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Daniel W. Cook

## Cosmopolis: A New Cities Proposal

*The people of the United States once lived on farms and in small towns. About seventy percent of their descendants now are gathered into 212 large metropolitan areas. This article proposes new cities as the third stage for the arrangement of population within the continental United States. Fiscal devices for smooth transition to an automated economy could be incorporated into new cities. For example, residents of a new city could own stock in automated enterprises located there.*

SINCE THE FOUNDING of the Republic, Americans have dreamed of building a great civilization, a society where people devote their energies and creative instincts to pursuing the good life for all. Today we are a metropolitan society. But our existing metropolitan areas display symptoms of disease and decadence. Our enormous megalopolises continue to expand, but they are characterized by miles of slums, scattered suburban wastelands, snarled and snarling traffic, poisonous air, poverty, and depressing ugliness. As people from rural areas and smaller towns continue to pour into metropolitan areas, a host of new social and economic ills sprout. Our present attempts to cope with metropolitan problems chase people from their homes and businesses as the bulldozers of "urban renewal" replace slums with prison-like middle-income housing barracks. Parks and scenic areas are chewed up and spat out as super freeways push through the cityscape. Outer "new town" slurbs sprawl across nature's land as exurbanites seek open space. Bureaucracy grows as people become cogs in the wheels of forward motion. Workers are laid off as machines and computers assume the tasks of production and control. In short, we are a sick metropolitan society.

Projections of our future urban population growth indicate that by the year 2000 about 90 percent of our 350 to 400 million people will be living within our existing metropolitan regions. Dr. Harrison Brown of the California Institute of Technology predicts a U.S. population of a least *one billion* people by the year 2075. He, along with many other experts in the field of urbanization, foresees two

continuous urban conurbations, one running down the East Coast, the other along the West Coast. Other super strip "cities" are expected to emerge along the Gulf Coast, the Great Lakes, and perhaps along the front range of the Rockies. This then, if we accept trends, projections, and expert prognoses, is the shape of the future—the horror of "monsteropolis."

We don't have to accept this fate as inevitable. Nor should we consciously plan for it. We should not delude ourselves by thinking that the answers to our present and future urban messes will be provided by the magic of metropolitan planning, massive urban renewal, or even satellite new towns. What is needed is to chart a new course for building a new kind of urban civilization.

An alternative to the predicted spread of megalopolis could be the enactment of a *National Urban Policy* favoring the development of planned new metropolises. The objective of such a policy would be to encourage a substantial portion of our population growth away from present metropolitan regions to wholly new central cities. During the next half-century at least 100 new metro-cities could be built in diverse locations throughout the United States. They could be developed upon surplus Federal Public Domain Lands and non-productive private lands in the west, the plains states, the east, and the south.

The new cities could be planned for populations ranging from 500,000 to 3,000,000. They could be constructed where land, water, scenery, climate, and accessibility suggest. At least two new metropolitan cities could be begun each year during the next 50 years. Fortunately, the more than 178 million acres of vacant Federal Public Domain lands in the western states offer many potential sites where new cities could be developed at no cost for land acquisition. With a projected population increase of 150 to 200 million people during the next half century, a minimum of 100 million people could be housed in these new cities if they averaged a million citizens each. This would still allow for substantial additions to our present metropolitan regions and viable smaller towns.

The concept of the *Cosmopolis* is that of a cosmopolitan city, conceived in the Space Age, with finite limits. Its economy would be organized upon the principle of private property ownership for all, equal opportunity for all to participate in the ownership of capitalistic production, and hence economic and social justice. It could be a city of universal affluence.

