Chicago’s Global Strategy
A model for effectively engaging the world

TASK FORCE REPORT
JUNE 2017
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Global cities are hubs of the urbanizing world and increasingly influential players on the world stage. Their banks and markets finance the global economy, and their corporations shape that economy. Their universities both imagine the future and train the next generations who will make it happen. Global communications and global fads radiate from global cities. They have the potential to promote their local interests in the world and act to enhance them. Yet to date, few cities have assembled a cohesive, coordinated plan to mobilize all their stakeholders to pursue their common, globally facing goals.

Chicago should be among the first.

Chicago is the gateway to America’s heartland, and its leaders regularly engage in simultaneous—but disconnected—international engagement efforts across the four pillars of urban life: civic, commercial, education, and artistic and cultural. While many activities touch the same markets, too often they do so in isolation from one another. There is no coordination nor overarching plan. As a result, activities are transactional—tactical rather than strategic.

The attributes that got Chicago this far are no longer enough to push it forward on its own. What Chicago needs to thrive—indeed, what all global cities need—is an explicit global engagement strategy to promote and advance its interests in this increasingly competitive age of cities. Without one, Chicago risks falling behind other more ambitious, connected, and influential cities.
The vision for Chicago’s global strategy begins with an inventory of the city’s assets, needs, and opportunities:

- **Civic pillar:** Chicago has long benefited from strong mayoral leadership and public-private partnerships. It is a noncapital city, which means it enjoys an independence unknown to peers that are national capitals. It has 28 Sister Cities, numerous memoranda of understanding with cities worldwide, and more than 85 foreign consulates. The city’s dynamic philanthropic organizations, diverse foreign-born population, and smart city and sustainability agendas are showcased when hosting foreign dignitaries and international conferences. Yet despite these civic assets, the city lacks the infrastructure, resources, and institutional coordination to support the level of international engagement needed to advance the city’s interests. It also struggles to mobilize a citywide effort to address the local problems that adversely affect international perceptions of the city.

- **Commercial pillar:** Chicago is a regional, national, and international hub for manufacturing, corporate and financial services, and transport and logistics. Home to more than 400 major corporate headquarters, its regional economy is one of the most diverse in the world. It has been recognized as the epicenter for financial technology (fintech) activity in the Midwest, and its vibrant entrepreneurship sector is establishing a unique Chicago identity. Exports have grown in recent years, and the region has redoubled its efforts to increase foreign direct investment. Nevertheless, Chicago’s economy is stagnant. It ranked 277th in the world for growth performance from 2000 to 2014. And while Chicago joins just two other US cities, New York and Orlando, in drawing more than 50 million domestic and international visitors a year, it ranks ninth among US cities by number of overseas visitors. The city lacks the resources, marketing, and infrastructure to increase international tourism and investment.

- **Education pillar:** Chicago’s globally connected universities are a huge asset to the city. It is home to two top-25 world universities, and four universities have satellite campuses overseas. The consortium America’s Urban Campus represents 22 Chicago not-for-profit, higher education institutions and found that collectively these institutions contribute more than $10 billion to the economy. Chicago is ranked sixth among US metros by number of international students, and Chicago Public Schools has the largest International Baccalaureate program in North America. Yet Chicago is not seen as a top international destination for education, and there is little coordination among the city, the universities, and the other pillars to enhance Chicago’s global relationships.

- **Artistic and cultural pillar:** Chicago’s cultural assets are magnets that draw diverse visitors and promote the city’s vibrancy and creativity worldwide. Its architecture is unparalleled. The museums, symphony, opera, theaters, and restaurants are consistently ranked among the best of the best in the world. The city’s professional sports draw worldwide viewership, and the city is the undisputed home of the blues. Many institutions are also home to cutting-edge research and community development. But market research on Chicago’s international
image—largely associated with high crime rates, fiscal problems, or elements of the past—shows that the city’s reputation does not reflect the creative metropolis it is today.

Chicago needs a comprehensive plan for global engagement that effectively harnesses the city’s broad range of international relationships and activities and coordinates all efforts to serve the city as a whole. To create Chicago’s global strategy, the task force offers the following recommendations:

• **Ensure effective and efficient cross-pillar collaboration.** Leaders from across the four pillars who manage global relationships should communicate and coordinate their projects with other entities in Chicago when appropriate rather than work independently.

• **Establish a more effective international narrative for Chicago.** Given the power of reputation and branding, Chicago must promote its distinctive attributes, tackle its urban challenges, and engage more actively in reputation-building efforts that draw on the four pillars.

• **Build Chicago’s policy-relevant leadership role on the global stage.** Chicago can be a leading voice for global cities and global citizens to take on leadership roles in existing international organizations.

• **Promote a global mind-set among all Chicagoans.** The way Chicago residents and leaders understand the city’s role in the world will determine the course of the city.

Some Chicagoans may argue that Chicago must first fix its local problems such as poverty, income inequality, violence, fiscal imbalances, and population decline before pursuing its global ambitions. Indeed, assuring that all its residents can benefit from the advantages of a global city must be a top priority. A city in which the path to a better life is beyond the reach of a sizable portion of its population is not a successful city. However, Chicago need not choose between fixing problems at home and expanding its global reach. Cities that invest in their local assets will be better positioned to tap global markets, and those that thrive globally will have added resources to improve the foundational institutions and services for all. Cities that drop out of the global race will be a poorer place for all their residents. As such, we expect Chicago’s global strategy to be judged on whether it ultimately strengthens the city’s ability to fix its fiscal and social problems.

This report outlines the elements of a global strategy, an ambitious plan for Chicago that can also serve as a model for other cities around the world. It is the task force’s hope that leaders and residents throughout the city embrace this vision. Its success will be determined by their active participation.
We live in the age of cities. For the first time in history, more than half of all humans live in cities; by 2050, two-thirds of the world’s growing population will live in these areas. But some cities, perhaps 50 or 60 of them, rank above the rest. They are the global cities—the hubs of this new urbanizing world. Their banks and markets finance the global economy. Their corporations shape that economy. Their universities both imagine the future and train the next generations who will make it happen. Global communications and global fads radiate from global cities. They have the best restaurants, prolific museums, largest stadiums. They are also the biggest targets for terrorists with global reach. For good or ill, global cities are where the action is.

Increasingly, these cities are attempting to become players on the world stage. They are not city-states; they are still embedded in their nations, not truly autonomous. But they need coherent strategies to engage a globalized world.

Today, cities are globally engaged. Because of improved technologies, leaders and citizens can interact with their counterparts more often. Global and national city networks, such as the C40 coalition on climate change and the United States Conference of Mayors, work to swap best practices and exchange information on common policies and approaches. They even claimed a voice in the international negotiations that sought to limit greenhouse gas emissions globally. Cities are marketing themselves abroad—in tourism, for studies, and as investment opportunities. Some are setting up offices in strategic foreign cities to promote their interests overseas.

*The task force uses the terms “cities” and “metropolitan areas” interchangeably in this report.*
What Chicago needs to thrive in this increasingly competitive age of cities—indeed, what all global cities need—is an explicit strategy to promote and advance its interests globally.

