

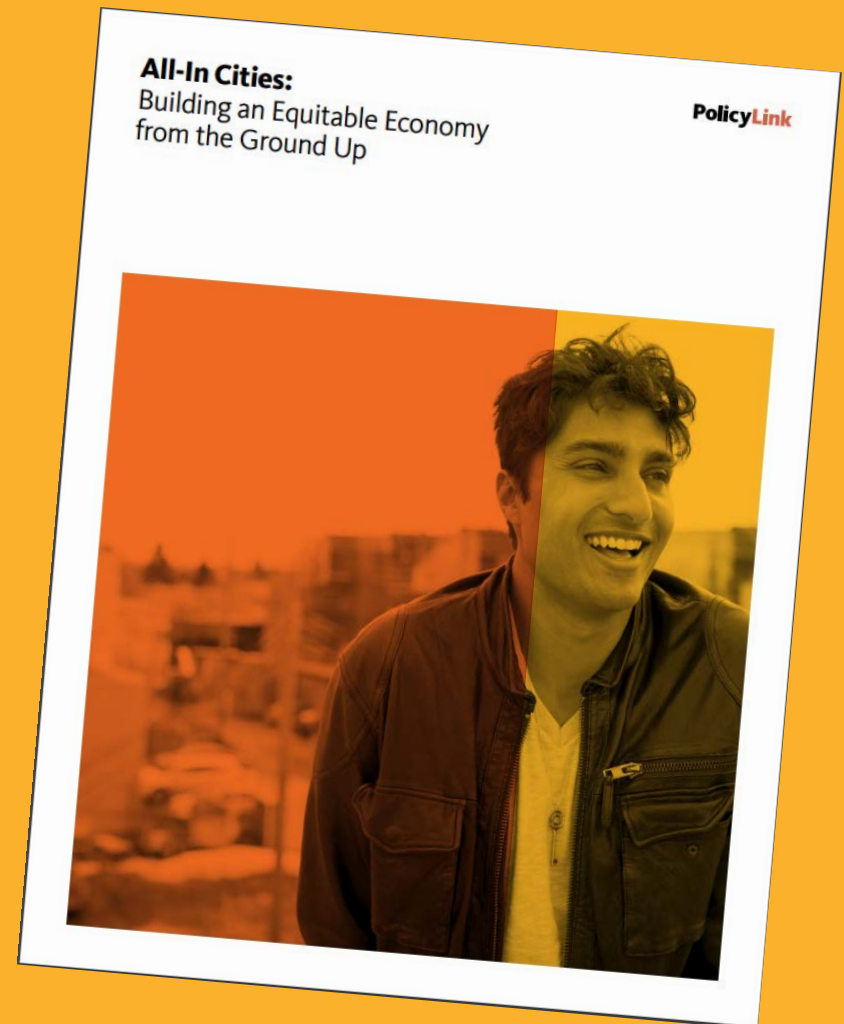
Equitable Economic Development: The Why and the How

Mayors Innovation Project
Summer 2018 Annual Meeting
August 23, 2018



PolicyLink is a national research and action institute advancing economic and social equity by Lifting Up What Works.®

All-In Cities, an initiative of PolicyLink, accelerates the work of government leaders and community advocates to advance racial economic inclusion and equitable growth.