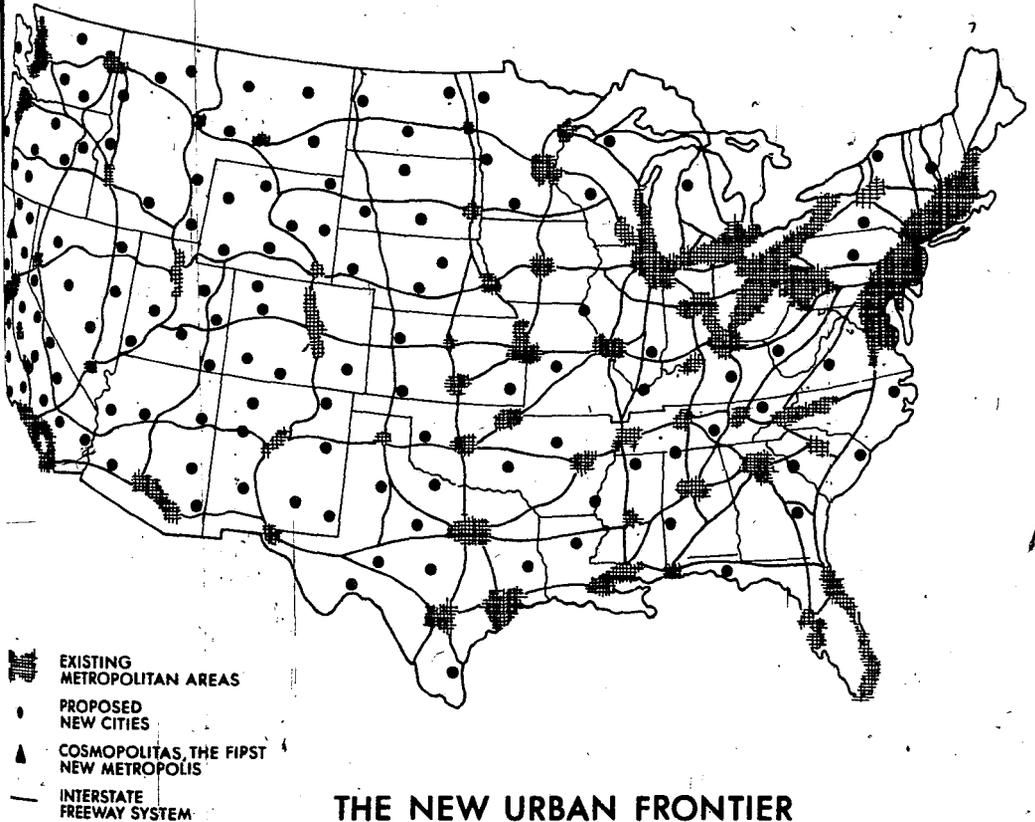
Within the continental western states we have a vast reservoir of land—land for living as well as for open space, recreation, wildlife,

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animal production, minerals, watershed, and timber. The United States Bureau of Land Management, part of the Department of the Interior, administers about 178 million acres of land in these states. Parcels of about 100,000 acres could be set aside for new urban growth and development centers. If 60 to 80 sites can be found in just the western states, then only six to eight million acres of the present inventory of 178 million acres would need to be converted to urban uses. This would leave 170 million acres for additional new cities, open space, conservation, and other appropriate activities.

It is more economical to construct new cities than to attempt to rebuild existing cities in a "total urban renewal" program for the next 20 years. A reasonable estimate suggests that we can construct over one hundred new cities designed for an average population of 1,000,000 persons for a cost of about \$1,000 billion—much less than half the cost for a total urban renewal effort. This does not mean,



however, that we should not continue to rebuild and revitalize our present cities.

A primary cost item for both renewal and fringe growth is land, and land for urban redevelopment projects is the most expensive. Cleared land in urban renewal project areas, after acquisition, demolition, and site preparation, usually sells for a minimum of \$100,000 per acre and can go as high as \$1,000,000 per acre. Raw suburban land, readily available for new development near the fringes of our major metropolitan centers, typically goes for \$4000 to \$20,000 per acre. This price pattern is one of the major reasons for the suburban sprawl of the past 25 years. But if Public Domain lands were utilized, the land would be free. No bond issues or special taxes would be needed for acquiring school sites, park areas, or rights of way for freeways, streets, and utilities. Also, each new city could be pre-planned for community facilities and transportation routes. Finally, special urban development corporations could have the primary responsibility for actually building each project city. The economic advantages of modern technology and management techniques, along with advanced planning, could provide further economies in the urbanization process.

The new metropolis program, if imaginatively executed, could:

- 1) increase the efficiency of our economy by adapting production to marker areas rather than tying it to natural resource deposits or cheap transportation areas;
- 2) create millions of new property owners, jobs, and entrepreneurial opportunities;
- 3) decentralize the concentrated pattern of decision making, now prevalent in our society. The concentration of economic power and political authority is a danger to political and economic freedom. Big government and big business directly and indirectly account for about 80% of the jobs, and nearly 70% of all productive activity of the United States is lodged in the top 500 corporations. The Cosmopolis program, with its attendant economic reforms, could distribute economic and political power more widely;
- 4) compete with existing cities and metropolitan areas, thereby accelerating action for massive improvement in all our major cities, as well as slowing their growth by attracting part of their population to new urban centers;
- 5) distribute minority groups more evenly throughout the United States, and provide new "ground-floor" opportunities for the disadvantaged to participate in the economy.

Many economic and social innovations could be integrated into the development of each cosmopolis. For instance:

1. *Initiation of an urban homestead land grant system.* This program, after state acquisition of the city site, would grant free land to individuals and businesses for use as homes, apartments, businesses, office, industries, etc. Since the city would be totally preplanned, these homestead land grant parcels would have to be developed according to the Master Plan before title to ownership would be granted. This program would help the poor acquire land, diffuse the ownership of private real property, and aid in the creation of thousands of new capitalists—just as the original 1862 Homestead Act created many new capitalists in the agricultural sector of the economy.

