





Roundtable: Strengthening Regional Economies for a Sustainable Midwest

Wednesday, January 25, 2023 Chicago Council on Global Affairs Conference Center Visit the <u>event page</u> for the list of participants and more information about the roundtable.

Ahead of the first-ever Cities Summit of the Americas, the Chicago Council brought together local and national leaders to discuss policy priorities for a sustainable Midwest. Representatives from the US Department of State and other federal officials connected with Midwest stakeholders—including local governments, non-profits, academia, and the private sector—to explore how subnational policies can complement national commitments to encourage regional economic development around the green economy, in turn leading to thriving communities.

Key Takeaways from the Discussion

Subnational diplomacy is integral to national policy priorities

In the United States, cities are increasingly becoming integral to delivering national policy priorities and pursuing a foreign policy for all Americans. At the Ninth Summit of the Americas in Los Angeles last year, Secretary of State Anthony Blinken made the landmark announcement that the US will host the inaugural Cities Summit of the Americas. Further demonstrating the Biden-Harris administration's commitment to engaging with municipal leaders across the nation, Ambassador Nina Hachigian was appointed as the first special representative for subnational diplomacy.

The Cities Summit in Denver will provide a platform for urban actors across the Americas to explore and execute policy priorities declared in Los Angeles. Kevin O'Reilly, national summit coordinator at the US Department of State, underscored the pivotal role of cities and mayors in translating the high-level national priorities to everyday actions and solutions at the local level. He noted: "[The mayors] know that at the neighborhood level, at the street level, the rhetoric needs to take a back seat to the practical, the tangible, and the concrete." Such policy solutions that are responsive to the real needs of communities can help strengthen democracy and build trust in all levels of government. The Summit represents an important step towards addressing the "core central need for our community, making sure that we have an open opportunity society for every citizen," stated Kansas City Mayor Quinton Lucas.

Cities are partners in the delivery of federal policies

Municipalities have been key allies of implementing federal policies directed toward supporting local economies and climate action, such as the American Rescue Plan Act, the Bipartisan Infrastructure Law, and the Inflation Reduction Act, among others. "All mayors here in America have been really important partners and champions of the administration's success," remarked

Gabe Amo, special assistant to the president and a deputy director at the White House Office of Intergovernmental Affairs.

Echoing the sentiment of the local leaders around the roundtable, Chicago's Deputy Mayor Samir Mayekar said: "This is our time to truly take advantage of the federal opportunities and really partner with an administration who understands the needs of the Midwest." The much-needed financial support and policy guidance have enabled cities to utilize federal funds to innovate with local tools, resources, and expertise. While mayors and local non-profits shared stories of successful local-national partnerships in recent years, they also cautioned to not overlook smaller municipalities and suburban cities.

Unrivaled innovation and the "nature's metropolises" of the Midwest

Despite the widespread misconception about the American heartland, the "Midwest is not a monolith," commented **John Austin**, director of the Michigan Economic Center and senior nonresident fellow at the Chicago Council on Global Affairs. Austin provided a plethora of examples of the "unrivaled innovation infrastructure" in the region that are designed to address the global challenges of sustainability, clean energy, and mobility. These solutions are centered around a network of top-tier research universities, national energy laboratories, and global technology companies in the Midwest. This innovation ecosystem is further supported by a network of community colleges that expand access to education and mobilize future policymakers.

The industry and innovation of the Midwest is complimented by its built-in advantages of natural resources. Quoting William Cronon's *Nature's Metropolis*, **Debra Shore**, regional administrator of the Environmental Protection Agency reflected on how Chicago's harmonic convergence of nature and capital survives in the Great Lakes. Emphasizing the region's potential to transform from the rust belt into water belt cities, she inquired: "Are we doing enough to make the Midwest the testbed and landing space for the water industries of the future?" However, these <u>natural assets are being threatened</u> by the rising temperatures and increased rainfall, warned **Michelle Carr**, Illinois director of The Nature Conservancy. Mitigating climate impacts is critical to sustaining the Midwest environment, both natural and built.

Historic injustices must be reconciled to build thriving communities

The natural wealth of the Great Lakes has not manifested equally across the region. "Northern industrial cities are the most segregated in our country by race and income," stressed **John Austin**. These historic injustices are still experienced by communities across the region. "More than a quarter of the brownfield sites are distributed in the 6 states of EPA's Region 5," shared **Debra Shore**, while recalling the 20th century <u>environmental disasters</u> in the Midwest that contributed to the establishment of the EPA.

Significant investments in climate action on the communities that have been traditionally left behind, including through the Justice40 Initiative, will put the US "back on the road to trust in government," said **Gabe Amo**. For example, additional funds through the Bipartisan Infrastructure Law have accelerated cleanups in superfund sites like West Allis, Wisconsin and Muskegon, Michigan, leading to economic development in surrounding cities. As we look ahead to the just energy transition in the Midwest, it is crucial that we continue to ask: "Who receives the benefits of the policies that we are enacting? Are the benefits going to the folks who need it the most right now today?" appealed **Sandra Henry**, president and CEO of Slipstream.

Challenges and opportunities for a sustainable Midwest

Despite great strides toward a green transition, Midwest leaders identified some barriers on the region's path to sustainability. The major challenge faced by municipal governments is that states often do not have the capacity to efficiently disburse federal funding. "Cities are where the real work gets done. But they can't do the work if the state agencies don't solve their capacity problems," said **Anne Evens**, CEO of Elevate Energy. Funding can be more effective with enhanced state capacities or even when granted directly to cities, non-profits, and other eligible local actors. **Charles Small**, deputy assistant secretary of intergovernmental affairs at the US Department of Transportation, shared a number of opportunities for cities to receive direct funding from the Department, including the <u>Thriving Communities Program</u>, Reconnecting Communities pilot program, Airport Terminals Program, and the <u>Safe Streets and Roads for All</u> grant program, although these are scarce in comparison to direct funds to states. Small also discussed the potential for interstate compacts to strengthen state capacities independent of federal funding.

The challenges explored by participants are not unique to the Midwest. They are visible across the Americas and even the Atlantic. Platforms like the upcoming Cities Summit of the Americas are thus critical for cities to share best practices, collaborate, and foster lasting partnerships. "We have this opportunity to change structures and be transformative this time, so let's do it. It may not be quick, it may not work on electoral cycles, but we have to think differently about it," emphasized **Drew Williams-Clark**, director of equitable and sustainable communities at the Metropolitan Planning Council. The Midwest has a historic opportunity to take a leading role in the nation's just green energy transformation.

Next steps

Thank you for joining us at the roundtable in Chicago. We will continue the conversation on social media and invite you to engage with us. We are at <u>Occurate</u> <u>Occurate</u> and <u>Occurate</u> Occurate and written work for consideration to feature them on the Council website.

Learn more:

- ❖ 2023 Cities Summit of the Americas [Link]
- Center on Global Cities at the Chicago Council on Global Affairs [Link]

We look forward to hosting you again in Chicago. And we hope to see you in Denver.

globalcities@globalaffairs.org 01.31.2023