



GLOBAL URBAN DEVELOPMENT

U.S. Agency for International Development (USAID)
Washington, DC

MAKING CITIES WORK Speaker Series

**Metropolitan Economic Strategy:
Sustainable Prosperity and Innovation
for Brazil**

Dr. Marc A. Weiss
Chairman and CEO
Global Urban Development

September 19, 2012



MARC A. WEISS

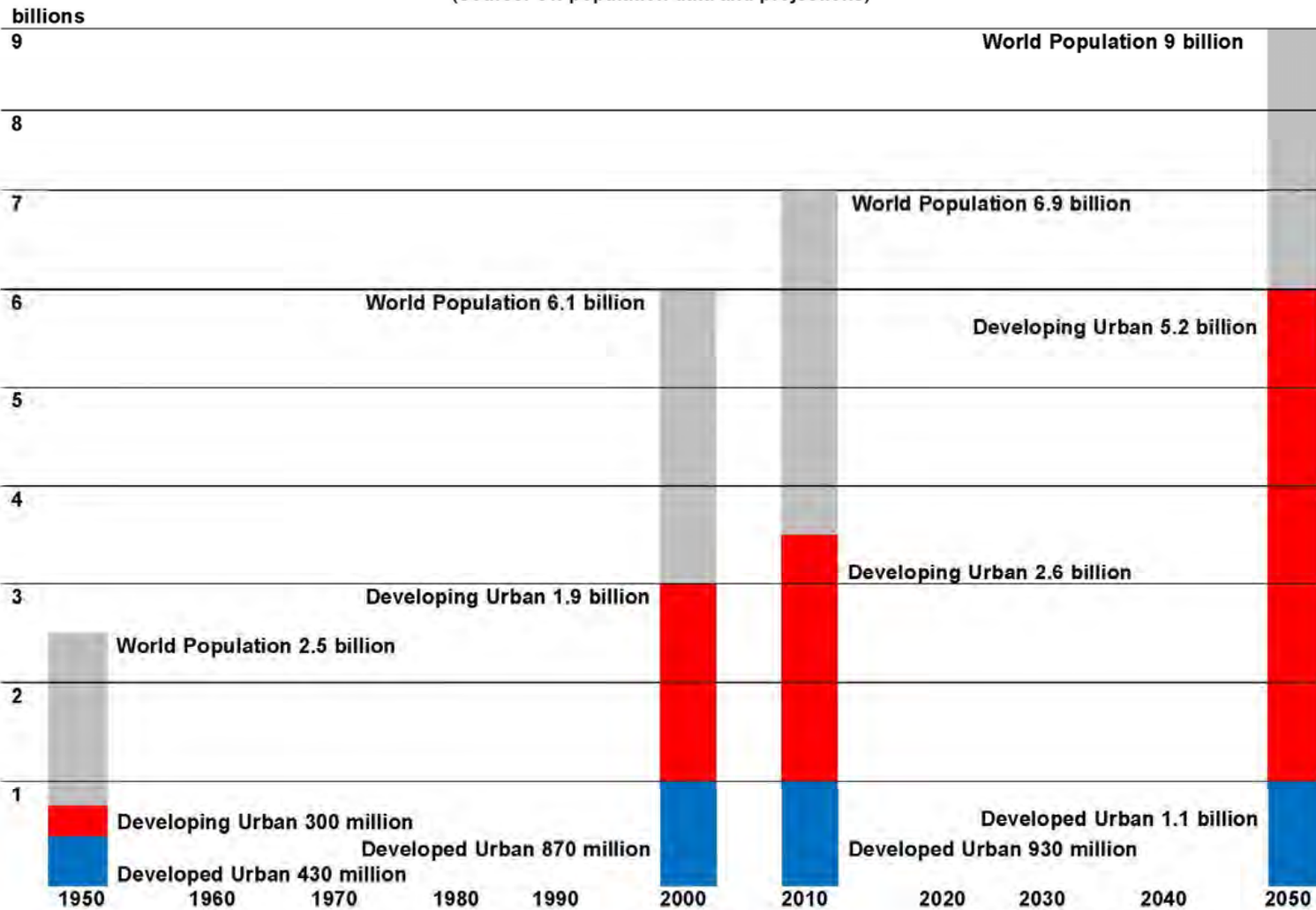
Metropolitan Economic Strategy: The Key to Prosperity

Metropolitan Economic Strategy is now essential for every nation and urban region to generate sustainable prosperity and quality of life.



TOTAL WORLD POPULATION AND URBAN POPULATION, 1950-2050

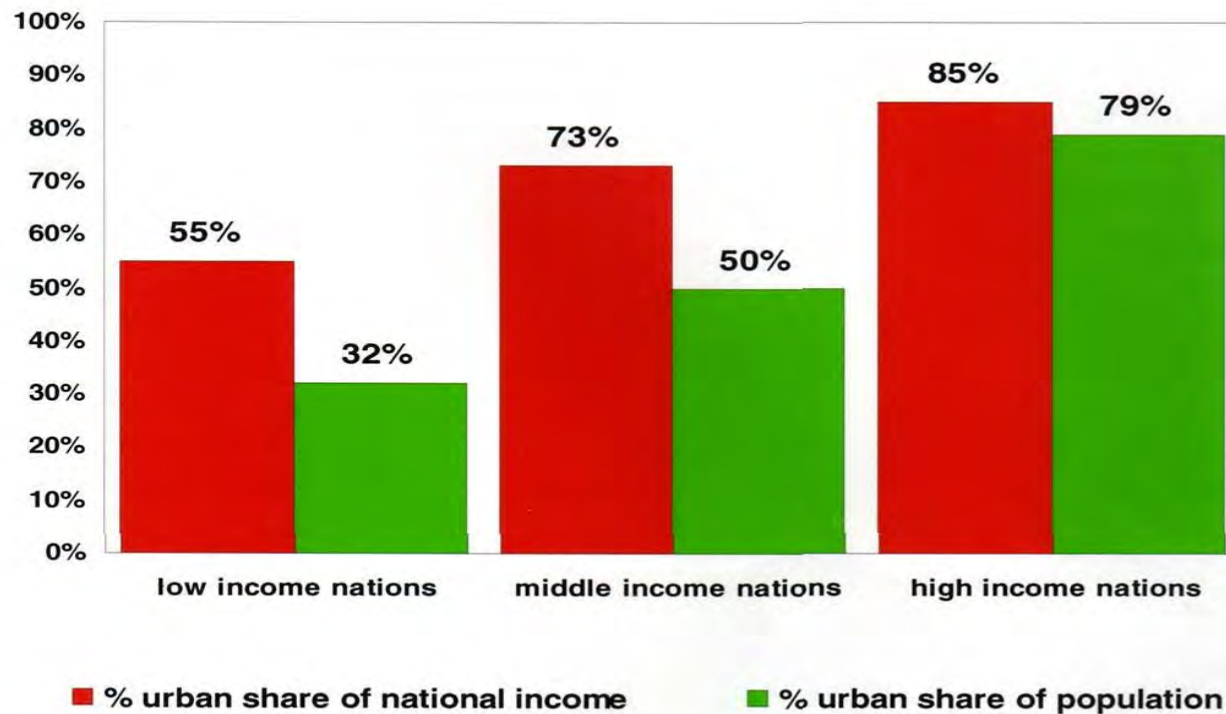
(Source: UN population data and projections)





Urban Development and Economic Prosperity

Figure 1. In every nation, the urban share of national income is higher than the urban share of the national population.



Source: Based on the World Bank World Development Report and WB World Development Indicators



Clinton Administration *Metropolitan Economic Strategy* National Policy Initiative

America's New Economy And The Challenge Of The Cities

A HUD Report On Metropolitan Economic Strategy



U.S. Department of Housing and Urban Development



Metropolitan Economic Strategy for America's Cities and Regions

Henry G. Cisneros and Marc A. Weiss

The New American Economy

After a quarter-century of sweeping change in the global economy, the metropolitan regions of the US are positioned for prosperity. Metropolitan regions have been centers of manufacturing and commerce since the beginning of the industrialization and urbanization of America in the 19th century. In more recent years, the new knowledge and information-based, technology and communications-intensive, globally oriented economy has changed the economic dynamic of metropolitan regions. Some regions have prospered as centers of the New Economy by growing new types of service industries – business, professional, financial, health – and by spawning whole new manufacturing sectors – computers, electronics, telecommunications, multimedia. Other regions have become more competitive by transforming older manufacturing industries, such as automobiles or apparel, into more productive, technology-driven industry “networks”.

Our study, based on evidence from case studies of 12 U.S. metropolitan regions and analysis of quantitative data on 114 of the country's largest metropolitan regions, finds that most U.S. metropolitan regions are freshly positioned to succeed in the new global economy and to bring increased prosperity to America's families and communities in the 21st century.



The Wealth of Regions and the Challenge of Cities

Henry G. Cisneros and Marc A. Weiss

If we are to fully revitalize the cities, we must begin to look beyond the cities. This is not as paradoxical as it sounds. Even a cursory look at the new economy reveals that metropolitan regions have become the fundamental building blocks of national prosperity and improved quality of life. The dynamic industry networks that are driving economic growth operate regionally in all their facets—production, research, labor, supply, sales, and distribution. The fates of urban, suburban, and outlying communities are inextricably linked by the metropolis, which cuts across city and county boundaries and, in some cases, even state and national borders.

