THE IMPORTANCE OF MEGAREGIONS IN THE GLOBAL ECONOMY

What is a Megaregion?

As globalization transforms economies around the world and more people move into urbanized areas, economic and population growth is increasingly converging. Between now and 2050, more than half of the population growth and as much as two-thirds of economic growth in the United States is projected to occur in interconnected areas known as megaregions. These megaregions—large networks of metropolitan centers and their surrounding areas tied together by economic, environmental, and infrastructure relationships—will serve as the foci of American economic activity.

Currently, eight megaregions have been identified in the United States (see Figure 1). They include such diverse areas as the Northeast Megaregion, spanning from Boston to Washington, D.C.; the I-35 Corridor in Texas and Oklahoma; and the Piedmont-Atlantic Megaregion, centered on the I-85 Corridor and anchored by Birmingham, Atlanta, Charlotte, and Raleigh-Durham.

Figure 1: Megaregions in the United States (2050)
Why are megaregions important?

Megaregions span city, county, and often state borders. Typically, policy and planning decisions are made in isolation among different jurisdictions, rather than at a scope or scale that fully realizes the potential and inherent competitiveness of a megaregion.

As economic drivers now and in the future, megaregions as a whole will continue to attract both domestic and international migrants, as well as new business ventures and corporate expansions, and will require new investments in infrastructure and environmental preservation.

Each megaregion will benefit from integrated policy and planning responses that take into account its unique economic, demographic and environmental circumstances. Thus, megaregions offer an important framework, both theoretical and practical, on which to base our future decisions and investments concerning transportation planning, environmental preservation, social and economic policy, and technological innovation. The American economy may not be as competitive in the future unless we break down the jurisdictional barriers that currently inhibit the rise of the megaregion.

The Piedmont Atlantic Megaregion (PAM)

The Piedmont Atlantic Megaregion (PAM) comprises the entirety or parts of six states in the southeastern United States (see Figure 2). Anchored by the I-20/I-85 corridor that runs from Birmingham, Alabama, through Atlanta, Georgia to Raleigh-Durham, North Carolina, PAM is one of the fastest-growing megaregions in the United States, projected to increase in population by almost 70 percent by 2050 (CQGRD). PAM contains numerous vital government, academic, and business centers. There are also several gateway cities, including the sea port cities of Wilmington, Charleston, Savannah, Jacksonville, and Mobile; and major rail and airport cities, such as Nashville and Atlanta. These gateway cities provide important domestic and international links that facilitate the flow of goods, people, information, and culture. All of these rapidly developing cities and metropolitan areas are connected to each other by infrastructure, shared natural resources, social and cultural ties, and economic exchanges.
As with other megaregions, PAM, especially around its core cities, is characterized by being the leading economic engine in the southeastern United States. Its gross regional product is approximately $1.1 trillion – just over 10 percent of U.S. gross domestic product (GDP).

PAM also has a unique combination of policy and planning challenges:

**Managing Growth**—PAM’s projected rapid population and economic growth will require cooperation on issues such as land conservation, heat island effects, increasing diversity, meeting the needs of an older population, and traffic congestion, all of which can be improved through megaregional cooperation.

**Preserving the Environment**—Growth and climate change will put the environment under increasing pressure in many parts of PAM, which could face the loss of forested and agricultural land, decreasing air quality, and water shortages and pollution. A megaregional perspective on how to allocate resources could aid in ensuring a fair solution to regional problems such as interstate water disputes.
**Ensuring Social Equity**— If wealth is concentrated along PAM’s core corridor, rural and outlying areas may not reap substantial benefit. Increasing poverty, diminishing educational quality, and declining health threaten both rural and urbanized residents of PAM. Megaregional cooperation can significantly help in alleviating this potential problem.

**Maintaining, Expanding, and Transforming Infrastructure**—PAM is a highly car-dependent megaregion, which results in adverse impacts on the environment, quality of life, and productivity throughout. Yet high-speed passenger rail connectivity is feasible and may be crucial to continued economic success. With transportation and other shared infrastructure systems—water, energy, broadband—megaregional-level thinking, planning, and implementation can help secure economies of scale and encourage a long-term vision of sustainability.

**Staying Competitive**— PAM is being affected by shifts in the national and global economy. Cooperation on issues concerning competitiveness and economic development will benefit the entire megaregion by removing administrative barriers, pointing the focus firmly outwards, and enhancing PAM’s regional, national, and international competitiveness.

For all of these challenges, the consideration and integration of priorities at the level of the megaregion will enhance PAM’s future as a prosperous, sustainable, and attractive place to live.