NEW study reveals where U.S. economic growth will take place in the next 40 years.
What economic factors can propel America to recovery and future prosperity?
Why are traditionally vibrant cities and states growing at relatively anemic rates?
What defines America’s new economic frontiers?

AMERICA’S GROWTH CORRIDORS:
The Key to National Revival

February 26, 2013: In a new Manhattan Institute study, America’s Growth Corridors: The Key to National Revival, geographer and City Journal contributing editor Joel Kotkin identifies four regions of the United States where a combination of low housing costs, above average population growth, and business-friendly government can restart the American growth engine. The emergence of interior metropolitan areas such as Houston, Dallas–Fort Worth, Tampa, Oklahoma City, and Omaha demonstrates that future economic growth is not likely to be concentrated in the northeastern cities and California, but rather in the generally less dense, more affordable, and markedly more pro-business growth corridors over the next 40 years.

The four growth corridors are:

1. The Great Plains region
2. The “Third Coast” stretch of counties along the Gulf of Mexico
3. The “Intermountain West”
4. The “Southeast Manufacturing Belt”

Over the past decade these growth corridors have created more jobs and gained more population than their counterparts along the ocean coasts or along the Great Lakes. That these regions generally have less burdensome taxes, friendly business climates, the political will to exploit their areas natural advantages, and positive investment patterns has been crucial to their success. These elements allow corridor states like North Dakota, which recently passed California as the nation’s third-largest energy producer, to prosper.

In unprecedented detail, Kotkin offers a breakdown of the successes and future prospects for continued growth for these four vital areas.

The report notes that these four regions share certain key drivers of economic growth: lower costs (particularly for housing); better business climates; and population growth (especially college-educated population growth). Also, many have benefited from the strong global market for commodities, particular food, natural gas, and oil.

Despite claims by well-known columnists such as Harold Meyerson, an analysis of wage rates belies the claim that these regions are engaged in a global “race to the bottom” in wages. This study defines the metropolitan area leaders in average annual wage adjusted for cost of living are almost exclusively located in these four growth corridors.

Kotkin notes in the report that, “Often historically poor, many of these areas have stayed hungry: they continue to seek out ways to expand incomes and opportunities for their residents.”


REPORT GRAPHS/TABLES OF NOTE:
• Growth in Average Weekly Wage, 2000-11
• Employment Growth in Energy Industries, 2001-12
• Average Annual Wage Adjusted for Cost of Living, 2012
• Bachelor’s Degree or Higher Educational Attainment, 2010
• Population Growth: Four Corridors vs. rest of nation

Joel Kotkin is a City Journal contributing editor. He currently writes the weekly “New Geographer” column for Forbes.com. He is also a distinguished presidential fellow in urban futures at Chapman University in Orange, California, a senior visiting fellow at the Civil Service College in Singapore, and a fellow at the National Chamber Foundation. He serves as executive editor of the website www.newgeography.com. Kotkin’s books include The Next Hundred Million: America in 2050 (The Penguin Press) and The City: A Global History (Random House/Modern Library). In 2010 he won the Gene Burd Award for best urban reporting. Kotkin attended the University of California, Berkeley. A native New Yorker, he has lived in California since 1971.

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