

Vernon, Raymond. *The Changing Economic Function of the Central City*. Published by the Committee for Economic Development, 711 Fifth Avenue, New York 22, New York. January, 1959.

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Volume 8, Number 15, 1963

URI: <https://id.erudit.org/iderudit/020474ar>

DOI: <https://doi.org/10.7202/020474ar>

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Publisher(s)

Département de géographie de l'Université Laval

ISSN

0007-9766 (print)

1708-8968 (digital)

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Cite this review

Haglund, D. K. (1963). Review of [Vernon, Raymond. *The Changing Economic Function of the Central City*. Published by the Committee for Economic Development, 711 Fifth Avenue, New York 22, New York. January, 1959.] *Cahiers de géographie du Québec*, 8(15), 121–122.  
<https://doi.org/10.7202/020474ar>

plan is not only wise but necessary. Such a plan need not be autocratically administered from the peak of the power pyramid but, like a modern urban plan, can indicate objectives and optimum means — specific means for the immediate four or five years, and general guide lines beyond. Its existence need not be an antithesis to free elections ; indeed, campaigns could be conducted on the nature of the plan's objectives and the degree of success in reaching those objectives.

In this respect, a major deficiency in the report under review is its association of internal economic stress only with unemployment. In May, 1961, one month before the CED report was published, a program came into existence in the United States that was known as the Area Redevelopment Program. Its purpose was to identify and aid areas of stress within the country. In identifying areas of internal stress, the Area Redevelopment Administration, which was created as an agency within the Department of Commerce to manage the Program, wisely used income as well as employment as an identifying criterion. Rural areas suffering from underemployment as well as other, chiefly urban, areas suffering from unemployment thereby were brought into focus.

Although the Area Redevelopment Program has existed for only two years, too short a time for a full judgment, it rests upon a foundation more in keeping with our times than that recommended by the CED report. In Area Redevelopment legislation, the role of the Federal government is more dynamic than that recommended in this report, especially in that both loans and grants, the latter for public facilities only, are available directly through the Area Redevelopment Administration. However, the ARA program also is lacking in basic planning information and is very cognizant of the viewpoints and opinions of localities — so much so, in the opinion of this reviewer, that it is not as effective as it could be.

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## LE DÉCLIN DE LA VILLE CENTRALE AUX ÉTATS-UNIS

VERNON, Raymond. **The Changing Economic Function of the Central City.** Published by the Committee for Economic Development, 711 Fifth Avenue, New York 22, New York. January, 1959.

In an attempt to find the answer to why the inner core and the central city as a whole have been losing ground in economic development to its peripheral areas, Raymond Vernon, Director of the New York Regional Study, compares costs of labor, transportation, rents, taxes, and other costs of conducting business in principal central cities as opposed to the surrounding. Upon examination of these costs the author concludes that although differences do exist, they are not strong enough to account for the decay of the inner city.

The conclusions seem valid with the possible exceptions of rents and taxes. With respect to rents, one may suggest that it is only the most profitable and highly capitalized concerns that can even think about relocating while the smaller, less profitable businesses without a surplus of capital or borrowing power are left behind unhappily in the inner core. If taxes are not a primary reason for relocation, as Vernon suggests, then businesses concerns are deprived of the strongest reason chosen by themselves as their prime reason for relocating. Facts and the attempt to create public sympathy do not always run in parallel lines and may be the reason why the author's facts and the statements of many business concerns do not coincide.

Transportation costs are cited as a substantial reason for many industries to relocate or stay in the inner city. Transportation costs often are actually a negligible portion of the total costs of most articles of manufacture or retail and are not of significant import to dissuade a firm from relocating. Dr. Vernon also suggests that retail buyers will not take on extensive transportation costs in order to engage in competitive buying. It would seem that this statement is converse to all general appearances. It would appear that except for staple uncompetitive products, the public will transport themselves incredible distances that often seem out of proportion to the amount saved on purchase price.

If the above components of business are not substantially different in the suburban areas than in the central city, what then is the cause for the mass migration of some industries from the

central city and the retention of others? Mr. Vernon states that speedy and subtle communications are necessary for some industry, and this factor necessitates their staying in the core of the central city. The advantage of personal contact over letter or telephone contact as asserted would not appear as an overriding factor to many economic geographers as it is at the higher level of management that personal contact of the nature that the author suggests is of any real value, and at these levels of management, time and mobility do not have stringent limitations.

Mr. Vernon indicates that the central core is left with producers of unstandardized products which tend to be small firms in need of speedy contact with suppliers, and with extremely large office operation companies that rely on a large pool of literate female labor. In actuality it is the small firms again that do not have the means to move out of their loft conditions or the long term purpose to rebuild on their present sites if they are the landowner. The large office operating company relies not as much on a large supply of literate female labor as on a large supply of *cheap*, literate, female labor. Neither are they as pressed for additional space requirements in comparison to many manufacturers.

The author initially describes the types of business that are held to the inner city for various reasons; however, he later advises that all the ties that bind most industry to the central city are now available in the periphery as well as the central city. One is left with the impression that the evacuation taking place has left the central city as a veritable desert of population and industry with only limited aspects of office type business, top management headquarters, and a few uncertain cost industries remaining. The introduction of statistics that point up the much higher rate of business starts and failure in the central city are evidence, actually, of the lack of means of small business to relocate within the central city or to the periphery even though the desire is there. Competition, be what it may, is not as much between the larger mechanized firms on the outskirts and the smaller central firms, as the author suggests, but between two or more large modernized firms that usually cater to a different market or a different volume phase of the market.

Although the city has moved and the author describes this move in great detail, there is only tangent mention of the basic reason for the decay of the central city. The base for profit or the foresight for profit are the only reasons that account for any move literally or operationally. This intense profit motivation accounts for the most grandiose case of littering on record. The central cities are littered with buildings, commercial and residential, that have been used at a point where it is no longer profitable to occupy or rebuild them. This stage of unoccupancy is the last scene in the drama of littering the city. Prior to this the owners are either operating profitably or collecting extremely high rents from rundown commercial or residential sites. It is conceivably possible to keep buildings in a presentable state attractive to occupancy if owners would invest in their own properties.

Although the inner core of the city may still be growing economically in absolute terms, (there is no question that it is decaying physically), the reader is left with the impression that the decline in most cases is an absolute decline. The graphs and charts within the article show relative position of the economy and to this extent are somewhat misleading.

Vernon in concluding draws on two possibilities as ends to the situation. One possibility is that both business and residents will move back, which he says is not likely. The second, as the author suggests, is that the state and federal governments will have to take action to rejuvenate, reconstruct, and relocate. This is the usual, objected to, phase of government intervention into local or private responsibility that occurs after years of apathy towards the problem. One suspects that successful programs or at least the beginnings of potentially successful programs of revitalization have taken place which could have been mentioned in order that the reader not be left in complete despair.

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