Chicago is among these global cities. In many global city rankings, it is in the top 10, just below the perennial leaders such as London, Tokyo, and New York, and among the world’s leading noncapital cities such as Frankfurt, Shanghai, Sydney, and Toronto. Chicago is a commercial hub and transportation hub. It has the ingredients—from business services to the arts to world-class universities—to draw the world’s attention.

Chicago has much to gain from this global engagement. Foreign investment brings good jobs and better wages. Tourism is already one of Chicago’s leading job creators; more foreign tourists mean more jobs for Chicagoans. Manufacturing remains Chicago’s second-leading industry and accounts for no less than two-thirds of the region’s total exports. Foreign students and foreign scholars are forces in the Chicago economy, not only through their spending but, even more, for the new ideas and entrepreneurial spirit they bring to the city.

All this is good news—for Chicago and for Chicagoans. Almost alone among the big industrial cities, Chicago has transformed itself into a global city and is tapping these global markets. But what works now will not necessarily work forever. The attributes that got Chicago into the top tier are no longer enough to push it forward on its own, especially since its population is declining and the violence and financial challenges at home are affecting its image domestically and abroad.

What Chicago needs to thrive in this increasingly competitive age of cities—indeed, what all global cities need—is an explicit strategy to promote and advance its interests globally. Chicago needs to adopt more of a global mind-set, develop a new international narrative, coordinate the disparate ways key local actors engage globally, and, where appropriate, demonstrate leadership in international policy discussions to ensure that it remains relevant and influential in the decades to come.

In a globalized world, cities that fail to develop explicit strategies for global engagement risk falling behind other more ambitious and better-connected cities. This report examines the elements that are necessary for an effective global strategy. It defines Chicago’s strengths and weaknesses and identifies the actions and strategies that will propel Chicago toward more successful global engagement.
The principal resources and institutions of global cities can be classified into four pillars vital to urban life: civic, commercial, education, and artistic and cultural. While all cities may have assets in some of these pillars, only global cities have robust, world-class standing in all four. Indeed, global cities enjoy innumerable global interactions and a tremendous depth of assets that can serve as the components of an effective global strategy.

The following nonexhaustive overview of each pillar reveals a global city’s potential for international engagement:

- **Civic.** A core component of this pillar is the city government leaders who make policy, set priorities, and execute strategies aimed at international outreach. Myriad organizations, including nongovernmental organizations such as think tanks, nonprofits, and philanthropic institutions, complement government efforts and influence policy in their own city and beyond. Ethnic community groups provide connections to their communities around the globe and also to other foreign nationals within the global city.

- **Commercial.** This pillar encompasses the business activities and economic strengths that attract foreign investment, enable businesses to enter foreign markets, build and expand our transportation network, and facilitate exports. All of these activities provide jobs and increase a resident’s standard of living. Beyond multinational companies, foreign businesses,
An effective global strategy is both outward-looking and internally focused. Successful cities flourish abroad from a strong local base, and residents at home benefit from their city’s global reach.

and world financial markets, commerce also includes a city’s ecosystem of small and midsize enterprises as well as the business infrastructure that supports a city’s commercial activity.

- **Education.** Colleges and universities serve as talent magnets to attract high-performing foreign students, educators, and researchers; provide leadership in every industry and policy area; and contribute to a deep and diverse pool of talent for employers. These institutions also strengthen global connections through foreign campuses, alumni networks, and partnerships. In addition, primary and secondary schools that emphasize foreign languages, culture, and exchanges help to instill a global mind-set among a city’s residents.

- **Artistic and cultural.** A city’s arts and cultural institutions play an important role as global ambassadors, often providing a first impression to residents in other countries through the performances of touring companies and exhibitions. For tourists, arts and cultural institutions frequently represent the bulk of the travel itinerary—suggesting this pillar’s importance in building the city’s reputation for an international audience.

Source: Chicago Council on Global Affairs
In our research, we have found no city with an effective cross-pillar global strategy. Chicago should be the first.

Chicago, like other large cities, has many simultaneous but disconnected international engagement efforts spanning the civic, commercial, education, and artistic and cultural pillars. Chicago-based companies open new offices in other global hubs. Professors at Chicago’s educational institutions coauthor journal articles with global scholars. Works of art and exhibitions on loan from Chicago’s museums are on view for foreign residents. The mayor’s office signs memoranda of understanding and formalizes international agreements. All these activities touch the same markets—but too often in isolation from one another. There is no coordination nor overarching plan. In pursuit of their own goals, these stakeholders miss an opportunity to advance the greater interests of Chicago. As a result, activities tend to be transactional—tactical rather than strategic, reactive and ad hoc rather than planned. Collectively, Chicago institutions’ many global interactions stop far short of a well-designed, coherent global engagement strategy.

Many global cities have agencies that help facilitate functions such as foreign investment and tourism—but these agencies typically operate independently of one another. Several cities such as London and Bogotá have recognized the need for greater collaboration and have begun taking steps to achieve it (see sidebar, “Cross-pillar coordination,” on page 15).

This message is at the core of discussions of the Chicago Forum on Global Cities, hosted in collaboration by the Chicago Council on Global Affairs and the Financial Times. The forum brings together leaders in the major pillars of urban life—business innovators, education visionaries,
cultural luminaries, and civic pioneers—from cities around the world. These conversations reveal how these leaders can collaborate across pillars to improve their cities as well as how novel this coordination still seems to most.

The benefits to Chicago

Chicago’s residents have much to gain economically from increased global engagement. Foreign direct investment (FDI) brings good jobs to the region: the average salary of a job at a US subsidiary of a foreign company is $80,041—30 percent higher than the economy-wide average.¹ Tourism is already one of Chicago’s leading job creators—and international tourists in Chicago spend approximately four times more than domestic overnight tourists.² Global trade also brings billions to Chicago: manufacturing remains Chicago’s second-leading industry and accounts for two-thirds of the region’s total exports. The more than 35,000 international students in Chicago from 2008 to 2012 added $956 million in tuition and $452 million in living costs to the city’s economy.³ All this has been achieved without a global engagement strategy. Coordination could bring in so much more.

Some Chicagoans may argue that Chicago must first fix its local problems such as poverty, income inequality, and violence before pursuing its global ambitions. Indeed, assuring that all its residents can benefit from the advantages of a global city must be a top priority. A city in which the path to a better life is beyond the reach of a sizable portion of its population is not a successful city. However, Chicago must not and need not choose between fixing problems at home and expanding its global reach. An effective global strategy is both outward-looking and internally focused. Successful cities flourish abroad from a strong local base, and residents at home benefit from their city’s global reach. Those cities that mobilize their local assets will be better positioned
to tap global markets, and those that thrive globally will have the means and resources to improve foundational institutions and services for all. Cities that drop out of the global race will be a poorer place for all their residents.

A global engagement strategy can enable a city to address its entrenched challenges. Cities around the world are seeking and finding solutions to urban violence, resilience, and climate change. Through a structured plan for international dialogue and collaboration, Chicago could more effectively share and learn best practices from other cities to tackle the urgent challenges it faces at home.