The future health of urban communities depends on regional thinking and action. We must act regionally because businesses do. When they make decisions to locate or expand a facility, they look at the entire metropolitan area—its transportation and infrastructure, its workforce, its educational and cultural institutions, its environment and amenities, and its existing industry networks. We must act regionally because workers and consumers do. People who commute to work and shop increasingly do so throughout their metropolitan regions. We must act regionally because all of our major institutions do. Universities, hospitals, museums, sports teams, print and broadcast media, performing arts groups, convention centers, churches and syna-

gogues, labor unions, civic groups, foundations, and charities—all serve a metropolitan population rather than hiding behind municipal neighborhood walls.

We also must act regionally because problems once confined to the inner city have spread to the suburbs. Unemployment, anemic tax bases, troubled schools and neighborhoods, deteriorating housing stock, crime, and environmental degradation are now part of our suburban legacy, particularly in older inner-ring suburbs. From south of Chicago, to north of Minneapolis-St. Paul, to east of our nation's capital, the revitalization of urban America must include suburban America.

Regions as diverse as Austin, Texas, and Akron, Ohio, are pointing the way to successful metropolitan economic renewal. During the past decade, Austin has transformed itself from a state capital and university town to one of the nation's fastest growing computer-technology centers. Akron, meanwhile, reacted to the demise of its tire manufacturers by becoming the world capital of science and engineering for polymer-based synthetic materials. In both cases, civic leaders from the public and private sectors and research and educational institutions worked in partnership to design and implement a winning regional strategy.

Efforts to expand economic prosperity and improve the quality of life throughout our metropolitan regions cannot succeed



U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, D.C. 20410-0001

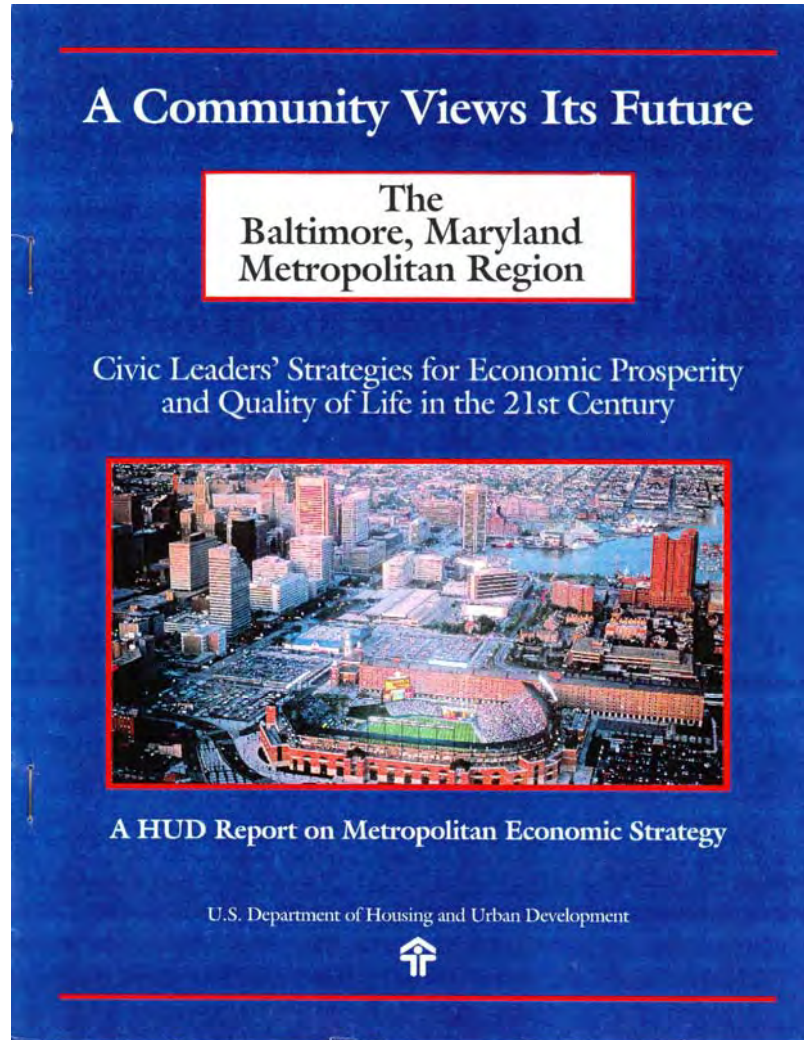
THE SECRETARY

In America today, nearly 80 percent of the population and almost 90 percent of the employment growth is in metropolitan regions. We are individuals and families looking to the future for good jobs and business opportunities, for rising incomes to own homes, for children to get a worthwhile education, for communities to thrive in health and safety. All of us share a common fate in a new metropolitan economy that will determine our nation's prosperity and quality of life in the 21st Century.

This New Economy -- knowledge and information-based, technology-intensive, and globally oriented -- demands new skills in education, research, and workforce development. To be competitive now requires regional collaboration and innovative leadership: a Metropolitan Economic Strategy for investment in transportation and infrastructure, environmental preservation, and community revitalization.



Clinton Administration *Metropolitan Economic Strategy* National Policy Initiative





THE
ECONOMIC RESURGENCE OF
WASHINGTON, DC

*Citizens Plan for Prosperity
in the 21st Century*

*By the People,
For the People*

The Strategic Economic Development Plan for Washington, DC,
and The Economic Summit are co-sponsored by
the District of Columbia Government, the Financial Responsibility and Management Assistance Authority,
the United States Department of Commerce Economic Development Administration,
the Local Initiatives Support Corporation, Fannie Mae, and the World Bank.

Coordinators: Richard Monteilh and Dr. Marc Weiss
District of Columbia Department of Housing and Community Development

NOVEMBER 1998



Recent Wilson Center National Conference on Metropolitan Economic Strategy, and Upcoming International Conference on Metropolitan Quality of Life

KENT H. HUGHES

Woodrow Wilson International Center for Scholars

More than 100 senior practitioners and distinguished experts from across the nation gathered at the Woodrow Wilson International Center on September 20th through September 23rd. They focused on creating new policies and partnerships that enable America's metropolitan regions to implement coordinated public and private investment strategies designed to enhance technological innovation, productivity, and competitiveness.

"The conference—*Metropolitan Economic Strategy: How Communities, Cities, Counties, and Regions Innovate and Prosper in the New Global Marketplace*—facilitated in-depth discussion among national policymakers to generate fresh and creative approaches for expanding prosperity and improving quality of life in metropolitan regions," said Marc Weiss, Public Policy Scholar at the Wilson Center and conference coordinator.

The main conference themes are drawn from a book entitled *Teamwork*, that Marc Weiss is co-authoring with Henry Cisneros, former Secretary, US Department of Housing and Urban Development. "Our book," stated Henry Cisneros, "is exploring and promoting the best ways that public, private, civic, and community leaders can work together to ensure that cities and suburbs will thrive in the fast-changing international economy of the 21st century."

Featured speakers included Philip Angelides, Treasurer, State of California; Earl Blumenauer, Member, US Congress, from the City of Portland (Oregon), and Co-Chairman, Livable Communities Task Force; Henry Cisneros, Chairman, American CityVista, former Secretary, US Department of Housing and Urban Development, and former Mayor, City of San Antonio (Texas); Brent Coles, Mayor, City of Boise (Idaho), and President, US Conference of Mayors; Lee Cooke, Chairman, Habitek International, and former Mayor, City of Austin (Texas); Richard Erickson, President, Regional Business Council of Northeast Ohio, and former President, Akron Regional Development Board; Parris Glendening, Governor, State of Maryland, and President, National Governors' Association; Stephen Goldsmith, Domestic Policy Adviser, Bush-Cheney 2000, and former Mayor, City of Indianapolis (Indiana); Javier Gonzales, Commissioner, Santa Fe County (New Mexico), and President-elect, National Association of Counties; Lee Hamilton, Director, Woodrow Wilson International Center;

Kevin Hanna, President, Atlanta Development Authority; Alice Rivlin, Chairman, District of Columbia Control Board, and former Director, White House Office of Management and Budget; Gene Sperling, Director, White House National Economic Council; Susan Wachter, Assistant Secretary, US Department of Housing and Urban Development; Marc Weiss, Public Policy Scholar, Woodrow Wilson International Center; and Anthony Williams, Mayor, City of Washington, DC.

The conference participants spent many hours each day in breakout discussion groups developing recommendations for new policies, programs, and research efforts. The results of this conference will be summarized in a 32-page conference report to be published and widely disseminated by the Wilson Center. The *Metropolitan Economic Strategy* conference received financial support from the US Federal Conference Fund, and the Fannie Mae Foundation.

"We had a full agenda and tackled some very tough issues, such as workforce development, smart growth, and urban reinvestment," said Marc Weiss. "It is so important that we focused on this fundamental challenge, because America's and the world's future prosperity—the success and vitality of our nation's families and communities—depends on creating a state-of-the-art metropolitan policy agenda."

