



# Tom Walsh: Focus on making Detroit better

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Detroit's skyline as seen from Windsor. Detroit must adapt to changing technology and population shifts that are largely beyond its control, a trends analysis shows. / MANDI WRIGHT/Detroit Free Press

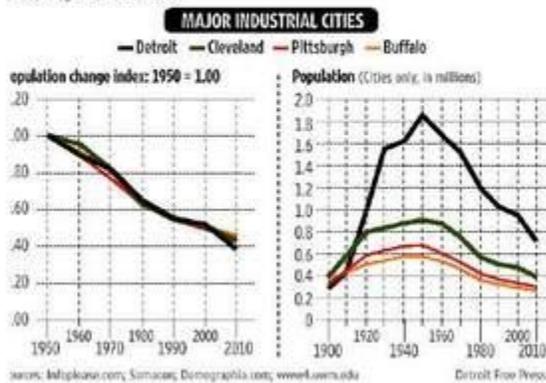


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## Shrinking in sync

Detroit's big drop in the 2010 census is getting lots of attention, but data dating to 1950 shows a virtually identical pattern of population decline in the northern industrial cities of Detroit, Cleveland, Pittsburgh and Buffalo.



A hundred years ago, four northern industrial cities -- Buffalo, Detroit, Pittsburgh and Cleveland -- were roughly the same size, ranging in population from 430,000 to 580,000.

That was soon to change, as Detroit blew by its peers with a period of explosive growth.

By 1950, the brawny Motor City had 1.85 million people -- more than double the size of Pittsburgh or Cleveland, more than triple Buffalo.

Detroit was king of the metal-bending belt, the Arsenal of Democracy in World War II and the automotive juggernaut in the boom years to follow.

But that was then.

Last week, a Wall Street Journal headline declared, "Detroit's population crashes," after 2010 census figures showed a 25% drop in the past decade. "Ghost town" was a popular term for the city in other news reports.

Running through much of the coverage was the notion of Detroit as a unique urban debacle, a hopeless victim of its own incompetence.

Conversely, a few hopeful souls may still cling to a scenario of Detroit as victim of a sudden aberrant plunge in auto sales that robbed the state of 50% of its auto jobs in 10 years -- and a belief that prosperity and population will return now that the worst is over.

All of which prompted Jon Gabrielsen, a Michigan expatriate and business consultant, to e-mail me a note the other day, followed by an Excel spreadsheet and some charts.

Gabrielsen made two main points in charting the historical data for Detroit and its sister industrial cities.

First, Detroit's population decline is not unique. In fact, since 1950 it is *remarkably* similar to other cities. From 1950 to 2000, Detroit and Buffalo lost 49% of their people; Cleveland dropped 48%, Pittsburgh 51%. The population of all four cities has fallen for six consecutive decades.

That, such as it is, is the good news. Detroit is not alone. It has experienced a population shift, much of it inevitable, as society moved from industrial age to information age.

The same thing happened to rural areas with the migration from farms to cities. America's farm production didn't stop and neither has industrial output.

We simply need fewer people to produce the same amount of goods, thanks to technology. The result: population shifts as people move to where new types of work are clustered.

Secondly, here's the bad news for anyone expecting a quick bounce-back in Detroit's population. It won't happen.

Pittsburgh and Cleveland, Gabrielsen noted, "are still losing population 32 years after their 1979 steel industry meltdown."

Gabrielsen, 53, has a University of Michigan MBA and is a manager with Georgia-based Blue Canyon Partners. His analysis of economic trends indicates that population in the six-county Detroit region will bottom out in 2017, after a net loss of 750,000 people since 2000.

Here's the primary takeaway, if you buy into Gabrielsen's analysis.

Detroit must adapt to changing technology and population shifts that are largely beyond its control.

Pittsburgh has become an oft-cited model for transformation from a smokestack steel town to a smaller city that has regrouped around the "eds and meds" cluster of health care employment and strong research universities, led by Carnegie Mellon and the University of Pittsburgh.

Its population is still shrinking, but incomes and housing values have stabilized. Retail shops have replaced an old steel mill on the Pittsburgh riverfront.

Detroit has similar opportunities -- a riverfront revival downtown, an eds-and-meds cluster in Midtown -- and some historical and geographic differences that will dictate different approaches.

What's critical is that the focus be on making Detroit a better place, not hoping that it will again become a population boomtown.

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