2. *Enabling legislation for chartering special Urban Development Corporations.* New city building companies would operate like public utility companies. Their profits would be regulated, and their ownership broadly distributed. These corporations should be privately financed and owned by a broadly diffused stockholder group composed mainly of future citizens of each new city. The corporations could be charged with developing and precisely planning the new cities, constructing buildings for sale or lease, and operating as prime contractors. Their organization could be similar to that of the Communications Satellite Corporation, and similarly financed.

3. *Participation of national industrial, financial, and construction corporations.* American industry, when called upon, has responded to a variety of challenges. It will respond to a new domestic program of urban development if it is given the proper incentives, governmental legislation, and public support.

4. *Creation of a life expectancy renewal fund, or a sinking fund to depreciate the replacement cost of buildings for automatic private "urban renewal."* Upon the issuance of a building permit, the estimated life expectancy of the building would be determined. If a structure had a 50 year life expectancy, 1/50th of the estimated future replacement cost (less 6% compound interest) would be deposited annually in a municipal trust fund for continuous investment in public improvements and mortgages. These replacement funds would be part of the value of the structure, so that ownership would transfer from property to property in fair exchange value. This fund could also be used for periodic maintenance and remodeling. The advantages of this are that all private structures would have a time limit on their existence; the money for replacement would be automatically accumulated for each owner, at a fair rate of earnings

in a trust fund; and continuous private renewal would take place, thus eliminating the need for future Federal urban renewal or slum clearance projects.

5. *Replacing our present system of annual property taxes with a local system of graduated capital gains taxes, primarily levied upon real property capital gains.* A graduated scale geared to the magnitude of capital gain realized either through sale or trade could provide local revenues for financing functions of government at the local level. A graduated capital gains tax ranging from 10% to 90% would discourage speculation, would tax unearned increments of value rather than productive outputs of wealth, and would tend to maintain the price of real estate at a lower level. By controlling urban land inflation, the incentives for suburban sprawl would be checked and the necessity for overcrowding the land because of its high acquisition cost would be ameliorated. The graduated capital gains tax would also have the effect of discouraging excessive capital accumulations based on unearned increments of land value and of encouraging diffused ownership of real property.

6. *A functional school system which would train a person how to be a businessman, how to build a house, how to acquire a saleable vocation, how to develop civilized skills for city living.* The poor settler, given the "Homestead Land," the house plan, and the "sweat-equity" procedure for home-ownership, must also be given the values and the know how for living in a city, and the skills for either obtaining a good job or for going into business for himself. If the other programs, i.e., "grubstake," or "new capitalist" finance plans are to work effectively, the people must be educated for utilizing such programs.

7. *The establishment of social adjustment centers in each community.* These centers, properly staffed, would re-educate and rehabilitate deprived persons moving to the city from other areas. The objective would be to take the "slum" out of people through understanding and education before a new slum could develop.

8. *Creation of a Capitalist Economic Development Exchange, to operate under principles similar to the "grubstake" system of the old West.* This institution would finance or "grubstake" individuals in the development of new enterprises. It would provide capital for businessmen, inventors, scientists, artists and writers, in return for a share of future profits. This institution, however, would be required to keep investing funds in new enterprises. Earnings would be continuously reinvested in order to provide a continuous flow of funds to finance "new capitalists." In effect, a revolving fund of

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financial resources would be created for assisting the city's new citizens in becoming businessmen, owners of income producing private property, or successful creators.

9. Creation of a *Capital Diffusion Insurance Corporation* at the Federal level which would insure loans to workers and other qualified "non-capitalists" for the purchase of income producing security portfolios consisting of diversified stocks, bonds, mortgages, and real property. Its function would be to assist those who may not be able to participate actively in the economy (either as an employed worker or entrepreneur due to automation and economic change) to participate in wealth production as owners of income producing capital. In other words, this government corporation, similar in concept to the F.H.A., would insure loans made to the new city residents by the existing commercial banking system for the purchase of shares of stock. Citizens moving into the new cities would be eligible to purchase stock in those corporations locating facilities in these same new cities on a "financed-capitalist" basis. They would become co-owners of the industries creating the economic base of the new cities.

10. *Encouragement, through proper legislative policy and tax inducements, of profit sharing and equity sharing plans in mature corporations* which might establish new plants or other facilities in these new cities. This would primarily benefit employees who retire early because of automation. The corporation would benefit indirectly from the recirculation of these funds within the local community.