Overview

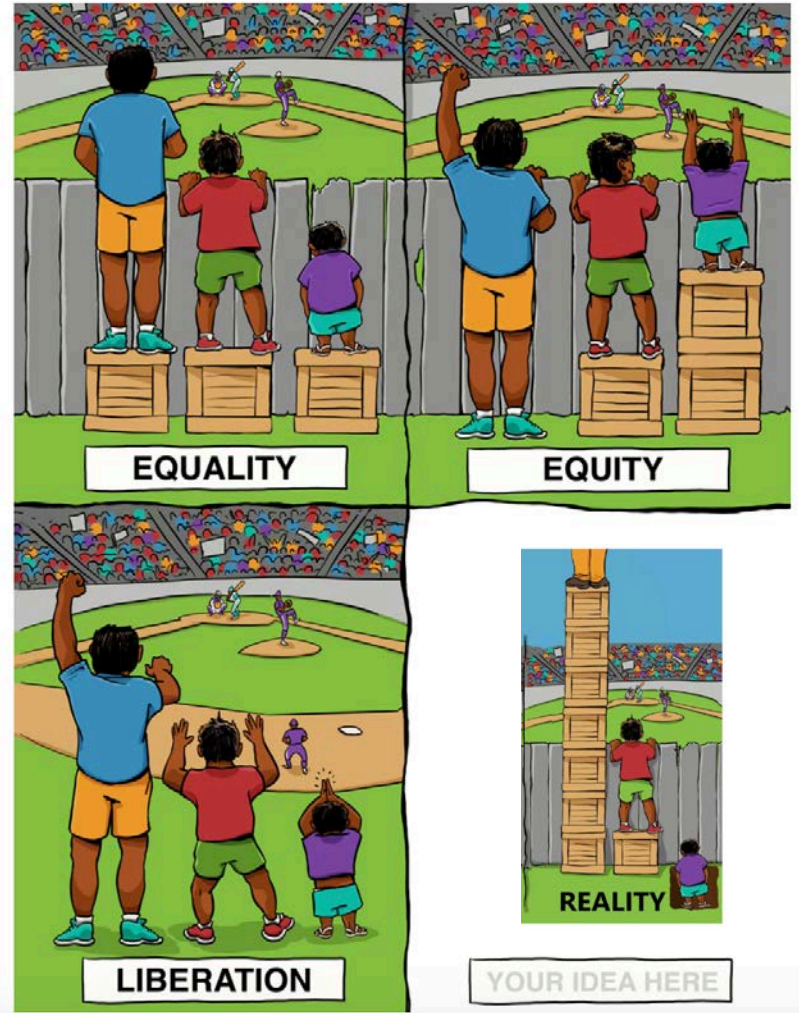
1. Why Equity Matters to City Futures
2. Defining Equitable Economic Development
3. Getting to Equitable Growth
4. Resources

What Is Equity?

Equity is just and fair inclusion into a society in which all can participate, prosper, and reach their full potential.

Attaining equity requires eliminating barriers and providing people with the optimal opportunity to thrive.

Source: Center for Story-Based Strategy and the Interaction Institute for Social Change, the4thbox.com



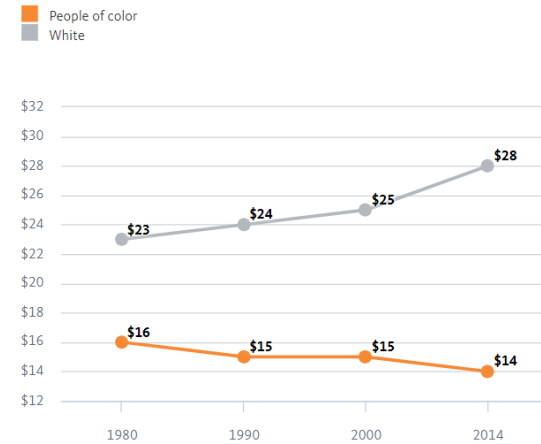
Why Equity? City Growth, But Not for All...