The Wilson Center will be holding a follow-up international conference—*Metropolitan Quality of Life: How Communities, Cities, Counties, Regions, and States Sustain and Improve Transportation and Infrastructure, Housing and Services, Land-Use and Environment, and Urban Amenities*—to be held on September 12-15, 2001 in Washington, DC. This conference is also being coordinated by Marc Weiss.

For additional information on the conference and to receive copies of the conference overview materials and summary report, please contact Marc Weiss by phone at (202) 691-4229, by fax at (202) 691-4001, or by email at weissma@wwic.si.edu. •

Kent H. Hughes is a Public Policy Scholar at the Woodrow Wilson International Center for Scholars in Washington, DC. He is currently writing a book on America's global economic competitiveness.



**STATE POLICY APPROACHES TO PROMOTE
METROPOLITAN ECONOMIC STRATEGY**

BY
DR. MARC A. WEISS

PUBLISHED BY
THE NATIONAL GOVERNORS ASSOCIATION
CENTER FOR BEST PRACTICES

OCTOBER, 2002

Metropolitan Economic Strategy: How Urban Regions Innovate and Prosper in the Global Marketplace

MARC A. WEISS

Woodrow Wilson International Center for Scholars

POINT ONE

America's future prosperity depends on the productivity and competitiveness of its metropolitan regions, the key centers of innovation and business activity, where over 90 percent of the nation's job growth is currently taking place, and where nearly 90 percent of the nation's Gross Domestic Product is now being generated.

The nature and volume of investment, production, and trade in and through America's metropolitan regions is one of the basic structural building blocks of our country's macroeconomic growth and global competitiveness, and thus is at least as important as fiscal and monetary policy, international trade, education, and other economic issues regularly considered and debated by the executive, legislative, and judicial branches of the federal government, including the Board of Governors of the Federal Reserve System.

Metropolitan Economic Strategy is vital for national economic policy in the new global marketplace, both in the USA and in countries throughout the world.



Beijing, China

points for individuals trying to thrive in the global economy. Yet the greatest barrier to regional coordination, cooperation, and collaboration is the lack of a common metro-



Global Urban Development Volume 1 Issue 1 May 2005

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METROPOLITAN ECONOMIC STRATEGY

TEAMWORK: WHY METROPOLITAN ECONOMIC STRATEGY IS THE KEY TO GENERATING SUSTAINABLE PROSPERITY AND QUALITY OF LIFE FOR THE WORLD

Marc A. Weiss

METROPOLITAN ECONOMIC STRATEGY IS NOW ESSENTIAL FOR EVERY NATION AND URBAN REGION

The most important geographic units of economic activity in the world today, other than the nation-state itself, are urban regions. All across the world, in every country, more than half of the national income is generated by urban areas. Indeed, these percentages range from an average of 55% in low-income developing countries, all the way up to an average of 85% in high-income developed countries. What is all the more striking about these statistics is that in every case the percentage of national income generated by urban areas exceeds the percentage share of the national population that is urbanized. In the case of the low-income developing countries where urban areas account for an average of 55% of the national income, the urban share of the population averages 32%. In middle-income countries, the urban share of national income averages 73%, whereas the urban share of the population averages 50%. For high-income countries, the average urban contribution to national income is 85%, yet the urban proportion of the national population is 79%. This shows that the greater the level of urbanization in a nation the higher is its level of prosperity, and conversely, the more prosperous a country is, the more urbanized it is at the same time.



Global Urban Development Volume 2 Issue 1 March 2006

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METROPOLITAN ECONOMIC STRATEGY

ECONOMIC DEVELOPMENT IN A FLAT WORLD: GLOBAL TRADE, TECHNOLOGY, INVESTMENT, INCOMES, EMPLOYMENT, EDUCATION, AND ENTREPRENEURSHIP IN THE 21ST CENTURY

Thomas L. Friedman

The more I worked on this book, the more I found myself asking people I met around the world where they were when they first discovered that the world was flat. In the space of two weeks, I got two revealing answers, one from Mexico, one from Egypt. I was in Mexico City in the spring of 2004, and I put the question on the table during lunch with a few Mexican journalist colleagues. One of them said he realized that he was living in a new world when he started seeing reports appearing in the Mexican media and on the Internet that some statuettes of Mexico's patron saint, the Virgin of Guadalupe, were being imported into Mexico from China, via ports in California. When you are Mexico and your claim to fame is that you are a low-wage manufacturing country, and some of your people are importing statuettes of your own patron saint from China, because China can make them and ship them all the way across the Pacific more cheaply than you can produce them, you are living in a flat world.



Productive Cities and Metropolitan Economic Strategy

Dr. Marc A. Weiss
Chairman and CEO
Global Urban Development

***A Theme Paper presented to the United Nations International Forum on Urban Poverty,
Fourth International Conference, Marrakech, Morocco, October 16-19, 2001.***

In the 21st century the world has become urban, with the majority of the global population living in cities and towns. The fastest rates of urbanization are now taking place in developing countries, where average incomes are the lowest. This means that poverty, historically a rural phenomenon, is becoming an increasingly urban issue, in both the developed and the developing world. At the same time, cities and metropolitan areas are the main generators of economic prosperity, and thus are best positioned to contribute toward the elimination of poverty. The twin themes of this conference, "Productive Cities" and "Inclusive Cities" point toward the solution to this fundamental challenge.

This paper addresses how to make cities more productive, and particularly how to do so in ways that expand jobs and business opportunities, increase incomes, and improve quality of life for low-income families and communities. Such an approach requires viewing cities in their metropolitan regional context, and creating cooperative, pro-active growth strategies that connect and unite the public, private, and civic sectors across the urban landscape. It also depends on including poverty populations and settlements in creating their own prosperity, by treating them not as liabilities, but as human and physical assets to be mobilized for production, income and job generation, and wealth creation, as well as involving them in investment decision-making to ensure an equitable distribution of resources, infrastructure, services, incomes, wealth, quality of life, and economic opportunities.

Traditional poverty alleviation strategies focus on the manifestations of poverty itself. They seek ways to feed, clothe and house poor people. They try to find ways to deliver health care and other services with strained resources. Metropolitan Economic Strategy, on the other hand, addresses the root causes of poverty in a manner that empowers low-income people, and directly engages their own energies in altering their life circumstances, improving the surrounding environment, and contributing to the overall productivity of the region and nation.



Global Urban Development Volume 1 Issue 1 May 2005

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METROPOLITAN ECONOMIC STRATEGY

THE WORLD'S URBAN SYSTEMS: A EUROPEAN PERSPECTIVE

Sir Peter Hall

This article suggests that there are two alternative ways of looking at cities and world urban systems, both valid, which need to be combined. Then it looks at the performance of the European urban system in the last quarter century. From this, starting from the European Spatial Development Perspective (ESDP), it proposes some lines of policy, with particular reference to the recent enlargement of the European Union.



Barcelona Metropolitan Economic Strategy

July 2004

Gundy Cahyadi and Scott TenBrink*
Global Urban Development
Prague, Czech Republic

***Also with contributions by Caio Barbosa and Barbara Kursten**



**REPORT FOR THE OECD AND THE GOVERNMENT OF WALES
ON THE NOMA (NORTH OF MASSACHUSETTS AVENUE)
STRATEGIC ECONOMIC DEVELOPMENT INITIATIVE IN WASHINGTON, DC**

Dr. Marc A. Weiss, Chairman and CEO, Global Urban Development

May 2008

1. Rationale for the initiative

Problem to address: In 1997 the city of Washington, DC was suffering from slow job growth, insufficient new investment and development, population loss, declining government revenues, and troubled low-income neighborhoods. Formulating and implementing a major new private sector-oriented economic development strategy had become a vital necessity.

Policy context: During August 1997, the US Congress passed legislation, signed by President Clinton, entitled the National Capital Revitalization Act. This law was primarily designed to address long-term structural fiscal imbalances harming the financial viability of the District of Columbia Government, such that it was running substantial budgetary deficits, unable to raise sufficient revenue to meet its expenditure obligations. Two years earlier, the federal government created the District of Columbia Financial Responsibility and Management Assistance Authority (the "Control Board") to order substantial reductions in personnel and spending, and to directly manage the DC government. In 1997 the Control Board was tasked by Congress with producing a strategic economic development plan designed to grow private sector businesses and jobs for DC residents, among other reasons, in order to increase the tax and revenue base.

Action concept: In the fall of 1997, Dr. Andrew Brimmer, Chairman of the Control Board, hired Richard Monteilh as the Director of the Office of Economic Development and Department of Housing and Community Development, and then hired me as the Senior Adviser to Mr. Monteilh, and as the Coordinator of the Congressionally mandated strategic economic development plan. Within one year Richard Monteilh and I, working with literally thousands of city and regional stakeholders from business, government, labor, civic, community, and faith-based leadership, including a 40-member steering committee, produced an Economic Summit held at the World Bank, attended by more than 2 000 people, and published *The Economic Resurgence of Washington, DC: Citizens Plan for Prosperity in the 21st Century*. The city's first-ever comprehensive, private sector growth-oriented economic development strategy focuses on three broad categories: strategic industries (six key industry networks/clusters, plus growing businesses and jobs across the private sector), strategic populations (workforce development, plus attracting and retaining residents) and strategic areas (downtown and neighborhoods). The centerpiece of the plan was 40 strategic actions whose implementation was committed to begin within one year of the plan's publication in November 1998. Among these 40 actions were two that are central to this report: Action 26—Develop NoMa (North of Massachusetts Avenue) as a Technology, Media, Housing, and Arts District; and Action 29—Build a Metro Station at New York Avenue to Spur Development.



