

A Threat to Economic Growth

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Agglomeration vs. Work-at-Home

- Large cities are known to have employment clustered in export oriented (base) employment centers and subcenters
 - Employment centers exist because of agglomerative forces
 - Creativity comes from interaction between employees- within and between firms
- Pandemic has disrupted traditional office employment with stay-at-home orders and virtual employees
- Face-to-face contact within and between firms has been disrupted

Agglomeration vs. Work-at-Home

- SR consequences are to reduce commuting and relieve congestion, but what are the LR consequences?
 - Could be a threat to the inner working of cities and the economic growth they provide to firms and workers
 - So if pandemic labor force dynamics change and we lose the incubation effects of the employment subcenters and employment clustering, economic growth—especially from our urban areas—could be severely impacted

Cultural Diversity and Agglomeration

- COVID has accentuated society's concern over equal opportunity for all workers
- Diversity between firms is beneficial to firm formation and survival (Backman & Kohlhase 2020)
- Despite that we found within-firm diversity is a challenge
- If firms follow last hired first fired, then cultural diversity and the chance for equal opportunity that it represents can also be impacted
 - With the potential added impact of reduced economic growth

COVID Threatens the Twin Objectives: Economic Growth and Cultural Diversity

- There could be a threat to long run urban growth and to the overall economy if city labor force dynamics are altered by the pandemic
 - Work at home has, in the past, been defeated by the market forces that created CBDs and subcenters
- Great need for research on the changing nature of the work environment and whether that threatens our ability to pay off the huge national debt