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The New Geography Of Jobs: Where You Live Matters More Than Ever



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"It wasn't supposed to be this way. As the global economy shifted from manufacturing to innovation, geography was supposed to matter less. But the pundits were wrong. A new map is being drawn - the inevitable result of deep-seated but rarely discussed economic forces," says author and Berkeley [Economics](#) Professor, Enrico Moretti. His book, *The New Geography Of Jobs*, is available on book stands today, and its surprising message will soon be on the lips of millions. Who knew that your salary depends more on where you live than on your resume.

Where are the good jobs, and why are they located where they are? Why have Stamford, [San Jose](#) and [Seattle](#) added thousands and thousands of jobs while [Mansfield](#), [Modesto](#) and Merced have been stagnant or gotten smaller in the last twenty years? Why have workers, innovators, researchers and investors swarmed to specific places on our map, and continue the migration to this day? What is happening? Why do certain places in the country like Silicon Valley, Ann Arbor, Seattle, Austin and Boston, continue to attract top companies and top employees, while paying the best wages and topping the lists for innovation, patents and productivity?

The Multiplier Effect

In *The New Geography Of Jobs*, Moretti, the economist and researcher, gives us the answers to those questions so that we may capitalize on the innovation, opportunities and progress right here within the borders of our America. There is opportunity in small pockets all over the country, but the innovation hubs are where the jobs and pay are at for almost everybody, from scientists, engineers, programmers and researchers, to doctors, mechanics, carpenters, and barbers. It's what Moretti calls the multiplier effect. He estimates that for every innovation job that is added, another five jobs are added in the local service economy. Moretti notes also, that innovation jobs have double the multiplier effect that manufacturing jobs do. What's more, because innovation jobs are typically much higher paying, the service jobs pay more too.

It Pays To Be A College Graduate, But It Pays More To Live With Them

Yes, in terms of salary where you live may matter more than your resume, but living in metropolitan areas where there are high concentrations of college educated workers is what will push your pay higher. See the table below that shows the concentrations of college educated workers in various metropolitan areas, and their average salaries. Having a college education also tends to make workers more mobile, and mobility is important because it increases one's ability to move between innovation hubs as the knowledge economy continues to shift where we work.

| Metropolitan Area | Share Of Workers With College Degree | Average Salary Of College Graduates |
|--|--------------------------------------|-------------------------------------|
| <i>Source: The New Geography Of Jobs</i> | | |
| Stamford, CT | 56% | \$133,479 |
| Waterbury, CT | 15% | \$54,651 |
| Washington, DC, MD, VA | 49% | \$80,872 |
| Danville, VA | 14% | \$42,665 |
| San Jose, CA | 47% | \$87,033 |
| Modesto, CA | 16% | \$60,563 |
| Ann Arbor, MI | 46% | \$65,452 |
| Flint, MI | 12% | \$43,866 |
| Raleigh-Durham, NC | 44% | \$63,745 |
| Rocky Mount, NC | 16% | \$52,330 |
| Seattle-Everett, WA | 42% | \$68,025 |
| Yakima, WA | 15% | \$50,160 |

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Shift Happens

The New Geography Of Jobs explains the major shifts taking place in the United States economy and reveals the surprising winners and losers - specifically, which jobs will drive economic growth and where they'll be located.

Which communities will transform themselves into dynamic innovation hubs in 2012 and beyond? It can be done.

Get educated, get a map and get going!