkable neighborhoods with public transportation, access to the Internet and other technologies.

â€Recognize which industries are growing. While Michigan will continue to be more dependent on manufacturing than other states, most higher-wage jobs in the future will be created in "knowledge-based industries" including health care, education, financial services, marketing, management and other fields.

â€Recognize what business owners and entrepreneurs want and need. A December 2007 survey of Michigan small businesses found community infrastructure and recruiting quality employees are top factors. In addition, entrepreneurs seek locations in Michigan cities with good physical and digital infrastructure and safe healthy environments.

Many actions must be taken by political leaders, the business community and residents to build a new path to prosperity in Michigan. Until Michigan cities become places of choice for talent, other cities in other states will continue to clean our economic clock.

About the author: Dan Gilmartin is executive director of the Michigan Municipal League and a member of the Michigan Future, Inc. Leadership Council.

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