

Employment Growth in the American Urban Hierarchy: Long Live Distance* (5)

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One of the most important land use determinants is the relationship between economic activity and the distance to the urban core. Indeed, this pattern shapes development at the rural-urban interface with profoundly different relationships for regions within and outside urban areas. For example, distance to an area's own urban core is usually associated with sprawl and faster growth in the U.S., while greater distance to the nearest city for areas outside an urban area is usually associated with less growth. However, the emergence of new information technologies and reductions in the cost of transporting goods, combined with numerous other developments led many pundits to pronounce the "death of distance," which may be altering these patterns. Even so, long-standing settlement patterns have seemingly remained unchanged. Large urban centers continue to decentralize, placing growth pressures on sprawling suburbs, whereas remote communities struggle.

Despite the extensive research on urban agglomeration, it is remarkable how little research has empirically investigated the relationship between distance from core urban areas and job growth. This study fills this void using U.S. county level data linked to an immense geographic information system database. A primary innovation is that distance effects are differentiated for six tiers in the American urban hierarchy. We estimate *ceteris paribus* relationships between

county employment growth and distance to the nearest urban center in each tier. The results indicate that closer proximity to larger urban centers is an important positive determinant of job growth in rural and exurban counties, becoming stronger over time. We conclude that not only is distance not dead, it appears stronger than ever.