Report to the South African Cities Network on Metropolitan Economic Strategy

Dr. Marc A. Weiss
Chairman and CEO
Global Urban Development

November 2002

Introduction

The Economic Development Working Group of the South African Cities Network (SACN) agreed at its meeting on September 19-20, 2002, to hold a City Economic Development Strategy "Think-Tank" to explore the vital issues related to this important mission for national, provincial, and local government. The meeting was held during November 18-21, 2002 in Cape Town. It was attended by elected Councillors and senior officials from each of the nine cities in the SACN - Buffalo City, Cape Town, Ekurhuleni, Ethekwini, Johannesburg, Mangaung, Msunduzi, Nelson Mandela, and Johannesburg - along with senior officials from the national Department of Provincial and Local Government (DPLG), and the national Department of Trade and Industry (DTI). An international expert, Dr. Marc Weiss from Global Urban Development, led several sessions and provided reading material, and there were additional presentations by academics who specialize in economic development, by economic development officials from the City of Cape Town and the Western Cape Province, and by national government officials from DPLG and DTI. The four-day "Think-Tank" produced a very strong consensus as to how the cities and municipal governments in the SACN should work together with the national and provincial governments to promote economic development in South Africa, including a series of key recommendations for coordinated action. Training and participation by Global Urban Development was supported by a grant from the U.S. Agency for International Development (USAID).



**TOWARDS A METROPOLITAN ECONOMIC STRATEGY FOR
CAPE TOWN, SOUTH AFRICA**

EMILY SOH, FELLOW, GLOBAL URBAN DEVELOPMENT, SINGAPORE

17 DECEMBER 2004



Global Urban Development

Singapore Metropolitan Economic Strategy Report

Singapore's Economic Transformation

Gundy Cahyadi, Barbara Kursten, Dr. Marc Weiss, and Guang Yang

June 2004

**Global Urban Development
Prague, Czech Republic**



GLOBAL URBAN DEVELOPMENT
METROPOLITAN ECONOMIC STRATEGY REPORT

**SHANGHAI'S ECONOMIC DEVELOPMENT:
ITS OPPORTUNITIES AND CHALLENGES
IN THE 21ST CENTURY**

Guang Yang
Fellow
Global Urban Development
Washington, DC
May 2002



GLOBAL URBAN DEVELOPMENT

Curitiba, Brazil

Metropolitan Economic Strategy Report

Alicia Fazzano, Fellow, and Dr. Marc A. Weiss, Chairman and CEO

July 2004



Planning for Sustainable Economic Development Across the Americas

schedule

07th June | Tuesday

08h30 | Registration

09h00 | Opening and Welcome
Cid Blanco Junior, Cultural Infrastructure Director, Ministry of Culture
Stewart Sarkozy-Banoczy, Department of Housing and Urban Development
Washington, DC, USA
W. Paul Farmer, American Planning Association – Washington, DC, USA
Luciano Ducci, Mayor of Curitiba
Edson Ramon, President, Associação Comercial do Paraná (ACP) – Curitiba, Brazil
Eduardo Guy de Manuel, President of the Regional Council on Administration, Amcham Curitiba
Odone Fortes Martins, Coordinating Vice-President of Concex-RI, ACP – Curitiba, Brazil

10h00 | Coffee Break

10h30 | Keynote Speaker: A Vision for Urban Sustainability
Jaime Lerner, Urban Planner

11h30 | Sustainable Economic Development: An Overview
Panelists
Marc Weiss, Global Urban Development – Washington DC, USA
Emilia Queiroga Barros, President, Brazil 2020 Agenda – Lauro de Freitas, Bahia, Brazil
Moderator: **Eduardo Guimarães**, Municipal Secretary for International Relations and Ceremonies – Curitiba, Brazil

14h30 | Case Studies: Planning for Sustainable Economic Development in the Americas – Part 1
Panelists
Rob Bennett, Executive Director, Portland Sustainability Institute – Oregon, USA
Stephanie McLellan, Clean Energy Economy Policy Advisor, Office of the Secretary, Department of Natural Resources and Environmental Control, State of Delaware – Dover, Delaware, USA
Gil Polidoro, President, Coordenação da Região Metropolitana de Curitiba (Comec)
Moderator: **W. Paul Farmer**, CEO, American Planning Association

16h00 | Coffee Break

16h30 | Case Studies: Planning for Sustainable Economic Development in the Americas – Part 2
Panelists
Larry Zinn, Chairman, San Antonio Green Jobs Leadership Council – San Antonio, Texas, USA
Paul Krutko, President and CEO, SPARK, (former Chief Development Officer of the City of San Jose, and current Secretary-Treasurer of the International Economic Development Council) – Ann Arbor, Michigan, USA
Ken Heatherington, Executive Director, Southwest Florida Regional Planning Council
Fort Myers, Florida, USA
Moderator: **Rodrigo Rocha Loures**, President, Industrial Federation for the State of Parana (FIEP) – Curitiba, Brazil

18h00 | Cocktail Reception

Metropolitan Economic Strategy in Brazil





United Nations World Urban Forum 6
Naples, Italy; September 2-6, 2012

Networking Event 101:

Metropolitan Economic Strategy and Sustainable Economic Development in Brazil

Wednesday, September 5 / Pavilion 5, Room 13 / 1400 to 1600 hours (2 to 4 pm)

This Networking Event will highlight a comprehensive framework for growing and developing productive, innovative, competitive, sustainable, inclusive, and prosperous cities, regions, and states in Brazil. Global Urban Development (GUD) is working with the Federation of Industries of Minas Gerais and the Federation of Industries of Rio Grande do Sul, the States of Minas Gerais and Rio Grande do Sul, the Cities of Belo Horizonte and Porto Alegre, and Brazil's Federal Government, to apply GUD's framework for promoting Metropolitan Economic Strategy and Sustainable Economic Development. Speakers include key business and government leaders from Brazil.

Moderator: **Marlene Fernandes**, International Advisor, Brazilian Institute for Municipal Administration (IBAM), **Rio de Janeiro**

Presenters:

Mauro Borges Lemos, President, Brazilian Agency for Industrial Development (ABDI), **Brasilia**

Olavo Machado Jr., President, Federation of Industries of Minas Gerais (FIEMG), **Belo Horizonte**

Marcus Coester, President, Rio Grande do Sul Development Agency (AGDI), **Porto Alegre**

Marc Weiss, Chairman and CEO, Global Urban Development, **Washington, DC**

Discussants:

Ines Magalhaes, National Secretary of Housing, Ministry of Cities, **Brasilia**

Cid Blanco Jr., Director of Culture, Communications, and Events, Olympic Public Authority, **Rio de Janeiro**

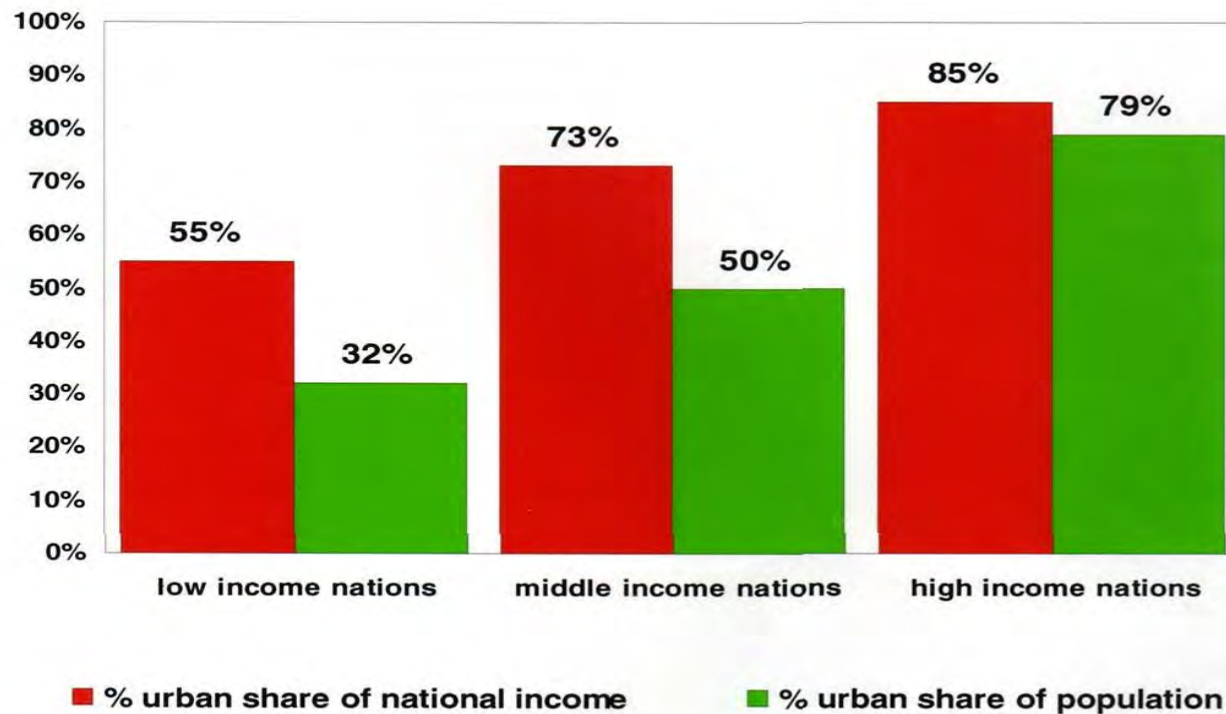
Fabio Veras, Deputy Secretary of Economic Development, State of Minas Gerais, **Belo Horizonte**