**Call to action: Build a global engagement strategy for Chicago**

Chicago needs a comprehensive plan for global engagement that effectively harnesses the city’s broad range of international relationships and activities and coordinates all efforts to serve the city as a whole. **To create Chicago’s global strategy, the task force offers the following recommendations:**

- *Ensure effective and efficient cross-pillar collaboration.* Leaders of the four pillars must meet regularly to coordinate their strengths on the global stage, and increased resources must be allocated to support the coordination.

- *Establish a more effective international narrative for Chicago.* Chicago must promote its distinctive attributes and engage more actively in reputation-building efforts that draw on the four pillars, including marketing effectively, attracting international events, increasing tourism, and spotlighting the city’s world-class cultural assets and educational institutions.

- *Build Chicago’s policy-relevant leadership role on the global stage.* A coalition of the city’s leaders should make Chicago a leading voice for global cities where Chicago’s interests are at stake, such as the C40 Cities Climate Leadership Group and the Global Parliament of Mayors.

- *Promote a global mind-set among all Chicagoans.* At the 2015 Chicago Forum on Global Cities, former Secretary of State Madeleine Albright said that “if cities are going to play this international role, there has to be a way that the people within a city can understand what its role is.” The city’s elected officials, leaders across the four pillars, and marketing partners should all communicate the benefits of global engagement to residents and help shape a global identity to generate support for mutually beneficial global efforts.

Chicago’s global strategy must involve the active participation of leaders and citizens across the city, who must see and feel its benefits in their everyday lives. If this plan embraces only a narrow cadre of leadership or a few affluent neighborhoods, it will fail. However, by calling its institutions, organizations, and individuals across the city to action, Chicago can mobilize and direct its resources in ways that can have a tremendous and long-lasting economic, social, and cultural impact. The result can be a stronger, more resilient city united by a shared mission and energized to reach out to the world.
Learning from peer cities

As part of our research, we examined 12 world cities (including Chicago) at various stages of development to gain insight into their international engagement strategies. The following exhibit provides an overview of each city on select indicators.

Exhibit 1: Fast facts—Chicago and 11 comparison cities

<table>
<thead>
<tr>
<th>City</th>
<th>GDP (PPP, billion)¹</th>
<th>GDP per capita (PPP)¹</th>
<th>Population (metro area, million)¹</th>
<th>Foreign-born population (city)</th>
<th>% of nation living in city (city)</th>
<th>% with college degree (city)</th>
<th>Land area (sq km, city)</th>
<th>Top-25 universities²</th>
<th>National capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago</td>
<td>$563</td>
<td>$58,861</td>
<td>9.6</td>
<td>21.0%</td>
<td>0.9%</td>
<td>35.4%</td>
<td>614</td>
<td>2</td>
<td>N</td>
</tr>
<tr>
<td>Bogotá</td>
<td>$160</td>
<td>$17,497</td>
<td>9.1</td>
<td>0.3%</td>
<td>16.3%</td>
<td>20.5%</td>
<td>345</td>
<td>0</td>
<td>Y</td>
</tr>
<tr>
<td>Dubai</td>
<td>$83</td>
<td>$24,866</td>
<td>3.3</td>
<td>83.0%</td>
<td>N/A</td>
<td>31.8%</td>
<td>3,885</td>
<td>0</td>
<td>N/A</td>
</tr>
<tr>
<td>Istanbul</td>
<td>$349</td>
<td>$24,867</td>
<td>14.0</td>
<td>3.1%</td>
<td>18.5%</td>
<td>17.0%</td>
<td>5,461</td>
<td>0</td>
<td>N</td>
</tr>
<tr>
<td>London</td>
<td>$836</td>
<td>$57157</td>
<td>14.6</td>
<td>37.0%</td>
<td>13.1%</td>
<td>60.0%</td>
<td>1,572</td>
<td>3</td>
<td>Y</td>
</tr>
<tr>
<td>New York</td>
<td>$1,403</td>
<td>$69,915</td>
<td>20.1</td>
<td>37.2%</td>
<td>2.6%</td>
<td>35.7%</td>
<td>1,214</td>
<td>1</td>
<td>N</td>
</tr>
<tr>
<td>São Paulo</td>
<td>$431</td>
<td>$20,650</td>
<td>20.8</td>
<td>1.0%</td>
<td>5.7%</td>
<td>19.0%</td>
<td>1,500</td>
<td>0</td>
<td>N</td>
</tr>
<tr>
<td>Seoul</td>
<td>$846</td>
<td>$34,355</td>
<td>24.6</td>
<td>4.1%</td>
<td>19.7%</td>
<td>34.8%</td>
<td>605</td>
<td>0</td>
<td>Y</td>
</tr>
<tr>
<td>Shanghai</td>
<td>$594</td>
<td>$24,065</td>
<td>24.7</td>
<td>&lt; 0.1%</td>
<td>1.8%</td>
<td>42.9%</td>
<td>6,340</td>
<td>0</td>
<td>N</td>
</tr>
<tr>
<td>Singapore</td>
<td>$366</td>
<td>$66,864</td>
<td>5.5</td>
<td>29.2%</td>
<td>100%</td>
<td>27.3%</td>
<td>718</td>
<td>1</td>
<td>Y</td>
</tr>
<tr>
<td>Sydney</td>
<td>$223</td>
<td>$46,344</td>
<td>4.8</td>
<td>39.0%</td>
<td>20.6%</td>
<td>34.9%</td>
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<td>0</td>
<td>N</td>
</tr>
<tr>
<td>Toronto</td>
<td>$276</td>
<td>$45,771</td>
<td>6.0</td>
<td>49.0%</td>
<td>7.8%</td>
<td>69.0%</td>
<td>630</td>
<td>1</td>
<td>N</td>
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</tbody>
</table>


The vision for a city’s global strategy begins with an inventory of the city’s assets, needs, and opportunities. An analysis of Chicago’s strengths and challenges helps determine its current global position. The four pillars provide a framework for understanding Chicago’s current performance, its trajectory, and the issues the city must address to ensure that it becomes a leader among global cities.

Chicago is the economic and cultural engine of the Midwest. Once an industrial behemoth, the Chicago metropolitan area is now home to 9.5 million people and more than 400 major corporate headquarters. Chicago’s $560 billion regional economy is one of the largest and most diverse in the world. With its “Array of Things” project in collaboration with the University of Chicago and Argonne National Laboratory, City Hall aims to transform itself into the most data-driven government in the world.\(^4\) Population growth and construction of high-rise residential units in the urban core are outpacing other cities across the nation. Major businesses from the coasts are establishing prominent offices in the loop. A vibrant entrepreneurship sector is building a unique Chicago identity.\(^5\) The city’s residents speak 100 languages, and its two international airports provide nonstop service to nearly every major international airport. Chicago boasts luxury hotels, world-renowned universities, first-class museums, and a spectacular skyline on the greatest freshwater resource in the world.
The past few years have seen Chicago host several internationally acclaimed events for the first time, including the James Beard Awards and the NFL Draft—their first appearances outside New York City—the Chicago Forum on Global Cities, and the Chicago Architecture Biennial, a global discussion of the future of architecture.6 Key partners of these and other such initiatives are Chicago-area universities, particularly those with robust ties around the world—DePaul University, the Illinois Institute of Technology, Loyola University at Chicago, Northwestern University, the University of Chicago, and the University of Illinois at Chicago.

