

Magnets and Glue: New Tools for Cities

There is growing awareness that cities fuel the engines of national economies. Urban areas are being recognized increasingly as the prime generators of employment and national wealth. While cities have long played this role, its complexity has increased.

The globalization of economies has created pressure for cities to become world-class actors on the international stage. In order to survive in the competitive knowledge economy, cities need to attract investment and the best possible talent in the world. So says Harvard Business Professor Rosabeth Moss Kanter in her book *World Class: Thriving Locally in the Global Economy*. She writes that world-class cities need both magnets and glue.

‘Magnets’ refer to the comparative advantages that attract external resources – such as companies and people – to renew and expand skills, and contribute to the economic health of the region. Magnets typically include a well-educated workforce, clean environment, vibrant business climate, high-quality services such as education and health, and cultural energy in the form of art, music, literature, theatre and sports.

But cities also need ‘glue’ to hold them together. In addition to physical infrastructure that supports daily life – roads, sewers, electricity and communications systems – cities need a strong social foundation that fosters health and well-being. A core element of this social foundation is decent affordable housing. And several of the factors that act as magnets for a community, such as recreation and lively culture, also form part of its glue. In fact, we are only beginning to understand the profound influence of arts and recreation upon social well-being.

Local governments in this world-class world now face decisions that go well beyond the flow of traffic and waste. Cities must be concerned not only about public works but about a public that works – and plays. There are three key areas upon which cities must focus to promote economic and social development: skills, arts and recreation, and affordable housing.

Cities can help grow their talent base. Many are engaged in a process of ‘cluster-based’ economic development, in which they identify the key clusters of industries – such as high tech, life sciences and tourism – that drive their economies. They then determine the skills required to support these clusters.

In some cities, local governments have gone beyond simple skills identification. They have acted as the conveners of business, education, labour and social groups to generate market-relevant training and apprenticeship. This type of multisectoral approach seeks to ensure a world-class talent pool while creating opportunities for those who often face employment difficulties, including young people, new Canadians and persons with disabilities.

But cities also need to cultivate arts and recreation in their dual role as magnets and glue. The arts attract high-in-demand knowledge workers and are equally well placed to bring people together. The arts help create a valuable local resource, known as ‘social capital,’ which is the product of relationships and networks. There is growing evidence that communities with strong social capital are more prosperous, healthy and safe.

Investment in recreation, which falls within the jurisdiction of most cities, has been linked to improved physical and psychological well-being. Children who participate in organized recreation tend to have higher self-esteem, enhanced relationships with friends and stronger school performance.

Finally, cities need to secure the prime ingredient in the social glue: affordable housing. The federal and provincial governments are only starting to get back into the affordable housing arena – after years of pretending it was none of their business. But the numbers of Canadian households in core housing need (1.7 million at last count) and the thousands of homeless lining far too many city streets tell a different story.

Decent affordable housing constitutes the foundation of cities. It provides the underpinning for basic health. Secure housing fosters

stability in all aspects of life, especially in school and work performance.

In fact, the challenge for cities is not simply to ensure a supply of high-quality, affordable housing. Ideally, they should promote homeownership, the benefits of which are now being recognized in research. Positive outcomes include enhanced psychological functioning, higher wealth and savings, increased social participation and improved neighbourhood stability. Solid social glue clearly contributes to the bonds of community.

Much of the talk about cities in recent months has been concerned with the need for increased investment in their hardware: roads, sewers and public transit. This investment is crucial; the lessons of Walkerton showed how high is the price of neglect.

But the discussion about cities must focus as well upon skills development, arts and recreation, and affordable housing. Cities must create the amenities and the climate that serve as economic magnets. They also must build the foundation that helps secure the social glue. Investment in cities must recognize both magnets and glue as essential new tools of economic and social development.

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