

ECONOMIC DEVELOPMENT: ONE CITY NEIGHBORHOOD

In this unit so far, we have looked at the city as a center for economic development. In this last case, we will look within the city to explore the development of one neighborhood. It is an imaginary neighborhood, but you could make it a real place by substituting facts about your community.

Profile of The Neighborhood

Housing Patterns:

- Old buildings have been remodeled.
- Many single-family homes have been converted into apartments.
- On a few blocks, houses have become too expensive to maintain, and they are being demolished and replaced with apartment buildings.

Population:

- Hispanics and African Americans have lived in the neighborhood for two to three generations, as have many whites. But many of the earlier white families sold their homes and have moved to suburbs. The new white residents in the neighborhood tend to be professionals moving close to offices downtown.

Infrastructure:

- The city has installed new lighting and is repaving the streets.
- Parking is a problem on many blocks, as people who used to be able to park in front of their houses have to park a few blocks away now.

Social Problems:

- Gangs from the neighborhood confront residents, especially newer residents, in incidents ranging from intimidation to robbery.
- Many people on fixed incomes have found that the property tax bills in the area are much higher than they can afford.

There are many points of view on economic development, and you will find them in a neighborhood as well as in a nation. The Community Council asks community members to present their priorities for the neighborhood's future development at a meeting. Identify what you think is a representative of each of the following groups might argue for at that meeting:

The gangs	people on fixed incomes	renters
Families	planning to move to the suburbs	new residents with city jobs
Grocery store owners	boutique managers	<hr/> (another group)

Case Study: American Economic Development

ONE CITY NEIGHBORHOOD (continued)

Four hundred years ago, people who lived in Boston took part in a project that continues today: the development of the city's economy. In this unit, we have focused on people who brought about major changes, but the history of American economic development really includes every person who supported or resisted changes in the economy. And the story of the economic development of Boston includes the creation of the new waterfront center as well as the improvement of housing and transportation in Roxbury.

In this unit, you have used the framework to look at history. Now you will use it to plan the future. Often the focus of attention in development is on changes in the downtown section of a city. And those changes are important to the vitality of a city's economy. But so are changes in a city's neighborhoods. In this section, you will use the unit's framework to plan economic development for your own neighborhood. You will plan a public innovation—one sponsored by the government. For this project, you are in charge of the city's Department of Economic Development.

Step 1: The innovator responds to change.

- What economic changes are taking place in your neighborhood?
- Choose one change that you think is very important to the development of your neighborhood.

Step 2: The innovator adapts an idea or develops a new idea that will introduce: a new product, a new way of producing, a new kind of business organization, a new market, or a new source of supply.

- What is the idea you would introduce to your neighborhood's economy?

Step 3: The innovator tries to get support from funding sources.

- You are in charge of Economic Development, but you still have to get City Council to approve the funds for your program. How will you persuade them to fund it?

Step 4: The innovator meets resistance.

- Who probably would resist your program?
- What response will you make to that resistance?

Step 5: If the innovation takes place, there is creative destruction.

- What will your innovation create and what will it destroy?

Step 6: One change leads to another.

- What will be the next changes—and your responses?