But as a global city, Chicago stands at a crossroads. Its economic growth has slowed, population growth has stalled, and international audiences are still largely unaware of its distinctive attributes. While Chicago is a vibrant global city with robust offerings in all four pillars, many of its shortcomings are concentrated in areas having to do with global connectivity. An innovative global strategy would better align the city’s disparate efforts and chart a comprehensive path forward.
Cross-pillar coordination

A city-level global engagement strategy—one that prioritizes and coordinates a city’s international touchpoints across the four pillars of urban life—is a unique concept. However, a handful of cities, including London and Bogotá, offer a starting point for how to coordinate international activities among city and regional agencies.

London: A holistic international relations agency

When measured by global engagement, London is an undisputed top-tier global city. In 2011, it created a mayoral promotional body called London & Partners, which combined three functions—Invest London, the city’s economic development arm; Visit London, which focuses on tourism; and Study London, tasked with attracting foreign students—under one roof in an effort to reduce spending, share resources, and coordinate strategy. In its first year, the organization realized £2 million in cost-savings efficiency. Since 2011, London & Partners has added £1.2 billion to the London economy, created or supported 38,000 jobs, helped 1,244 overseas companies set up or expand in London, and generated £523 million in positive media coverage. It also claims a return on investment of 18:1.7

Although London & Partners is still settling into its new configuration, this model is a promising one for cities seeking to centralize international engagement. In addition to improving resource efficiency, leaders of London & Partners note that the agency’s formation—and the success of the 2012 Olympic and Paralympic Games, among other initiatives—has fostered a new mind-set among staff and supporters who are now thinking bigger about the potential for hosting large-scale events to keep the world’s spotlight on London.

Bogotá: Fostering regional, interagency coordination

Bogotá has taken a novel path to become an emerging global city. The city’s previous reputation of crime, violence, and drugs was a huge deterrent to FDI and tourism. However, the past 15 years have seen a dramatic shift in the city’s global prospects. Invest in Bogotá, a public-private partnership, was established in 2006 and has been working to make Bogotá a business gateway to Latin America. In its first eight years of operation, the number of foreign-owned businesses in Bogotá rose to 1,361 from 679.8

In addition to focusing on FDI, Invest in Bogotá representatives attend quarterly meetings with a city marketing committee—the chamber of commerce, city foreign relations office, economic development secretary, and district tourism office—to coordinate foreign relations. The organization also works closely with the country’s nearly 20 other regional investment promotion agencies. A few times a year, the regional investment bureaus come together to exchange ideas and leads. This coordination has greatly benefited the city; in 2013, Bogotá secured twice as much FDI as Chicago. At the end of 2016, fDi Intelligence named Bogotá 14th best in the world for FDI strategy.9
**Civic pillar:** From a regional leader to a global leader

While Chicago is not the capital of the country or a state, the city has long benefitted from strong mayoral leadership that recognizes the importance of international engagement. For decades, city leaders have gradually formalized efforts through several ongoing programs. Mayor Richard M. Daley made elevating Chicago’s international profile a priority during his 22-year tenure. He strengthened ties to foreign countries and cities and launched World Business Chicago (WBC) in 1999 as a public-private partnership to coordinate economic development and attract new businesses. He established the Chicago China Economic Development Corporation in Shanghai in 2007 and mobilized the city to bid for the 2016 Olympic and Paralympic Games. He built on Mayor Richard J. Daley’s initiative of signing Sister Cities agreements. Today, Chicago Sister Cities International maintains relationships with 28 foreign cities (Exhibit 2).

**Exhibit 2: Chicago Sister Cities**

Source: Chicago Sister Cities International

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**Chicago The green city**

23 WIND COMPANIES, 14 OF WHICH ARE HEADQUARTERS

5.6 MILLION SQUARE FEET OF GREEN ROOFS

25,365,304 SQUARE FEET OF LEED-CERTIFIED SPACE

117 MILES OF ON-STREET BIKE LANES

18.5-MILE LAKEFRONT TRAIL

950,000 SMART METERS INSTALLED
Since taking office in 2011, Mayor Rahm Emanuel has expanded efforts to promote Chicago as a global city. He was instrumental in bringing the 2012 NATO Summit to Chicago, the first time the gathering of more than 50 heads of state had been held in the United States outside of Washington, DC. It was the largest-ever gathering of foreign leaders on US soil. The announcement of the Chicago-China business accelerator is one of the latest in a sustained effort by Mayor Emanuel to formalize Chicago’s relationship with China through trade missions and major city-city agreements. In 2013, Mayor Emanuel signed eight memoranda of understanding with eight Chinese cities, and in 2014 Chicago hosted the US-China Joint Commission on Commerce and Trade. He also signed the Global Cities Economic Partnership with Mexico City in 2013, a first-of-its-kind agreement on trade, innovation, and education. In 2016, he established the Chicago-London City Data Alliance to build a shared vision of a data and technology–driven government. In March 2017, Chicago collaborated with the mayor of Paris to convene 17 mayors from around the world to share insights on the economic, environmental, social, and recreational implications of urban waterway redevelopment projects.13

Chicago is a leader in smart cities. Through its open-data portal, the city is dedicated to promoting access to government data and encouraging the development of technological tools to serve the city’s residents. The city mandates that every city agency have an open-data coordinator serving in an advisory group. The city’s commitment to high-value data provides the city, scholars, and practitioners with the ability to identify patterns to recurring challenges and propose policy interventions that will yield the most effective results. The city also uses open data and internal data to develop predictive models and advance statistical models to improve efficiency for city operations and guide city policy. In collaboration with the University of Chicago and Argonne National Laboratory, in 2016 Chicago became the first city to launch Array of Things, an urban sensing project that measures air quality, traffic, climate, and infrastructure. The city launched a Tech Plan, hosts an annual Techweek, and partners closely with many institutions to encourage entrepreneurship with open data.

The city’s leadership is also deeply committed to being a sustainable city. Its Climate Action Plan and 2015 report Sustainable Chicago outline concrete initiatives, metrics, and strategies aimed at advancing the city’s goal of becoming one of the most sustainable cities in the country. Earlier this year, the mayor announced his plan to make all 900-plus city buildings, including those of Chicago Public Schools, the Chicago Housing Authority, the Chicago Park District, and the City Colleges of Chicago, powered by 100 percent renewable energy by 2025.14 Chicago was recently cited as the third-greenest city in the United States in terms of the number of buildings with LEED certifications.15 Through the city’s commitment to the C40 Cities Climate Leadership Group and the Global Covenant of Mayors for Climate and Energy, Chicago is among leading cities worldwide building energy efficiency, reducing greenhouse gas emissions, improving low-carbon transport, supporting green growth, and improving climate resilience.

Such agreements, events, and declarations lay the vital groundwork necessary for trusted relationships to flourish and hold the potential to attract vital economic development. But there is still much more that can be done. The city’s cultural agreements or university partnerships,
for example, continue to originate with individual institutions and departments instead of being included in a holistic city-to-city or city-to-country strategy.

