

# Tribune

EAST VALLEY • SCOTTSDALE

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## Arizona must rethink growth to recover

By Mark Scarp  
Commentary

A long-ago observation attributed to baseball great Yogi Berra about a restaurant could have been about the East Valley:

“That place is so crowded,” Berra supposedly had said, “nobody goes there anymore.”

Indeed, although growth has slowed in the wake of a recession sparked by a housing free-fall that left Arizona as one of the hardest-hit states — this is still a place where, in the main, people want to move to, rather than move from.

Meanwhile, for those who are here, this is still an area surrounding the nation’s fifth-largest city. Mesa has nearly one-half million residents. Chandler has more than 200,000.

Yet one of the toughest lessons this very tough economy is teaching Arizonans is that its housing-based growth boom, while far from over even today, can no longer be counted on as the primary engine of economic sustainability.

As long as the sun shines as it does over Arizona, there will be people who will want to move here. Still, if there’s anything we have learned from this recession, it is that after a 60-year ride, this region needs to grow up and diversify its economic base, or suffer the same consequences in the future.

On the same day last week when President Barack Obama was in Mesa unwrapping his proposal to battle the rising tide of home foreclosures, Richard Florida was being interviewed on National Public Radio. The University of Toronto professor’s 2004 book, “The Rise of the Creative Class,” popularized that term as well as the phrase “live, work, play.”

The latter refers to how “knowledge workers,” responsible for high-powered 21st century-style productivity, want to do all three: in close-knit environments where those three activities are preferably within walking distance.

In Mesa, Obama talked about helping keep people in their homes. On NPR, Florida, author of an article in the March issue of *The Atlantic* titled, “How the Crash Will Reshape America,” was talking about how this recession will mark a “denser, more compact way of life.”

In his *Atlantic* article, Florida predicted that highly development-dependent areas such as ours will take years to recoup their losses. “It’s not unthinkable that some of them could be in for an extended period of further decline,” he wrote.

In his radio interview, Florida offered a prescription for creating more broad-based economies. America

needs to create jobs for currently "lower-skilled, blue-collar people" by doing what he said Toyota did: Transform manufacturing jobs by making them more "knowledge-intensive."

As for housing, Florida told the radio audience of the need for fewer new single-family houses and more smaller rental units closer to workplaces and retail outlets. Fewer cars and more transit options such as high-speed rail should combine with this new housing paradigm to give people the flexibility to more easily travel between job opportunities — and be better for the environment.

For Diane Brossart, Florida's ideas are along the lines of what her organization, Valley Forward Association, has been touting for 40 years: A more environmentally compatible, more economically varied Valley.

"We can't be a single-industry state," said Brossart, Valley Forward's president. "We need to diversify."

The Valley has been steadily moving toward that goal even before last fall's stock market crash, she said, expanding in areas ranging from biotech to solar energy to other environmental technologies.

But the economic crisis has made residents more acutely aware of the need to continue on this path, she said. Forty years ago, when Valley Forward was founded, "business and the environment were oxymorons," she said. "Today, that's all changed."

It's an idea that has gone from trendy and cool to a permanent requirement that, Brossart said, consumers are demanding.

"It's now more evident and apparent that we need a knowledge-based economy," she said. "Sometimes we need a crisis to act."

Greener, more diverse, more techy. Other areas of the country that have embraced these ideas are weathering this recession much better than we are. It's time we start making some difficult but needed adjustments.

It will take some real resolve and the willingness to look at this Valley much differently than we have ever looked at it before.

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