

A Country for Old Men
Market Perspectives
January, 2008
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Between 1947 and 1962, 14 million new single family homes were built in the United States. More than 10 million of these homes were built on farmland and in the smaller communities that fanned out from the existing urban cores of America's cities. These suburban developments offered competitively priced housing built on land that absorbed less than 20 percent of total development costs. These houses could be bought with relatively little down and annual payments of less than 25 percent of family incomes. The young families who flocked to the suburbs were often the recipients of educational subsidies and mortgages provided by the package of Congressional largesse referred to as the GI Bill of Rights.

The houses these young families bought offered them more than homes -- they provided gateways to middle class economic and social opportunities. These families enjoyed the pleasures of the yards and privacy that came with suburban densities, and they preferred shopping in the 5,000 new shopping centers that were built near the new rooftops. Some 125 of these centers were malls anchored by the same department stores and shops that had once served their parents in the central cities. As the families matured and their disposable incomes increased, they came to define a new suburban life style with a unique culture of its own. The pattern of suburban living pioneered by the returning veterans from World War II was passed on to their children who, because of their numbers, came to be called baby boomers. While those children wanted and came to expect more than their parents, they, too, preferred the residential densities and social opportunities that prevailed in the suburbs as places to live and raise their own families.

As the suburbs became the locus of most urban development for America's young population, some areas of central cities that had previously been healthy began to lose their luster, and the decline of central city neighborhoods accelerated. Publicly-financed attempts to arrest and reverse decline in the central cities started almost immediately. Particular attention was paid to the previously healthy downtowns, which

kept some of their office uses even as they were losing their former retail dominance. Expensive attempts to maintain the luster and dominance of downtowns were criticized by some but remained popular, if not successful, for the reasons Professor Raymond Vernon spelled out in his 1962 book, *The Myth and Reality of our Urban Problems*. He wrote, "Instead of seeing the central business district as an area containing one tenth of the city's land and one twentieth of its resident population dominating the image, this is the target of the elite's daily commuting trips. In short, it is the area that contains almost all that matters in the city for most civic leadership."

Today, the Baby Boomers are no longer young; the first cohort is collecting Social Security, although I would strongly suggest that readers who are marketing to these older boomers not refer to them as seniors. These newly older men and women tend to be healthier than their parents and are living longer. The early 1990s saw an end to the decline in the labor force participation rates of men and women over 55, and since then those rates have started to rise. For many in this group, the appeal of the traditional suburban life style has diminished with age. For the many with both the money and the health to give them a choice as to where to live, a move away from suburbia is appealing. Some choose to move out to ranches in Montana or similar locations that offer outdoor recreational and rural opportunities, while others move back to downtowns with lots of bright lights and entertainment venues.

This shift in locational preferences is not happening all at once or affecting all segments of the population. Some suburban residents continue to happily stay in neighborhoods with friends and recreational facilities, even if they have the financial wherewithal to choose other options. For those who have not achieved middle class status, and this includes many of the one in eight in the current population who are not native born, suburban housing is both sought after and best able to put them on the road to economic success and a middle class life style.

Unfortunately, many suburban governments have adopted land rationing ordinances, passed in deference to citizens who want to stop what they refer to as

sprawl. While limiting large-lot zoning would address some of the pro-environmental concerns of those who argue against sprawl, draconian growth limits and green belts drive up land prices, locking out households that want and would benefit from suburban living. Ironically, some contemporary suburban communities are shooting their economic development objectives in the foot by residential growth-retarding ordinances that keep out the labor base that would provide local basic businesses with comparative advantages, while buttressing the viability of suburban retail and service establishments.

As the population ages, policies aimed at limiting the growth of suburban development to fight sprawl are similar to the generals who are fighting a new war with the strategies of a bygone war. The residential appeal of the suburbs is still strong enough to support the continuation of their economic development and population growth. Such developments can complement the growth of new, invigorated dense development in action-providing downtowns, where spry oldsters with money and the hip young of today are pioneering a spurt of downtown growth that will come to match the post-World War II exodus to the suburbs. The regions most likely to achieve economic health and residential satisfaction will be those that exploit the opportunities created by the old men who will live where their wives and lady friends tell them to live.



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