

# NEW YORK BETS ON STARTUPS

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A little over a year ago I analyzed on the blog the movements of the then recent new British government regarding its commitment to developing in London an [technology-based hub](#) (*Silicon Roundabout* used to be called then; today, with the most advanced project, often referred to as [East London Tech City](#)). You can see the progress of London's commitment to its technological cluster through an impressive map, [Tech City Map](#), on which we can access the spatial distribution of technology-based companies located in London and, in

particular, in this area of the city (more than 600 companies situated, as well as the relationships between them). These days [David Cameron](#) has been there. So it served as an excuse to talk about the change in the production model (do you remember?) and to count on the [capacities that cities can mobilize](#). It also served to point out a few things about the difficulty of aspiring to be the new Silicon Valley ([Don't try this at home](#), fortunate expression of Margaret O'Mara) Over time, things are as they are and we have continued to lose time and the train of development of a new competitive model. Today I find some time to share some notes about another reality that is so suggestive but possibly further from our reality than we would like.

Because the mayor of New York, Michael Bloomberg, also decided a while ago [compete with the American West](#) and build an alternative to the mighty Californian to place your city at the center of the new wave of technology. The project, as it could not be less, responds to a logic that includes the planning of a **new space in the city** as a scientific campus (possibly in [Roosevelt Island](#)) to host universities and research centers that have responded to your [appeal](#) for centers [interested](#) in locating their activity in the city. It is not, in any case, an isolated initiative nor, from what it seems, the most relevant of all. We have known for a long time that placing **containers**, either inside or outside the urban center, is not enough, not even the most relevant thing. It is not enough to have infrastructures that host potential business projects to create industrial activity. Much less tangible elements are needed to give **real** content to those containers. The initiative is going further by supporting different technological incubators to support entrepreneurs in different neighborhoods of the city, forming a network **or ecosystem** of meeting spaces and dynamization of entrepreneurial potential without large investments in buildings. But above all, New York is experiencing a boom in its tech industry in a less planned way and because the [creation of startups](#) has much more to do with another series of factors that the city covers (concentration, specialization, dynamism, etc., elements well studied by [Ed Glaeser](#) in the book "[The triumph of the city](#)") and for the role of the [private investment](#) in supporting entrepreneurship.

That is why it is possible to see another high-density **map** of companies that are operating today in the city on the East coast. It's a map ([Technology Footprint: Starting Up in New York](#)) which only shows the entrepreneurial activity in Manhattan, but it is enough to realize that New York today is **another point hot in the internet economy**. These are only the more than 400 companies that in the last two years have raised financing from private investors to develop their businesses. Many of them have been located in areas of Manhattan where there is still affordable office space for rent and which also have a lively social scene. **Twitter, Facebook, Tumblr, Google, Foursquare, Kickstarter** are the most emblematic companies. Of the unknown, some of them may come to sound to us soon. It is a more significant movement than it seems also in terms of urban planning and how the role of city centers is understood. In a trend that [Richard Florida](#) is betting on in his latest book, [The great reset](#), but that some authors more likely to continue defending the *urban sprawl* model [discuss](#), the center of cities is once again attractive and large companies are beginning to recover their location in urban centers.

"It's easy for something like this to *happen in New York*", we might think. Yes, of course, New York, like other large cities located in the highest part of the [hierarchy of the global urban economy](#), it has many capabilities. This city has a critical mass, it has a high concentration of people and activities

(and, therefore, a strong potential for mixing concerns that are the seeds of new business projects), it enjoys a great density and diversity of activities, critical elements for the dynamism of any urban economy. But cities, like countries, cyclically enter crisis phases and constantly need to find **new alternatives** to be thriving. That its mayor intends to promote a new economy beyond tourism, the financial sector, advanced services to global companies, leisure, etc., when with all that New York has enough to survive today, it is a sign that is **looking for the economy to survive tomorrow**. They are just a few notes to document two processes of renewal of the economic structure of two great capitals of the world. Therefore, largely removed from the nearest reality. But both cases are valuable because they give us clues about a new way of understanding the role of the **technological base of the business fabric** in a city to continue generating economic activity. The question is knowing, once again, **what we are looking for**. If New York is no longer enough with all those sectors in which it has been a leader in recent decades, we better start looking soon [alternatives](#). And we have already lost several years of crisis.

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