Emilia Queiroga Barros, Vice President, Global Urban Development, **Belo Horizonte**



Urban Development and Economic Prosperity

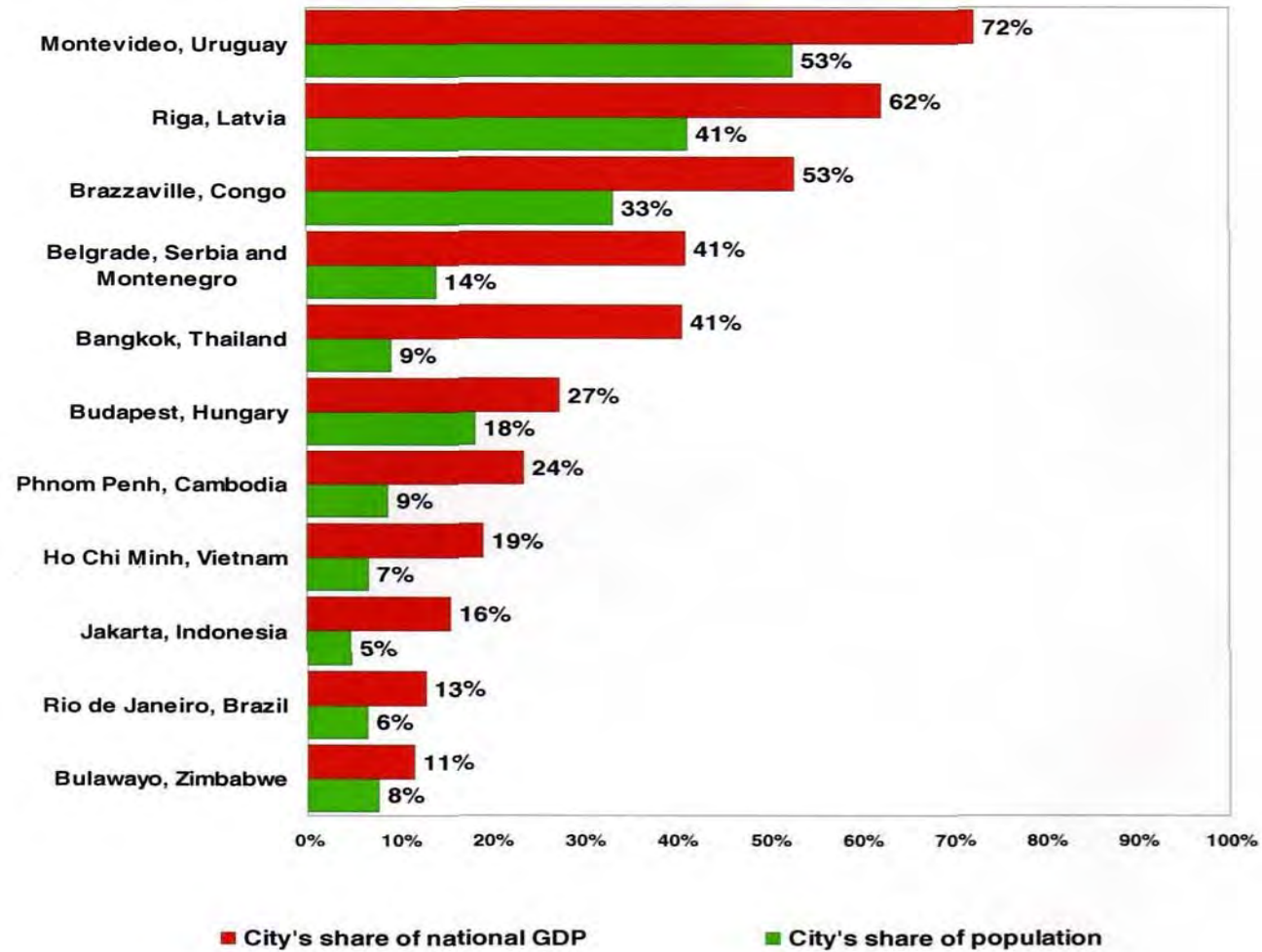
Figure 1. In every nation, the urban share of national income is higher than the urban share of the national population.



Source: Based on the World Bank World Development Report and WB World Development Indicators



Figure 2. In most cities worldwide, the city's share of national income is higher than the city's share of national population





Prague, Czech Republic

Population: 1.2 million

10% of national population

15% of national workforce

>20% of national GDP

>50% of national tourist revenue



“NEW ECONOMY” OF THE 21ST CENTURY:

- Knowledge and Information-Based
- Technology and Communications-Intensive
- Globally Oriented



Why Urban Areas are More Economically Productive

They combine **SPECIALIZATION** and **DIVERSITY**:

- the critical mass of skills and resources;
- the necessary population density and concentration of market incomes;
- the range of specialized knowledge and institutions;
- the wide diversity of vitally needed facilities and services;
- and the fully developed physical and human infrastructure that are prerequisites for new ideas, products and production methods, technological and organizational innovations, and dynamic economic growth and investment.



KEY ECONOMIC ROLES FOR CENTRAL CITIES AND URBAN REGIONS

- centers of innovation and services, including advanced and highly specialized services
- centers of communication, culture, sports, entertainment, conventions, and tourism
- centers of education, research, and health care
- centers of transportation and trade
- centers of manufacturing and technology development
- market centers
- workforce centers



METROPOLITAN ECONOMIC STRATEGY

TWO TYPES OF MOTIVATION

Crisis: Barcelona, Akron

Opportunity: Shanghai, Austin



Investing in Fundamental Assets and Building Dynamic Industry Networks

A good economic strategy consists of two key elements:

- 1) building from strength — investing in the fundamental assets and activities that make people more productive and places more valuable;*
- 2) generating dynamism — promoting modern, globally competitive industry networks that accelerate the pace of innovation and growth.*



PEOPLE are the most vital economic asset in the world

INVESTING IN FUNDAMENTAL ECONOMIC ASSETS:

- Transportation
- Infrastructure
- Education
- Workforce Development
- Research
- Technology
- Markets
- Capital
- Health
- Safety
- Environment and Amenities
- Culture
- Quality of Life



1996 HUD METROPOLITAN ECONOMIC STRATEGY REPORT

Figure 2: America's Industry Networks: Selected Economic Indicators

Industry Network	Net Employment Change	Avg. Annual Employment Change	Change in Real Value Added per Employee	Change in Real Wages	Avg. Wages & Salaries per Employee
	1975-95	1991-95	1975-95	1975-95	1995
Business & Professional Services	163%	2.5%	-32%	16%	\$33,399
Health Services	132%	3.6%	-29%	13%	\$30,382
Entertainment & Tourism	115%	2.6%	13%	-2%	\$14,478
Financial Services	61%	0.3%	16%	34%	\$41,016
Housing & Construction	49%	0.6%	0%	-9%	\$30,738
Medical Products	45%	-0.4%	66%	16%	\$43,956
Transportation & Trade Svcs.	41%	2.0%	40%	-16%	\$32,095
Industrial Supplies	31%	0.9%	62%	2%	\$36,427
Printing & Publishing	23%	-0.8%	3%	1%	\$33,206
Electronics & Communication	15%	-1.3%	145%	14%	\$40,324
Transportation Equipment	7%	2.9%	64%	8%	\$41,548
Materials Supplies	2%	-0.3%	60%	3%	\$32,103
Aerospace & Defense	-11%	-8.5%	54%	10%	\$44,119
Agriculture & Food Processing	-17%	-1.5%	75%	18%	\$24,441
Natural Resources	-18%	-3.7%	77%	9%	\$43,076
Industrial Machinery	-20%	-0.1%	86%	-5%	\$38,391
Consumer Goods	-23%	-0.9%	79%	12%	\$37,796
Apparel & Textiles	-28%	-1.7%	117%	0%	\$20,754

Source: Best available data and projections as of August 1996, U.S. Dept. of Commerce/Regional Financial Associates.