Table 1: Few large U.S. metro areas achieved broadly inclusive economic growth from 2010 to 2015

	Growth	Prosperity	Inclusion	
			Overall inclusion	Racial inclusion
	Added jobs, output, jobs at young firms	Improved productivity, ave. wages, standard of living	Improved employment, middle-class wages, working-poverty	Improved outcomes for whites and people of color and reduced racial disparities
Albany, NY	X	X	X	X
Austin, TX	X	X	X	X
Birmingham, AL	X	X		
Boston, MA-NH	X	X		
Charleston, SC	X	X	X	X
Charlotte, NC-SC	X	X		
Cincinnati, OH-KY-IN	X	X		
Cleveland, OH	X	X		
Columbus, OH	X	X	X	
Dallas, TX	X	X		
Dayton, OH	X	X	X	
Denver, CO	X	X	X	X
Des Moines, IA	X	X		X
Detroit, MI	X	X		
Harrisburg, PA	X	X		
Houston, TX	X	X		X
Knoxville, TN	X	X		
Louisville, KY-IN	X	X		
McAllen, TX	X	X		
Milwaukee, WI	X	X		X
Minneapolis, MN-WI	X	X		
Nashville, TN	X	X		
Oklahoma City, OK	X	X	X	
Omaha, NE-IA	X	X	X	
Philadelphia, PA-NJ-DE-MD	X	X		
St. Louis, MO-IL	X	X		
San Antonio, TX	X	X	X	
San Francisco, CA	X	X		X
Tulsa, OK	X	X	X	
Worcester, MA-CT	X	X	X	

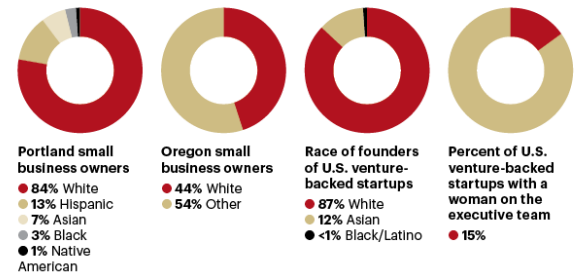
Source: Brookings Metro Monitor, 2017

Median hourly wage by race/ethnicity: Dallas City, TX, 1980-2014



IMPROVING THE COLOR BALANCE

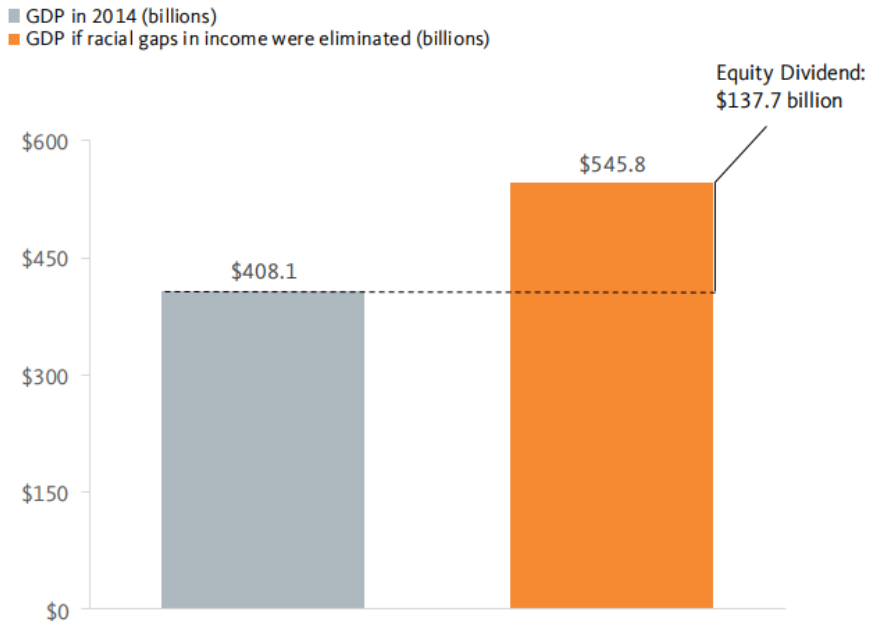
The Portland Development Commission's new Inclusive Startup Fund is designed to spur growth among startups created by women or minorities. Here's how the landscape looks today.



