



Reprinted from *Future of Work Agenda*
September 2004

Review of *The New Geography*

by Joel Kotkin (Random House, 2000, 2001)

Reviewed by Jim Ware

The subtitle for this book is “How the Digital Revolution is Reshaping the American Landscape.” But, frankly, it’s not really about the digital revolution. Rather, it is a fascinating, sweeping discussion of how American cities, towns, and communities are evolving in the so-called “New Economy” that is changing so many aspects of our lives.

Kotkin is an expert on cities and neighborhoods who is keenly aware of changing patterns of working and living. He’s a futurist whose ideas and insights are grounded solidly in history. He’s a good writer, a thoughtful observer of current reality, and an insightful thinker about where it’s all going.

The New Geography is a great mixture of history, current stories, and projections of the future. And anyone who is interested in where talented workers want to live – and why – should read it.

For example I learned to think of this New Economy we’re all trying to figure out as one based on “knowledge-value” rather than raw materials or good weather and rich soil. “Knowledge value” is actually a term coined by the Japanese economist Taichi Sakaiya in 1992, and while today it seems almost a commonplace idea, Kotkin recognized its powerful impact on where people choose to live, and what kinds of communities they want to live in.

By the way, Sakaiya’s ideas are documented in his landmark book, *The Knowledge-Value Revolution: Or a History of the Future* (Kodansha International, 1992). He defines knowledge value as “the price of, and the value created by, wisdom; and the worth, or price, a society gives to that wisdom.”

And while I’m at it, if you want to read some great material about this so-called “New Economy” we keep referring to, we’re happy to recommend the [Progressive Policy Institute](#) as an important source. Their best piece on the New Economy is at:

http://www.ppionline.org/ppi_ci.cfm?knlqArealD=107&subseclD=294&contentID=250567

In essence, however, the digital revolution is context for Kotkin, not his primary interest. His focus is actually on the changing nature of cities, suburbs, and what he calls “midopolises” – those mid-sized communities that are neither major cities nor true suburbs.

In Kotkin’s words, “The essentially collaborative, often *ad hoc* nature of much high-tech work simply creates a different environment from that of traditional white collar business” (p. 42). And of course, the result of the Internet and FedEx/UPS (a component of the Information Age almost as important as the computer) is that most of the work that matters can be done just about anywhere.

But as Kotkin points out so well, this doesn’t make place – where we choose to do work and to live – irrelevant. In fact, it actually makes place more important than ever – especially

because where we choose to live is as much about who we want as neighbors and what kind of social environment we like as it is about our choice of physical environment.

Today talented people (especially those in high demand in the new economy) are now making their choices of where to live very differently from the way those choices have traditionally been made – and differently from each other as well. Some of us pick climate, or terrain (mountains, or seacoast), or recreational opportunities, while others choose on the basis of culture – music, theater, art, and so on.

But professional identity and economic opportunity also play an important role that has produced highly homogeneous micro-economies like Wall Street, Hollywood, Multimedia Gulch in Manhattan, South of Market in San Francisco, and of course Silicon Valley. Being around similar folks, with all the stimulation, professional growth, and sense of belonging that provides, continues to be a critical factor in just about everyone's locational choices, even when they can simultaneously be part of a global professional community.

The net result of all these individual choices is a whole range of different types of communities that Kotkin describes richly – center cities, suburbs, “Nerdistans (self-sufficient outer suburbs or peripheral communities like Irvine, California, and Raleigh-Durham, North Carolina, that are populated by high-tech divas and self-described “gearheads”), “Valhallas” (rural, rugged, upscale communities like Jackson Hole, Wyoming, Park City, Utah, and Aspen, Colorado, where so many of the dot.com millionaires are choosing to live or at least build second homes), and more.

Each type of community has its own character, its own appeal, and its own identity. The beauty of the new geography is that it offers so many meaningful choices to individuals, and to employers as well.

But there are also plenty of losers in the new geography – old, dying industrial towns with high unemployment – and we haven't yet done a very good job of helping these new “ghost towns” adapt and adjust to the new economy.

However, Kotkin does tell some wonderful and heartening stories of communities that have come back from the dead – places like “Toytown” just west of downtown Los Angeles that has become the absolute center of the global toy industry (Mattel is there, but so are hundreds of small, specialized manufacturers, importers, and distributors, all focused on that single industry).

Toytown is an amazingly vibrant neighborhood of small businesses owned and managed mostly by the new immigrants – Vietnamese, Koreans, Chinese, Japanese, and Mexicans and other Latinos as well. Seeing opportunity in the form of abandoned warehouses and cheap real estate, entrepreneurs have flocked to areas like Toytown and used them as the foundations of new micro-economies.

The New Geography won't give you easy, “Here's what to do” answers to your questions about where the next “cool communities” are going to be, but it will help you figure out how to create your own answers to your own questions about the future.

And here's one more important resource if you haven't already found it: Check out www.hotjobs-coolcommunities, the website launched and maintained by our friend and *Future of Work* member Rebecca Ryan, whose research is identifying not only today's great places to live and work but tomorrow's as well.

And be sure to follow our own growing focus on this whole question of what makes some communities “talent magnets.” We’re planning to concentrate most of the October issue of this newsletter on issues of prime importance to regional economic developers and to corporate real estate folks making locational decisions.

Ultimately, it’s important to remember a powerful insight from Spanish philosopher Jose Ortega y Gasset that Kotkin cites to end *The New Geography*:

People do not live together merely to be together. They live together to *do something together* [p. 188; emphasis added].

The Internet and all those related digital technologies have certainly changed the ways we do things together, so it’s only natural that they’re also changing the ways we live together.

The New Geography is available online from Amazon.com at [this link](#). And we encourage you also to become familiar with Joel Kotkin’s personal website, at www.joelkotkin.com.

About the Work Design Collaborative and *Future of Work Agenda*

Future of Work is a global network of resources – practitioners, thought leaders, researchers, and senior consultants – who are committed to building and implementing physical, social, and technology-based work environments that are cost-effective, socially and environmentally responsible, and personally satisfying.

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