Further, as a noncapital city, Chicago does not play as significant a role as capital cities in policy debates, hosting international dignitaries, or attracting political think tanks. But Chicago’s location outside the Beltway gives it an independence unknown to national capitals and a natural tie to other great noncapital cities around the world.

Beyond City Hall, Chicago’s civic pillar is driven in large part by a dynamic philanthropic community and public-private partnerships—key components of any active and engaged city. Projects and landmarks across the city bear the marks of organizations such as the Chicago Community Trust, the Joyce Foundation, the John D. and Catherine T. MacArthur Foundation, and the Robert R. McCormick Foundation, as well as leading families from Crown to Pritzker. One of Chicago’s distinguished legacies, the 1909 Plan of Chicago, also known as the Burnham Plan, exemplified the culture of the business community working closely with elected officials regardless of political party.

A third prominent component of Chicago’s civic identity is its immigrant population. One in five Chicago residents are foreign-born, lending diversity to the city and many different platforms for community engagement. The metro Chicago area’s immigrant community is almost 40 percent Mexican, while 21 and 28 percent come from Asia and Europe, respectively (Exhibit 3).

### Exhibit 3: Origins of the immigrant population

<table>
<thead>
<tr>
<th></th>
<th>United States</th>
<th>Illinois</th>
<th>Metro Chicago*</th>
<th>Cook County</th>
<th>Chicago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin America</td>
<td>51.8%</td>
<td>46.0%</td>
<td>46.7%</td>
<td>46.4%</td>
<td>55.2%</td>
</tr>
<tr>
<td>Asia</td>
<td>29.7%</td>
<td>28.7%</td>
<td>27.7%</td>
<td>26.6%</td>
<td>22.5%</td>
</tr>
<tr>
<td>Europe</td>
<td>11.5%</td>
<td>20.8%</td>
<td>21.3%</td>
<td>22.7%</td>
<td>17.2%</td>
</tr>
<tr>
<td>Africa</td>
<td>4.4%</td>
<td>3.3%</td>
<td>3.1%</td>
<td>3.4%</td>
<td>4.1%</td>
</tr>
<tr>
<td>Other</td>
<td>2.5%</td>
<td>1.3%</td>
<td>1.1%</td>
<td>0.9%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

* Indicates areas in Indiana and Wisconsin.


Partially because of this large foreign-born population, Chicago has more than 100 ethnic chambers of commerce and 85 consulates and consuls general (Exhibit 4), plus hundreds of other organizations that serve Chicago’s diaspora. This diversity creates boundless potential to strengthen connections between Chicago and the world through direct contact with home countries all over the globe. These connections are tangible; the United States leads the world in outbound remittance—that is, money being sent by immigrants living in the United States to
friends and relatives in their countries of origin. In the face of shifting national sentiment around immigration, Mayor Emanuel has remained firm in Chicago’s commitment to be a sanctuary city—a haven for undocumented immigrants.

Despite these civic assets, City Hall lacks the infrastructure and resources to support the international engagement needed to advance the city’s interests. The city government has just a few positions dedicated to global affairs. Staff must be added to manage diplomatic relations and direct proactive international engagement throughout Chicago’s many global touchpoints.
Global cities play an increasingly important role in shaping what happens in the world, for better and for worse. Chicago, for example, struggles to mobilize a citywide effort to address the local problems that adversely affect international perceptions of the city. It could collaborate with other global cities on dealing with major issues such as urban violence and inequality. Cities also can work together on accentuating the positive, such as the gains from hosting large-scale events such as the UN Climate Change Conference and the Olympic and Paralympic Games. Philanthropic organizations involved in cross-border issues could collaborate more among themselves and with players in other pillars in developing strategic relationships to further their goals and those of Chicago. Chicago’s immigrant community, one of the most active players in global connectivity, could be better organized to create value for residents and the city alike. Chicago needs more think tanks and public policy institutions—a key voice in political conversations on relevant issues. Being known as the home for international meetings and conventions such as the 2012 NATO Summit as well as the forthcoming Obama Presidential Library will likely open new opportunities.
The power of hosting global events

Since the inaugural World’s Fair in London in 1851, cities have sought to host international events as one way to elevate their profile. Since then, such events have expanded well beyond world’s fairs to include the Olympic and Paralympic Games, political conventions, and professional sporting events of national and international relevance. For example, the NATO summit in 2012 brought global attention to Chicago and introduced the city as a viable host for international political meetings.

Such undertakings are fraught with risks, including upfront costs, extensive bidding requirements, and large-scale commitments. However, when used as a catalyst for investment in infrastructure that can make a city more attractive to residents, foreign businesses and organizations, civic leaders, students, and tourists, this strategy has the potential to pay dividends—but only if it is part of a consistent, sustained effort to elevate a city’s standing on the global stage. Olympic host cities Seoul and Sydney offer two examples of the potential of global events to improve a city’s image.

Seoul
When Seoul hosted the 1988 Olympic and Paralympic Games, the timing could not have been better. The 1984 Olympic Games in Los Angeles had resurrected the moribund franchise, increasing global interest in the event. Seoul itself had just emerged from a decade of political turmoil to establish a stable democracy, and the Games offered a launch pad to unveil a new, modern city intent on being an active participant in the global economy. For the city and South Korea as a whole, the Games were an immense source of national pride, uniting its people around reaching out to the world and elevating the city to a place of global prominence.

In the years following those Games, Seoul modernized its economy and became a major player in consumer goods, technology, automobiles, and manufacturing. Its economy grew rapidly despite setbacks during the Asian financial crisis of 1997, and South Korea signed a number of free-trade agreements. In the past decade, Seoul’s foreign population has doubled. While the city’s progress did not result directly from hosting the Olympic Games, the event did signal Seoul’s intention to ramp up its international engagement and effectively reintroduced the city to a global audience.

Sydney
The opportunity to host the Olympic and Paralympic Games can be viewed in three phases: the preparation, which includes a huge amount of infrastructure investment and the construction of venues; the monthlong event, with the city serving as a backdrop for dramatic competition watched by a global audience of billions; and the aftermath, when a city must attempt to build on the momentum. Sydney spent AU$6 billion to construct an Olympic Park and other venues with the expectation that such spending would translate to increased international tourism and economic development. While the 2000 Games are largely viewed as one of the most successful and best organized in Olympic history, the years following the event suggest that Sydney’s planners did not initially devote enough energy to the legacy of the Games.

Sustained increases in tourism never materialized, with the number of international visitors remaining largely flat in the decade following the Games. As Chris Brown, the head of the Tourism and Transport Bureau, remarked, “The big mistake that people made—on both state and federal governments—was that they thought the job was over when the flame went out.” Leaders eventually got it right: more than a decade after the Games, the Olympic Park site in Sydney has become a major economic engine for the Homebush area. In 2013, the site generated approximately AU$5.1 billion in revenues, a welcome rebound compared with the years immediately following the Games.
**Commercial pillar: Commerce is king—but momentum has faltered**

Chicago’s rise to global city status has been largely due to its historically strong business sector. Chicago’s 2014 GDP of $560 billion is the ninth-largest among the world’s cities. The city is a regional, national, and international hub for manufacturing, corporate and financial services, and transport and logistics. Chicago is the third-busiest intermodal transport hub in the world, and 25 percent of all US rail traffic touches Chicago. Representing more than 20,000 financial institutions, Chicago has been recognized as the epicenter for fintech activity in the Midwest.22 The city’s diversified economy is one of its strengths (Exhibit 5). A downturn in one sector will not take down the city’s entire economy. A downside, however, is that world citizens do not associate Chicago with a specific strength, as they do with other leading cities such as San Francisco (technology) or Los Angeles (entertainment).