Source: [National Equity Atlas](#) (top right), [Portland Business Journal](#) (bottom right)

Equity Will Make Cities Stronger

The Bay Area's GDP would have been \$138 billion higher if there were no racial gaps in income
Actual GDP and Estimated GDP Without Racial Gaps in Income, 2014



Source: Integrated Public Use Microdata Series; Bureau of Economic Analysis.
 Note: Data represent a 2010 through 2014 average. Values are in 2014 dollars.

“As an economist, I worry that these inequities pose a serious threat to future economic growth... As people of color become a majority of the population, the failure to end their economic exclusion means a failure of the American economy.”

*-Larry Summers,
 All-In Nation*

What Is Equitable Economic Development?

Equitable economic development unlocks the full potential of the local economy by dismantling barriers and expanding opportunities for low-income people and communities of color.

Through accountable public action and investment, it grows quality jobs and increases entrepreneurship, ownership, and wealth. The result is a stronger, more competitive city.

The Transformation That Is Needed

- From race-blind to **race-conscious**
- From trickle-down to “**trickle-up**” **community wealth generation**
- From trophy projects to **neighborhoods connected to the regional economy**
- From costly business attraction to **growing from within**
- From any jobs to **quality jobs for workers without BAs**
- From GDP growth to **rising living standards for lower-wealth residents**
- From closed-door dealmaking to **public accountability**

Getting to Equitable Growth



Getting to Equitable Growth



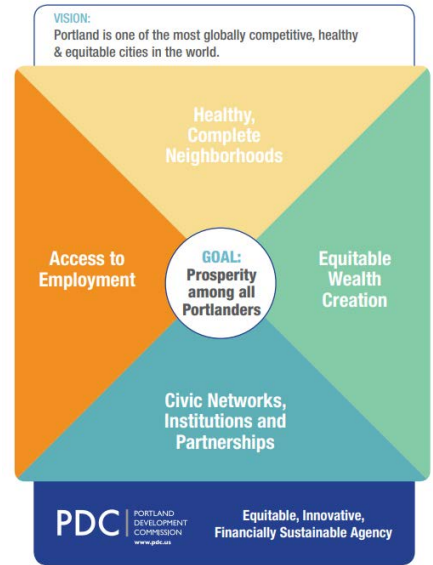
NYC Set to Triple Number of Worker Cooperatives

BY OSCAR PERRY ABELLO | JANUARY 11, 2016



The working world realized the target single grant from NYC's \$1.2 billion Worker Cooperative Business Development Initiative. (COURTESY: THE WORKING WORLD)

Getting to Equitable Growth



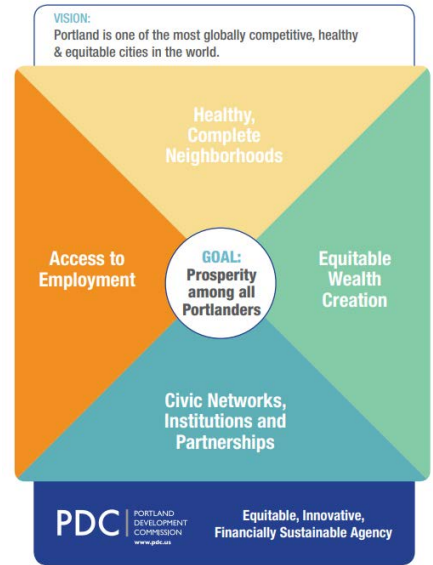
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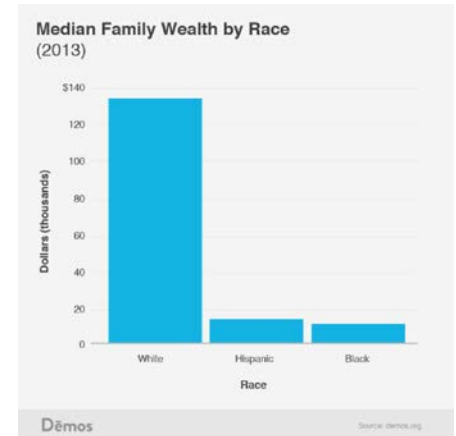