1998 WASHINGTON, DC ECONOMIC PLAN INDUSTRY NETWORKS

- Business/Professional/Financial/Association Services
- Hospitality/Entertainment/Tourism/Specialty Retail
- Universities/Educational/Research Institutions
- Biomedical Research/Health Services
- Media/Publications
- Information Technology/Telecommunications



1998 WASHINGTON, DC ECONOMIC PLAN 3-PART STRATEGIC FRAMEWORK

STRATEGIC INDUSTRIES

- **Industry Networks**
- **Growing Businesses and Jobs across the Private Sector**

STRATEGIC POPULATIONS

- **Workforce Development**
- **Attracting and Retaining Residents**

STRATEGIC AREAS

- **Downtown**
- **Neighborhoods**



KEY LESSONS FOR ECONOMIC DEVELOPMENT

LESSON 1: THINK AND ACT STRATEGICALLY

LESSON 2: CREATE COMMON IDENTITY AND SENSE OF PURPOSE

LESSON 3: INVOLVE EVERYONE

LESSON 4: TAKE ACTION AND PRODUCE RESULTS

LESSON 5: BUILD ON THE FUNDAMENTALS

LESSON 6: FOCUS ON THE BIG RESOURCES

LESSON 7: BE YOURSELF

LESSON 8: COLLABORATE WITH AND SUPPORT THE PRIVATE SECTOR

**LESSON 9: BE COMPREHENSIVE – LINK GROWTH OF BUSINESSES,
JOBS, AND INCOMES TO PEOPLE AND PLACES**

LESSON 10: CONNECT TO THE DYNAMICS OF THE REGIONAL ECONOMY

LESSON 11: WORK WITH AND STRENGTHEN CIVIL SOCIETY

**LESSON 12: IMPROVE QUALITY OF LIFE – SUSTAINABILITY AND
INCLUSIVENESS**



PROTECTING AND SUSTAINING THE PHYSICAL AND NATURAL ENVIRONMENT OF URBAN REGIONS TO PRESERVE AND ENHANCE QUALITY OF LIFE

- encouraging energy efficiency and resource conservation;
- improving clean air and conserving clean water;
- cleaning up and redeveloping toxic and polluted “brownfield” land;
- renovating historic structures and investing in urban cultural heritage;
- maintaining the beauty of natural landscapes and preserving agricultural land;
- increasing the accessibility of biking and hiking pathways and open spaces;
- curbing metropolitan sprawl and traffic congestion;
- reinvesting in older towns, cities, and inner-ring suburbs;
- expanding transit and other pedestrian and public transportation alternatives;
- promoting ecological and heritage tourism;
- developing parks and recreational amenities;
- developing “green” buildings, infrastructure, and communities;
- increasing recycling and the use of renewable energy sources;
- reducing greenhouse gas emissions;
- strengthening community planning and design.



The Economic Value of Quality of Life

“Over the long term, places with strong, distinctive identities are more likely to prosper than places without them. Every place must identify its strongest, most distinctive features and develop them or run the risk of being all things to all persons and nothing special to any...Livability is not a middle class luxury. It is an economic imperative.”

MIT Economics Professor Robert M. Solow

Winner of the 1987 Nobel Prize in Economic Sciences



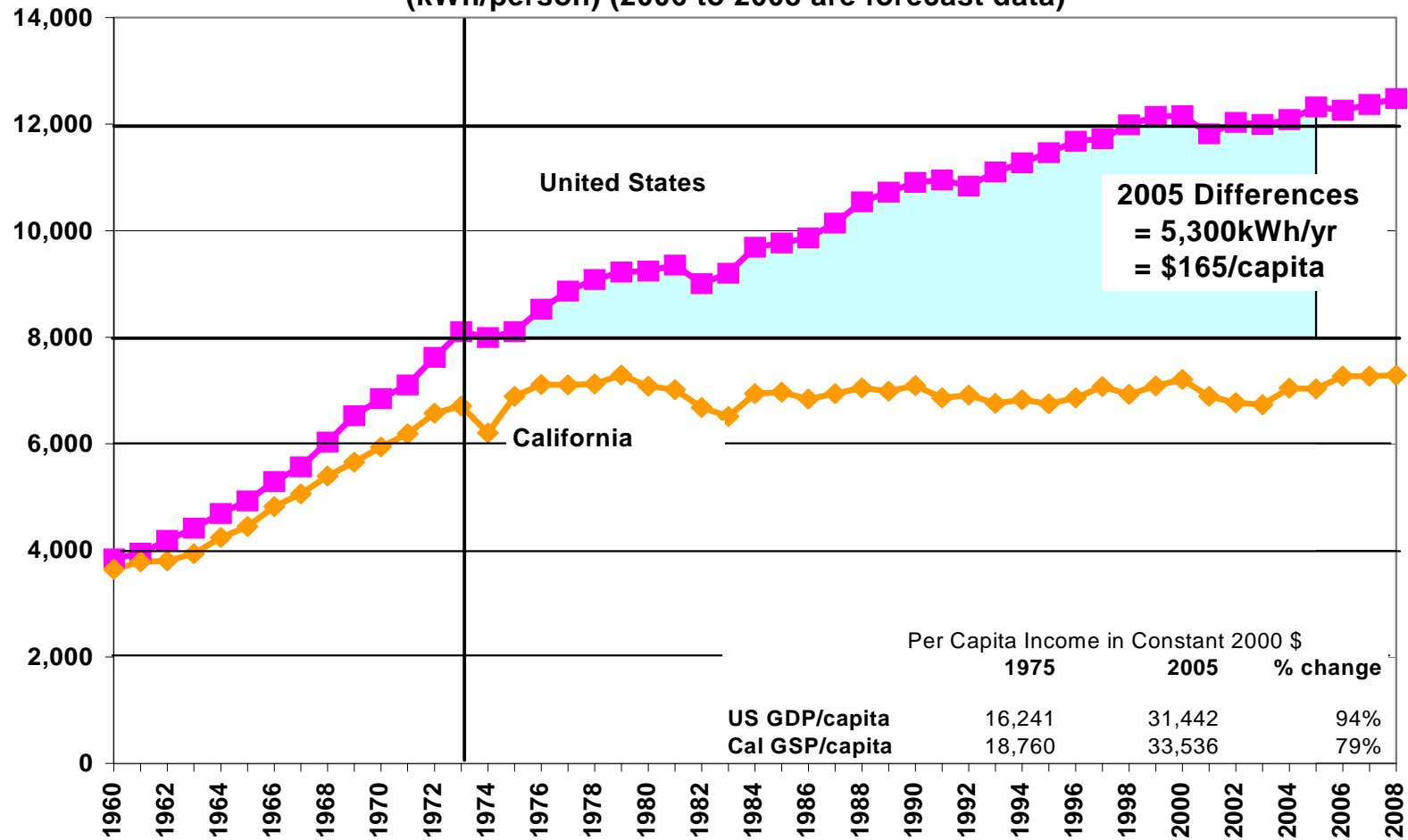
From the California Commission on Industrial Innovation to Green Innovation and Clean Technology





California's \$56 Billion Green Savings

Per Capita Electricity Sales (not including self-generation)
(kWh/person) (2006 to 2008 are forecast data)



Source: *Energy Efficiency: The first and most profitable way to delay Climate Change*
 UCLA Institute of the Environment Oppenheim Lecture February 25, 2008
 Arthur H. Rosenfeld, Commissioner California Energy Commission



Economic Development Strategy for Berkeley, California

June 1981

ECONOMIC DEVELOPMENT:
AN IMPLEMENTATION STRATEGY FOR THE CITY OF BERKELEY*

Marc Allan Weiss
Ann Roell Markusen**

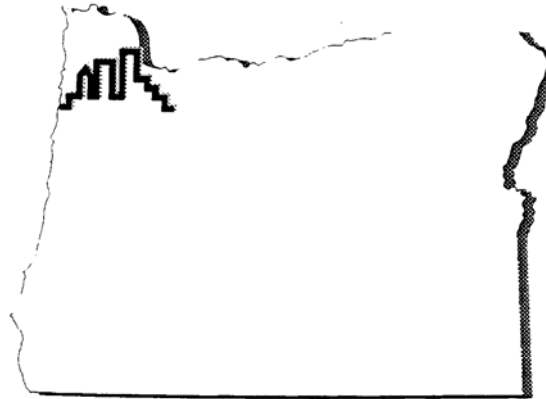
Working Paper No. 354
June 1981

Institute of Urban and Regional Development
University of California, Berkeley

*This paper is the summary report of a larger project researched and written by the Berkeley Economic Development Project group, which includes Marjorie Bennett, Daniele Farber, Linda Gardner, Jay Jones, Joyce Klemperer, Nancy Leigh-Preston, Neil Mayer, Michael Peltz, Amy Skewes-Cox, Matthew Steale, and Paul Sussmann, all associated with the University of California and the Planners' Network. Copies of the related papers are available from the Institute of Urban and Regional Development, University of California, Berkeley.

**The authors would like to thank the City Manager's Office of the City of Berkeley, the staff of the Institute of Urban and Regional Development, and the College of Environmental Design, University of California, Berkeley, for material support. We also wish to thank Barry Rosen, City Manager's Office, who acted as the City's liaison on this research project.