Exports—a key metric of international business activity—have grown in recent years (Exhibit 6). With $44.8 billion in exports, Chicago ranked fifth among US metro areas in 2015. Since 2009, Chicago’s exports are up $16.6 billion, growing at an average of 5.5 percent annually over that period.23 In 2014 (the latest year for which metro GDP figures are available), exports by Chicago

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**Exhibit 5: Share of output by industry, Chicago, 2014, %**

- Business/finance, 38.7
- Manufactured, 13.6
- Trade and tourism, 15.2
- Local/nonmarket, 24.5
- Transportation
- Construction, 2.9
- Commodities, 0.2
- Utilities, 1.3

Note: “Local/nonmarket services” include administrative and support and waste services; educational services; healthcare and social assistance; arts, entertainment, and recreation; other services (except public administration); government (public administration); information services.

Source: Global MetroMonitor 2014, Brookings Institution
businesses accounted for $63.3 billion, or 11.3 percent of the metro area’s GDP, and supported 421,806 jobs, third among US metropolitan areas. More than 15,000 Chicago-area companies currently send their goods to markets beyond the US border, but that figure represents less than 4 percent of the approximately 470,000 companies in the Chicago metropolitan statistical area (MSA). It’s critical to ensure that Chicago’s small and midsize businesses take advantage of the export assistance offered by organizations at the city and state levels.

Exhibit 6: Top US MSAs by export value, 2014

<table>
<thead>
<tr>
<th>City</th>
<th>Exports ($ billions), 2014</th>
<th>Total growth, 2005–14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houston</td>
<td>119.0</td>
<td>185%</td>
</tr>
<tr>
<td>New York</td>
<td>105.3</td>
<td>89%</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>75.8</td>
<td>72%</td>
</tr>
<tr>
<td>Seattle</td>
<td>61.9</td>
<td>102%</td>
</tr>
<tr>
<td>Detroit</td>
<td>50.3</td>
<td>25%</td>
</tr>
<tr>
<td>Chicago</td>
<td>47.3</td>
<td>81%</td>
</tr>
<tr>
<td>Miami</td>
<td>38.0</td>
<td>86%</td>
</tr>
<tr>
<td>New Orleans</td>
<td>34.9</td>
<td>618%</td>
</tr>
<tr>
<td>Dallas</td>
<td>28.7</td>
<td>40%</td>
</tr>
<tr>
<td>San Francisco</td>
<td>26.9</td>
<td>83%</td>
</tr>
</tbody>
</table>

Chicago MSA exports, $ billions, 2005–14


Chicago’s economy is a stagnant giant. From 2000 to 2014, the city’s GDP per capita rose just 0.4 percent, while employment fell 0.2 percent (Exhibit 7)—placing Chicago 277th for growth performance among the world’s cities in that time period. Indeed, while cities in emerging markets have enjoyed sustained or accelerating growth, Chicago has lagged behind both its global and US peers. From 2000 to 2014, Los Angeles’ GDP per capita and employment rose by 1.1 percent and 0.2 percent, respectively; New York City’s rose by 1.2 percent and 0.4 percent; and Houston’s rose by an impressive 1.2 percent and 1.8 percent. While Atlanta’s employment rose 0.5 percent, the city’s GDP per capita fell by 0.5 percent. However, Atlanta still came in above Chicago for global growth performance at 258th.

Chicago has redoubled its efforts to increase international economic activity. WBC has sought out and increased the city’s FDI: the 2016 IBM Global Location Trends report found that for the fourth year in a row, the Chicago metro area led the United States in the number of FDI projects. The
city has yet to crack the top 25 globally for total value of FDI projects, but fDi Intelligence ranks Chicago third in the world for FDI strategy—suggesting WBC and the city are on the right path.\textsuperscript{28} WBC has expanded its mission—to be a one-stop shop for domestic and foreign companies seeking to locate in the city—beyond FDI to include exports and has also integrated Sister Cities International into its operations.

Tourism also is up; Chicago joins just two other US cities—New York and Orlando—in drawing more than 50 million domestic and international visitors a year. Chicago’s airports demonstrated both high volume and high growth from 2014 to 2015.\textsuperscript{29} But the city could do better. Despite

### Exhibit 7: Change in key economic indicators, select global cities, 2000–14

<table>
<thead>
<tr>
<th>Employment change, %</th>
<th>GDP change per capita (PPP), %</th>
<th>Recovered?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dubai</td>
<td>10.0</td>
<td>–4.7</td>
</tr>
<tr>
<td>Bogotá</td>
<td>4.0</td>
<td>2.8</td>
</tr>
<tr>
<td>Singapore</td>
<td>3.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Istanbul</td>
<td>2.6</td>
<td>2.6</td>
</tr>
<tr>
<td>Shanghai</td>
<td>2.3</td>
<td>7.1</td>
</tr>
<tr>
<td>São Paulo</td>
<td>2.2</td>
<td>1.9</td>
</tr>
<tr>
<td>Seoul</td>
<td>1.9</td>
<td>3.1</td>
</tr>
<tr>
<td>Houston</td>
<td>1.8</td>
<td>1.2</td>
</tr>
<tr>
<td>Toronto</td>
<td>1.8</td>
<td>0.4</td>
</tr>
<tr>
<td>Sydney</td>
<td>1.5</td>
<td>0.8</td>
</tr>
<tr>
<td>London</td>
<td>1.1</td>
<td>1.3</td>
</tr>
<tr>
<td>Atlanta</td>
<td>0.5</td>
<td>–0.5</td>
</tr>
<tr>
<td>New York</td>
<td>0.4</td>
<td>1.2</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>0.2</td>
<td>1.1</td>
</tr>
<tr>
<td>Chicago</td>
<td>–0.2</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Source: Global MetroMonitor 2014, Brookings Institution
two international airports that offer Chicago as an accessible global destination for international arrivals, it ranks ninth among US cities by number of overseas visitors. According to Choose Chicago, the city’s convention and tourism bureau, Chicago drew 1.62 million overseas visitors in 2015 (Exhibit 8). But for every international tourist in Chicago in 2015, two other visitors passed through our airports without visiting the city.30

Exhibit 8: **Tourism to Chicago, by year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Overseas</th>
<th>Total Domestic</th>
<th>Mexico (air only)</th>
<th>Canada (overnight only)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>39.24</td>
<td>43.59</td>
<td>0.552</td>
<td>0.629</td>
</tr>
<tr>
<td>2011</td>
<td>46.37</td>
<td>0.629</td>
<td>0.721</td>
<td>0.672</td>
</tr>
<tr>
<td>2012</td>
<td>50.03</td>
<td>0.672</td>
<td>0.747</td>
<td>0.656</td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>52.59</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Sources: Domestic: DK Shifflet; Overseas/Mexico: National Travel & Tourism Office; Canada: Oxford Economics