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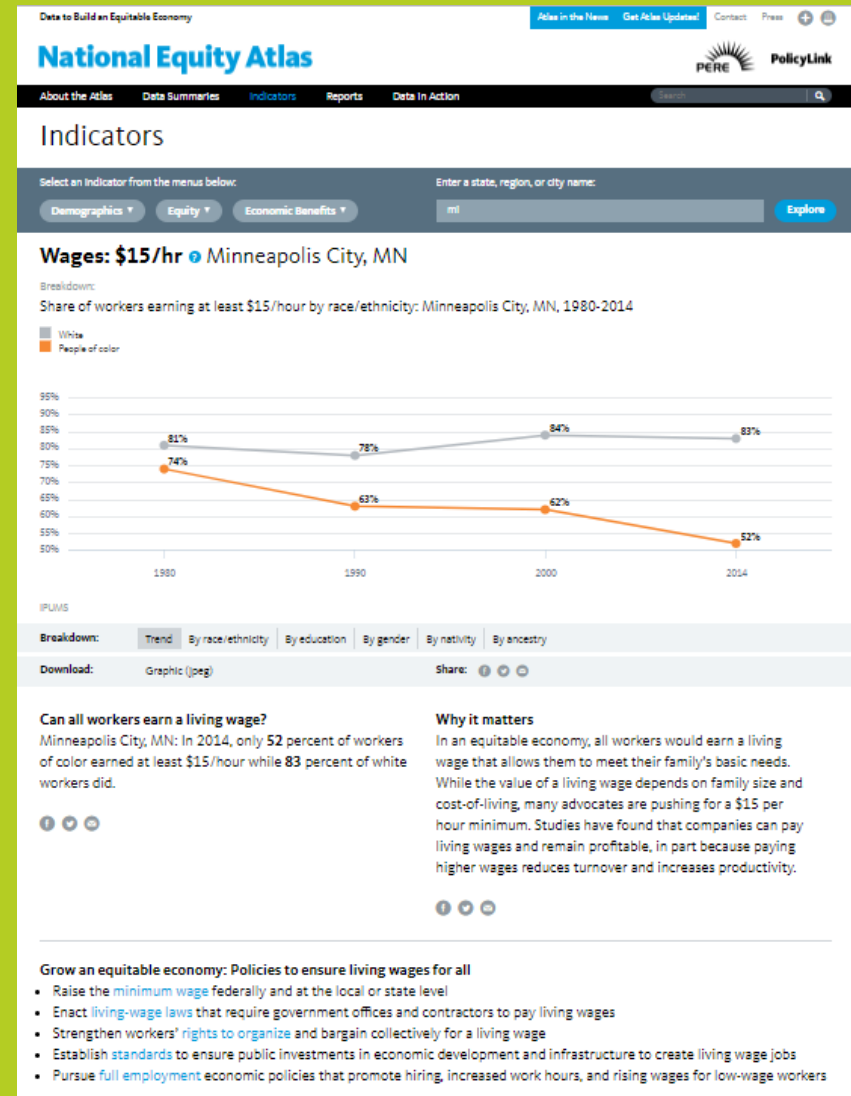


The working world realized the target single grant from NYC's \$1.2 billion Worker Cooperative Business Development Initiative. (COURTESY: THE WORKING WORLD)



Resources

- [National Equity Atlas](#): Data for 100 largest cities, 150 largest regions
- [All-In Cities Policy Toolkit](#)
- [Equitable Development: The Path to an All-In Pittsburgh](#)
- [The Equity Solution: Racial Inclusion is Key to Growing a Strong New Economy](#)
- [Government Alliance on Race and Equity](#)



Thank you!

Tracey Ross
Associate Director
tracey@policylink.org
[@traceyross](#)

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