10. Portland, Oregon Metropolitan Region



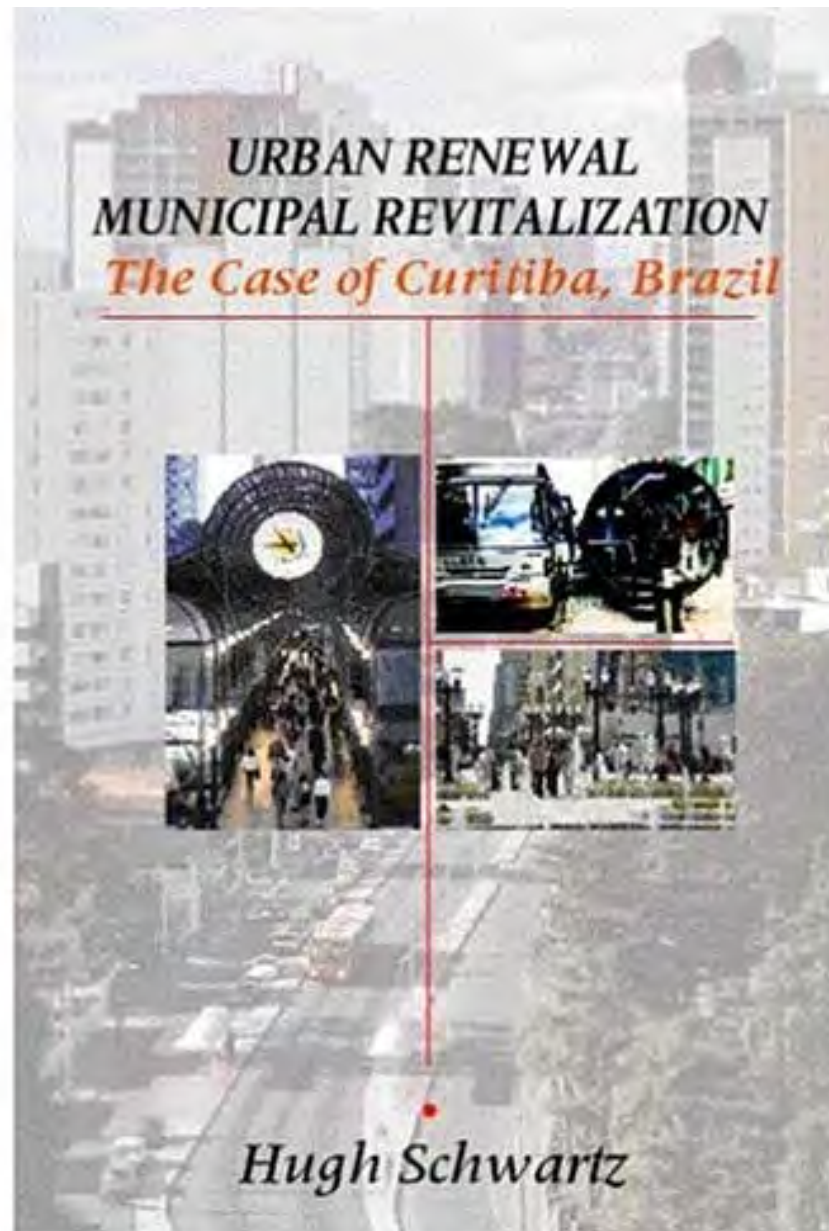
Overview

After a deep recession in the early 1980s, metropolitan Portland underwent a transformation from a slow-growing natural resource-based economy to an increasingly technology-based economy that is growing rapidly. The metropolitan Portland economy today is driven by a large and diverse Electronics and Communications industry cluster centered mainly around semiconductors and computer manufacturing. Industry clusters are groups of related firms connected by producer-supplier-distributor relationships, shared research bases, common technology, workforce skills, and other key elements used in producing goods and services.

Metropolitan Portland also serves as a transportation hub for products that are distributed throughout the western United States and Canada, as well as overseas to countries across the Pacific Ocean. The Electronics and Communications and Transportation and Trade Services clusters, together with a growing Business and Professional Services (Software) cluster, have helped fuel metropolitan economic growth over the past decade.

Metropolitan Portland's evolution to a new economy is due in part to a targeted strategy by regional leaders to invest in new industry clusters, while preserving the region's attractive environment and quality of life. Metropolitan Portland enjoys a unique geography that includes surrounding mountains, lakes, rivers, easy access to the Pacific Ocean, wine country and a favorable climate. Sustaining the metropolitan region's quality of life is a high priority for its residents.

Source: 1996 HUD Metropolitan Economic Strategy Report



IN-FOCUS **Asia-Pacific**

Singapore: a model for sustainable development?

As a pioneer in sustainable development, Singapore has been approached by the World Bank to provide technical assistance on urban planning in neighbouring countries. **Vicente Carbone** analyses Singapore's successful development and reveals the latest initiatives in the city-state.

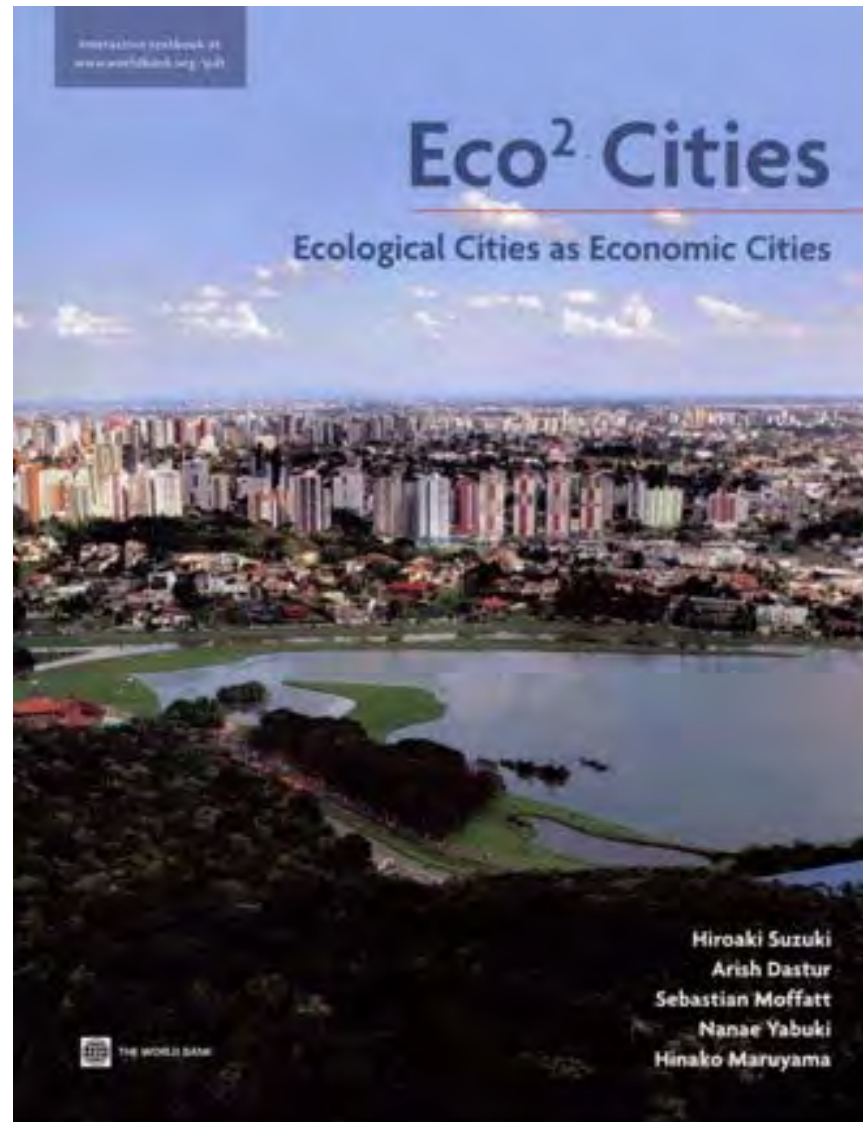


Artist's impression of the Conservatory Complex

Photo © National Parks Board.



World Bank

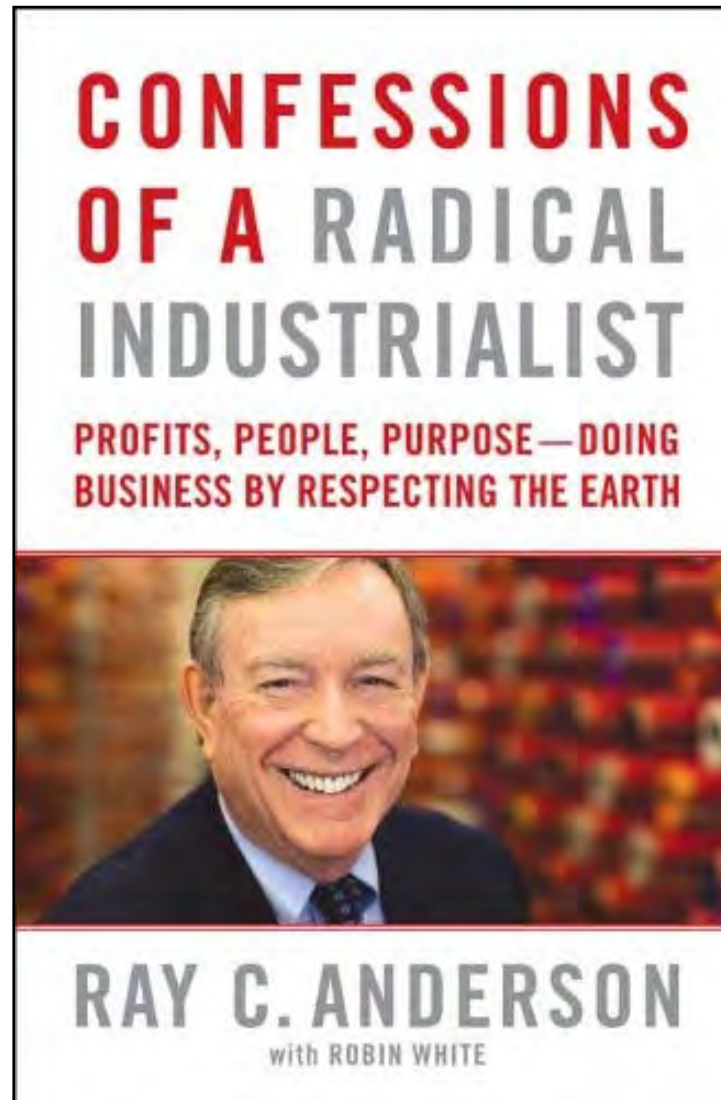




“Getting Richer by Becoming Greener”



