## Gush, Gush, Sweet Charlotte: Richmond Has More Subtle Charms

By Robert F. Graboyes **Federal Reserve Bank of Richmond** Richmond Times-Dispatch, 1990

MERIT IN SMALLER UNITS

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or two Sundays, this newspaper's front page has apologized because Richmond is not Charlotte Niceton While is not Charlotte, North Carolina. Yes, Charlotte has accomplished great things in ecent decades, and can teach Richmond a

meat deal. The TIMES-DISPATCH'S conclusion hat Charlotte "has sushed ahead of Richnond," however, rests on urbitrary and subjective riteria - that the faster city grows in the aggrerate, the better off it is. infortunately, such aglomerated data entirely niss how well individuals n a city are doing. Fur- GRABOYES hermore, the articles



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seemed to accept a debatable assertion that Charlotte's successes are attributable to renonal government and repeated annexation.

The articles suffer from a common malady - taking someone's arbitrary ranking of ities too seriously. Rankings invariably relect someone's opinion of what constitutes a good community - say, communities with 5 nches of snow annually, a ballet company, and moderate crime are better than communities with 10 inches of snow, no ballet company, and low crime. If you like snow, nate, ballet, and are petrified of crime, then his ranking isn't of much use to you.

The Richmond-vs.-Charlotte articles con-

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Charlotte's marketing profile may be higher than Richmond's, there are good reasons one might prefer a more paced growth strategy. In fact, some statistical measures show Richmond doing as well as Charlotte.

"Growth" means that either population or aggregate income is growing, but aggregate growth measures say little about the wellbeing of individuals. Consider this analogy: I promise to double your household income overnight. All you have to do is let my wife and me move in with you. Adding our incomes and yours, your household will be earning twice as much as before.

You probably won't take this deal. You yourself have no more money than you had before, and you have to share the bathroom, TV, and kitchen. Now, if I promise to double your income (not yours and ours together), you might think about tidying up the guest room or adding a room or two on to accommodate your new housemates. What matters to you is not how much aggregate income grows but rather how much our individual income grows.

CHARLOTTE HAS grown faster than Richmond in recent decades. But are Charlotte residents better off, or have they just put more people in the guest room? Between 1960 and 1990, the population of the Richmond area (Richmond-Henrico-Chesterfield) grew by 54 percent, while the population of the Charlotte area (Charlotte plus the rest of Mecklenburg County) grew by 88 percent. Richmond-area inflation-adjusted income

by 332 percent. However, inflation-adjusted income grew slightly faster for the average Richmond-area resident (136 percent) than for the average Charlotte-area resident (130 percent), and in both years average income was higher in the Richmond area. These statistical tidbits (and they're only tidbits) suggest that perhaps Richmond is not doing so badly by comparison.

The TIMES-DISPATCH'S own statistics reveal some of Richmond's strengths vis-à-vis Charlotte: median household income is higher in Greater Richmond than in Greater Charlotte. Richmond has more Fortune 500 companies. Richmond boasts a medical school and a law school, while Charlotte has

Income and population statistics don't begin to touch on quality-of-life issues. Personally, I prefer Richmond's quieter airport,



grew by 264 percent, Charlotte-area income modest traffic, and the degree of intimacy still evident here. I like professional sports and other big-city amenities, but they come at a cost - more congestion, more pressure on the infrastructure, and more urban prob-

> Having declared that Richmond has a "plight," the TIMES-DISPATCH attributes the decline to the "evils of fragmentation" - the absence of a metropolitan government. Few would dispute that certain functions - say, pollution regulation - call for some form of metropolitan governing authority. With many, if not most, municipal functions, though, citizens may be better served by small geographic jurisdictions.

> New Englanders, for example, have demonstrated the virtues of small jurisdictions where those governing and those governed are not strangers. Having more jurisdictions means some duplication of effort - multiple police departments, courthouses, and so forth. But keeping jurisdictions small also introduces the benefits of competition. If Chesterfield's taxes rise too much or services deteriorate too much, I can move to Richmond or Henrico or Hanover. If Henrico's industrial recruitment effort grows lethargic, Chesterfield can take up the slack. Metropolitan government offers fewer such checks on policy failure. Competition is good for grocery stores, and it is good for govern-

> SMALLER GOVERNMENTAL units are also better able to tailor services to specific populations. Would Ashland's specific wishes be as well-met were it subsumed in a huge

metropolitan jurisdiction? Recent years have seen a number of trends toward more intimate governance for this reason. Great Britain experimented with metropolitan government for reasons of "coordination" and 'economies of scale." Now, metropolitan governments are being abandoned for smaller governing units. Here in the United States, community associations have grown into quasi-governments because large jurisdictions cannot meet the needs of localized population groups. Regional cooperation is fine and desirable, but it does not follow that metropolitan government, whether by merger or by annexation, is intrinsically better.

Richmond has its problems. So do Charlotte and the other cities - Atlanta, Orlando, Dallas, Nashville, Phoenix, Kansas City that the TIMES-DISPATCH articles implied were heads above Richmond, Richmond can learn much from these cities' successes, much as they can learn from Richmond's. The point is that cities are different, and that diversity is a strength. Richmond and Charlotte serve different purposes and fulfill different wants, and we are fortunate to have both sorts of places.

Richmond is a smallish, low-profile, and distinctly modest sort of place - and that is why many of us live here. It takes a certain courage for a city to refuse to measure itself by someone else's definition of success.

Richmond is growing, and its growth may well be more balanced and beneficial to its individual citizens than Charlotte's growth in the long run. Only time and subjective judgment will say.