Chicago falls far short of a top-100 listing among world cities in international tourism globally, and it ranks far behind such leaders as Hong Kong (26.7 million), Bangkok (18.7 million), London (18.6 million), and Singapore (16.9 million).31

Chicago needs significant investments in several areas—marketing, infrastructure, airports, rail—to increase international tourism. In the marketing realm, Choose Chicago’s budget was doubled to $30 million from 2012 to 2015 to attract more domestic and international tourists. But in mid-2015, state budget shortfalls forced it to cut spending dramatically on both domestic and international marketing and outreach and close all overseas offices except for three in China (Beijing, Guangzhou, and Shanghai). By contrast, other major cities such as Los Angeles, Miami,
Other major cities such as Los Angeles, Miami, New York, and San Francisco support offices in an average of 15 international markets.

Exhibit 9: Overseas visitors to Chicago, 1995–2015 (in millions)

Source: Choose Chicago

New York, and San Francisco support offices in an average of 15 international markets. Choose Chicago’s current strategy of marketing and public relations includes a collaboration with the Illinois Office of Tourism in select overseas markets and renewed investment in Canada, Mexico, and targeted Asian and European markets.
Why cities must focus on brand building

Every aspect of a global city contributes to its reputation abroad, from positive attributes such as arts and culture to negatives such as crime and poverty. Chicago is facing a serious branding problem overseas. Addressing this issue should be a top priority. Bogotá offers an example of a city that has reinvigorated its brand in recent years. It is worth noting that it made investments to improve itself in addition to establishing a new image. As it improved its brand, it also improved the product.

Bogotá: The power of a new image

Bogotá is in the midst of developing, and despite strides to improve public safety, both Colombia and the city of Bogotá are still plagued by a high crime rate. Most global cities rankings put it near the bottom of the list—if it is included at all. However, since 2000, the city’s leaders have taken measures to reduce violent crime, such as a ban on guns in public that led to a 27-year low in homicides. The government also reinstated extradition in 1997 and fast-tracked the process, sending 1,300 crime bosses to the United States to face charges and severely reducing the effectiveness of drug gangs. At the same time, Bogotá’s leaders—perhaps most notably President Alvaro Uribe, who served from 2002 to 2010—“pitched to the world the idea that the Colombian capital had transformed from a city under siege into an untapped gold mine for investors.” As a result, FDI in Bogotá jumped from $1.64 billion in 2012 to $2.76 billion in 2013—a 68 percent increase—before leveling out to around $1.6 billion in 2016.

Part of this rise can be attributed to the work of Invest in Bogotá, discussed earlier (page 15). But Bogotá’s reputation needed more than an investment agency. To overcome the country’s reputation of drugs and violence, ProColombia, a national body concerned with both tourism and foreign investment, branded the country with a new motto—“Colombia is passion”—and recruited influential US political and civic leaders to visit Colombia and spread the word about the country’s transformation. A separate, privately funded organization, Yo Creo en Colombia (I Believe in Colombia), launched a simultaneous public campaign to stir national pride. So when developed markets slumped and investors started looking for new opportunities, they found Bogotá ready with a new image and an attractive price point.

Education pillar: International students and alumni are an important global touchpoint

More than 35 percent of Chicago residents have earned a bachelor’s degree or higher, compared with a similar percentage of New York City residents, 30 percent of those living in Los Angeles, and just 15 percent of those in Houston. Chicago’s globally connected universities are a huge asset to the city. A city’s educational institutions play a key role in international engagement, forging connections with cities, countries, and other educational institutions around the world through international programming, faculty, students, and alumni. As the home to two top-25 world universities, Northwestern University and the University of Chicago, Chicago boasts enviable higher-education assets. The Illinois Institute of Technology, Loyola University at Chicago,
Northwestern University, and the University of Chicago have established satellite campuses in several countries, including China, England, India, and Qatar. DePaul University is the nation’s largest Catholic university, the University of Illinois at Chicago is the city’s only public research university, and the School of the Art Institute is one of the most internationally esteemed schools of art and design. The city’s education institutions significantly contribute to the high quality of talent available to companies and also attract much-needed STEM (science, technology, engineering, and mathematics) talent to the region.

Recently, Chicago’s universities and colleges organized as a consortium called America’s Urban Campus. These 22 institutions of higher education enroll more than 224,000 students from every state in the country and from 150 countries around the world. Collectively, they contribute more than $10 billion to the economy, provide more than 48,000 jobs, and attract almost $1.5 billion in research funding.\(^\text{39}\)

The Brookings Institution ranks Chicago sixth among US metro areas by number of international students.\(^\text{40}\) The more than 35,000 international students in Chicago from 2008 to 2012, the most recent period for which Brookings has analyzed data, added $956 million in tuition and $452 million in living costs to the city’s economy.\(^\text{41}\) In addition, students who come to the Chicago area expose their families and extended networks to Chicago through visits and correspondence, reflecting an important platform to reach international audiences in a firsthand, personal way.

**Exhibit 10: US metro areas by number of foreign students**\(^\text{42}\)

<table>
<thead>
<tr>
<th>Rank</th>
<th>City</th>
<th>Number of foreign students</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>New York-Northern New Jersey-Long Island, NY-NJ-PA</td>
<td>101,586</td>
</tr>
<tr>
<td>2</td>
<td>Los Angeles-Long Beach-Santa Ana, CA</td>
<td>68,271</td>
</tr>
<tr>
<td>3</td>
<td>Boston-Cambridge-Quincy, MA-NH</td>
<td>53,486</td>
</tr>
<tr>
<td>4</td>
<td>San Francisco-Oakland-Fremont, CA</td>
<td>37,610</td>
</tr>
<tr>
<td>5</td>
<td>Washington-Arlington-Alexandria, DC-VA-MD-WV</td>
<td>35,459</td>
</tr>
<tr>
<td>6</td>
<td><strong>Chicago-Joliet-Naperville, IL-IN-WI</strong></td>
<td><strong>35,204</strong></td>
</tr>
</tbody>
</table>


However, Chicago’s foreign student population ranks 61st in the United States by “intensity,” a measure of the number of foreign students per 1,000 total students.\(^\text{43}\) Its performance is partly due to the fact that while several of its higher-education institutions are internationally recognized, Chicago is not seen as a top international destination for education on par with cities such as Boston. The city of Chicago’s role in international student recruitment is limited. Once students arrive, City Hall does very little direct outreach—yet Chicago is clearly a draw, as the city ranks
15th out of 118 for retention, with 53.7 percent of students staying in the metro area after graduation under the Optimal Practical Training provision of F-1 visas.\textsuperscript{44}

And alumni represent an untapped network of city ambassadors: all foreign students who attend school in Chicago take a piece of the city with them wherever they go. A survey of 12 Chicago colleges and universities found that at least 37,000 alumni of Chicago-area universities are currently living abroad.