Sustainability in Business



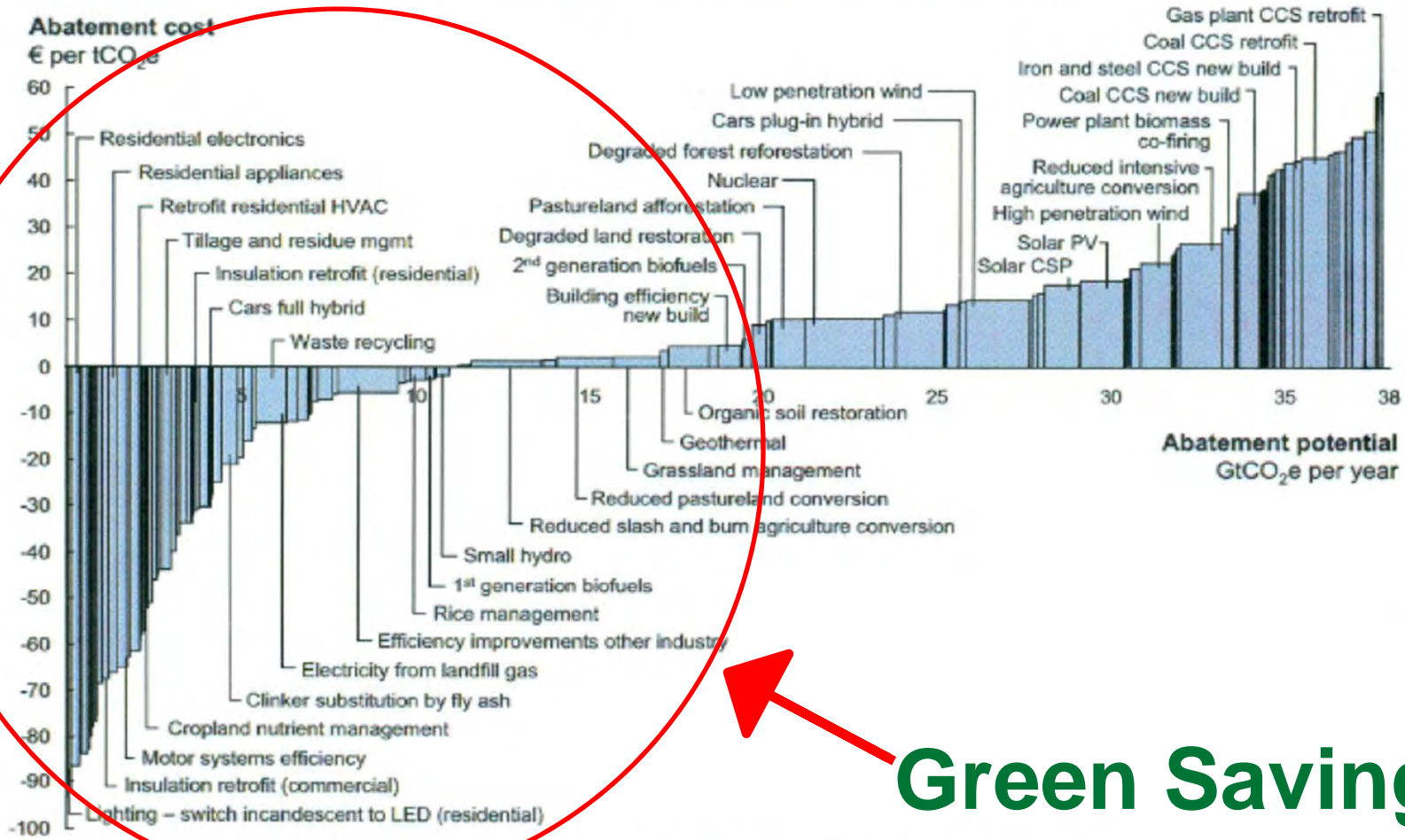


The Four Greens

- **Green Savings** — cutting costs for businesses, families, communities, and governments by efficiently using renewable resources and by reducing and reusing waste
- **Green Opportunities** — growing jobs and incomes through business development and expanding markets for resource efficiency, sustainability, and clean technologies
- **Green Talent** — investing in fundamental assets such as education, research, technological innovation, and modern entrepreneurial and workforce skills, because people are now the world's most vital green economic resource
- **Green Places** — establishing sustainable transportation and infrastructure, and protecting and enhancing the natural and built environment, to create more attractive, livable, healthy, vibrant, prosperous, productive, and resource-efficient areas and communities.

Exhibit 1

Global GHG abatement cost curve beyond business-as-usual – 2030



Green Savings

Note: The curve presents an estimate of the maximum potential of all technical GHG abatement measures below €60 per tCO₂e if each lever was pursued aggressively. It is not a forecast of what role different abatement measures and technologies will play.
 Source: Global GHG Abatement Cost Curve v2.0 (Pathways to a Low-Carbon Economy, McKinsey & Company, 2009)



\$3.6 Trillion Global Business Investment in Green Opportunities since 2007



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Prosperity in Paradise:

Growing the Sarasota County Sustainable Economy

Recommendations

**Global Urban Development Team
April 14, 2011**



THE VALUE OF INCLUSIVE ECONOMIC DEVELOPMENT

Cape Town, South Africa: “Our Golden Thread”

“It is not a question of choosing global competitiveness or the reduction of poverty — Cape Town will achieve both or neither. Reducing poverty will strengthen global competitiveness, and global competitiveness will permit reduction of poverty through economic growth and job creation.”



Global Urban Development Volume 1 Issue 1 May 2005

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METROPOLITAN ECONOMIC STRATEGY

**ELIMINATING POVERTY THROUGH MARKET-BASED
SOCIAL ENTREPRENEURSHIP**

Muhammad Yunus

I have chosen to discuss the most daring of all Millennium Development Goals — halving poverty by 2015. I have chosen it for two reasons. First, this is the most courageous goal mankind ever set for itself. For the last two decades I have been talking about creating a world free from poverty. I talk about it not because it is unjust to have a world with poverty, which is, of course, true. I talk about it simply because I am totally convinced from my experience of working with poor people that they can get themselves out of poverty if we give them the same or similar opportunities we give to others. The poor themselves can create a poverty-free world — all we have to do is to free them from the chains that we have put around them.



Global Urban Development Volume 2 Issue 1 March 2006

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METROPOLITAN ECONOMIC STRATEGY

GROWING OUT OF POVERTY: URBAN JOB CREATION AND THE MILLENNIUM DEVELOPMENT GOALS

Marja Kuiper and Kees van der Ree

Introduction

Improving the life of slum dwellers is a compelling mission. Creating decent work for all is a similarly ambitious goal. But the day-to-day reality for poor people living in rapidly expanding urban centers is lack of appropriate shelter and the absence of proper jobs. This escalating situation is driving them to work on their own solutions, with their own means.

Local governments and their partner organizations, together with the agencies that support them, can turn these often desperate initiatives into valid opportunities for job creation and better livelihoods. For that to happen, there are two prerequisites — political will, and popular support for integrated approaches that build on and strengthen community organizations and the local private sector. Certainly, national governments need to create the space for local government authorities to act and should facilitate the resources this requires. International agencies should provide the necessary technical and financial support that will enable local actors to move forward.



TREATING PEOPLE AND COMMUNITIES AS ASSETS: THE COMMUNITY PRODUCTIVITY PROJECT (CPP)

POVERTY REDUCTION THROUGH INCLUSIVE ECONOMIC DEVELOPMENT



Credit: Shack/Slum Dwellers International

An old adage states: “Give a person a fish, and he or she will eat for a day. Teach a person to fish, and he or she can eat for a lifetime.” Public policies for reducing poverty reflect these two approaches, providing either subsidies or training. But what if most low-income people are already “fishing” by working diligently to produce and distribute goods and services, yet they simply are not earning enough? If this is the real problem, then it calls for comprehensive solutions based on “Inclusive Economic Development Strategies” with mainstream society actively supporting the efforts of low-income people to enhance their incomes, productive capabilities, and entrepreneurial opportunities. Shack/Slum Dwellers International (SDI) is launching the Community Productivity Project (CPP) together with the United Nations and Global Urban Development, an international non-profit organization founded on the principle of “Treating People and Communities as Assets.” The CPP is designed to establish a new policy paradigm by documenting how productive low-income people are, how hard they work, how much value they create, and the close relationships of their economic activities to the formal economic system.



For more information,

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