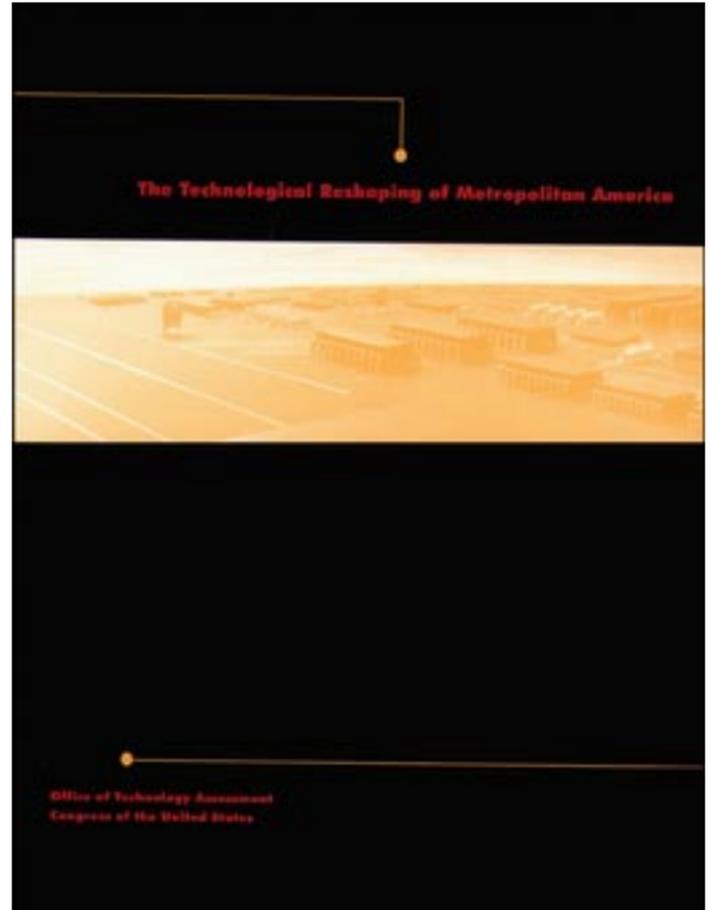


*The Technological Reshaping of  
Metropolitan America*

September 1995

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# Foreword

**A**dvanced industrial economies are in the midst of a technological revolution, driven in large part by rapid advances in microelectronics technologies. These digital electronic technologies permit information in a myriad of forms to be generated, routed, and transmitted cheaply, instantaneously, and at high volumes virtually anywhere. There has been much speculation about the impacts of the “information superhighway,” “digital society,” and emerging “cyberspace” on society in general, but surprisingly little is known about the potential effects of this technology revolution on industrial and residential location patterns broadly, or on urban conditions in the United States specifically. In fact, these technologies underpin the transformation of metropolitan areas.

These technologies are facilitating an ever more spatially dispersed economy, which in turn is causing metropolitan areas to become larger, more dispersed, and less densely populated. Moreover, though some places benefit from these changes, the economies of many older, higher cost metropolitan areas and many central cities and older inner suburbs are likely to face further job loss and disinvestment, leading to underutilization of the built environment, potentially reduced central city benefits for industry, increased poverty and ghettoization, and fiscal problems for local governments.

The OTA Report examines new policy approaches that would focus on development of innovative strategies for economic revitalization of urban core areas (including central cities and inner suburbs); creation of partnerships between urban cores and industry, state governments, and suburban jurisdictions; and movement toward full pricing of development and infrastructure to reduce or eliminate price subsidies now encouraging dispersed development.

This Report was prepared in response to requests from the Senate Committee on Banking, Housing and Urban Affairs; the House Committee on Banking, Finance, and Urban Affairs and its Subcommittee on Economic Growth and Credit Formation; and the House Committee on Public Works and Transportation and its Subcommittee on Investigations and Oversight.

In the course of this study, OTA drew on the experience of many organizations and individuals. In particular, we appreciate the invaluable assistance of the advisory panel, as well as the efforts of the project’s contractors. We would also like to acknowledge the help of the many reviewers who gave their time to ensure the accuracy of this study. To all of them goes the gratitude of OTA and the personal thanks of the staff.



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**Note:** OTA appreciates and is grateful for the valuable assistance and thoughtful critiques provided by the advisory panel. The panelists do not, however, necessarily approve, disapprove, or endorse this report. OTA assumes full responsibility for the report and the accuracy of its contents.

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