At the primary and secondary levels, Chicago boasts several international schools, including the British International School of Chicago, German International School Chicago, Lycée Français de Chicago, Ogden International School of Chicago, and Pulaski International School of Chicago. Chicago Public Schools has the United States’ largest International Baccalaureate (IB) Diploma Programme, a preuniversity program recognized around the world for its rigor.\textsuperscript{45} Ad hoc programming is in place in primary and secondary schools to teach global citizenry, often with the participation of Chicago Sister Cities, but still more could be done to connect Chicago’s students with the world.
How other cities harness education

Higher education has gone global. Families seeking the best education for their children, particularly those from developing regions, send their children to colleges and universities overseas. Institutions in the United Kingdom and the United States dominate the rankings of top universities in the world. These institutions reap the benefits of a multicultural student body, full-priced tuition, and improved global reputation and reach. However, most university presidents see one another as rivals, and as such, schools rarely collaborate on international student recruitment. A city’s leaders can play a role by helping to bring together higher-education institutions. London and Toronto offer examples of strategies that market universities as part of a city bloc and include measures to ensure students feel welcome.

London: Public-private partnerships to attract international students

A key wing of London & Partners (discussed in “Cross-pillar coordination” on page 15) is Study London, which represents a unique collaboration between a global city and its universities. London draws 100,000 international students per year, according to Study London, largely on the strength of its leading institutions such as Imperial College London and University College London. Study London has been working to maintain London’s preeminence, attracting more than 2 million people to its websites from 2015 to 2016 and generating a gross value add of £33 million—a return on investment (ROI) of 39:1.

To help smaller London universities attract more international students, Study London formed the London Universities International Partnership, a consortium of 17 London universities devoted to promoting the city of London as a destination for international students.

The fact that international student recruitment is part of the agency is unique; before the formation of London & Partners, the Study London initiative was part of a wider London effort on education. With the merger, the Study London team, which was only three people, gained access to a robust back office, including information technology and a communications and public relations team. These resources have been critical in doubling the effectiveness of Study London in working with London’s universities to attract students from target markets. Study London’s web portal is available in English and Chinese and focuses on attracting students from China, India, and the United States.

Toronto: Welcoming foreign students with open arms

Toronto’s high quality of living, established through decades of investment in healthcare, education, and public spaces, is attractive and immediately available to new arrivals. This hospitality extends to Toronto’s international student population as well. The city partners with area universities on internships for students and also instituted an airport welcome program for foreign students. Each fall, the city sets up tables in Toronto Pearson International Airport, just outside customs, and offers students phones to call home, directions for how to navigate the city, and promotional items provided by private-sector sponsors. The response has been very positive from students, universities, parents, and the airport itself.
Artistic and cultural pillar: The soul of Chicago

For the international audience, a city is defined not so much by its economy or its leaders as by its arts and culture. Just as visitors are drawn to London, New York City, and Paris by their cultural attractions, Chicago can use its arts and culture organizations as an engaging platform to promote its vibrancy and creativity to foreign audiences. Chicago’s cultural assets are truly impressive. The first skyscraper was built in Chicago, and the city remains a global center for architectural glory and innovation. The architectural tours, including the popular sightseeing boat tour along the Chicago River, offer visitors an unmatched experience. In an era of the megacity and the associated congestion, Chicago is a walking city where residents and visitors alike can move about easily. Chicago’s anchor museums are located in parks that are conveniently accessible via public transit; the Art Institute of Chicago has consistently been named by Trip Advisor as one of the three best museums in the world.48

The city’s seven professional sports franchises include iconic championship teams in five major sports, drawing worldwide viewership to the city as well as high-profile events such as the 2015 National Football League (NFL) draft—an event so successful that the NFL returned to Chicago in 2016. The Chicago Cubs’ historic World Series win in 2016 after a 108-year drought drew more than 40 million viewers, topping the Oscars.49 Every international sporting event that Chicago hosts, from the All Blacks New Zealand rugby match to soccer matches featuring top clubs such as Manchester United, reinforce the city’s global connection and relevance.

The Chicago Symphony Orchestra is rated one of the best in the world. The Lyric Opera of Chicago is globally recognized for performing classic masterpieces as well as engaging the community and developing exceptional emerging talent. More than 100,000 concertgoers experience the best of popular music in Grant Park during each day of Lollapalooza.50 Chicago is also the undisputed home of blues music.

The city has more than 200 museums, more than 1,000 art galleries, a storied theater scene, 22 Michelin-star restaurants, and a robust calendar of street festivals. These attributes will be the magnets that draw diverse visitors from countries around the globe.
Chicago’s artistic and cultural pillar is **robust**

Sources: Chicago Park District; Choose Chicago; City of Chicago; Eater Chicago; The Hop Review
Many Chicago institutions are at the forefront in cutting-edge research and community development. The Field Museum of Natural History, the John G. Shedd Aquarium, and the Morton Arboretum staff scientists conduct major research on conservation, water, and plant sciences and partner with peer institutions worldwide. The Museum of Science and Technology’s Center for the Advancement of Science Education (CASE) inspires children to pursue science. The Chicago Symphony Orchestra partners with Chicago Public Schools on music education, while the Chicago Children’s Choir offers children life-changing experiences and opportunities.

But international audiences’ perceptions of Chicago do not match this reality. Market research on Chicago’s image abroad as well as the travel anecdotes from residents have shown that the city’s image is outdated. Many associate Chicago with today’s crime rates or the famous (Michael Jordan) and infamous (Al Capone) elements of its past rather than with the energizing, creative metropolis it is today.

Visitors are consistently surprised when they arrive, remarking that they did not know the lake was so big, the food so good, the nightlife so exciting, the architecture so alluring. This reaction indicates that Chicago needs to do a better job of telling its story to the world. Resource constraints on city marketing efforts are a serious obstacle, especially in appealing to international audiences. In spring 2015, Choose Chicago launched an aggressive campaign to reach target markets around the world—but due to state budget troubles, the agency lost most of its funding and ended the campaign early. Outreach by arts and culture institutions are often undertaken individually, muting the impact that such connections could have in promoting the city. These organizations also lack the resources to make a larger impact in a global market, individually or collectively.
Where does Chicago rank?

City rankings are produced by a wide variety of organizations and currently offer the most robust publicly available literature comparing world cities across national borders. Four rankings in particular—Cities of Opportunity by PricewaterhouseCoopers (PwC), Global Cities Index and Emerging Cities Outlook by A.T. Kearney, Redefining Global Cities by the Brookings Institution, and Global Power City Index by the Mori Memorial Foundation—represent some of the most comprehensive comparative cities research available. Year after year, Chicago places among the top ten in some—but not all—of the most frequently referenced city rankings (Exhibit 11).

Chicago must implement measures that address its actual problems as well as promote its attributes more effectively to an international audience.

Exhibit 11: Chicago’s performance in select city rankings

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(13: Chicago) (25: Chicago)

Source: Leff Communications analysis

The point is not to make Chicago identical to perennial chart-toppers such as London, New York, and Singapore—every global city has its own unique attributes—but to understand the city’s strengths and where it needs to improve. Analysis of more than a dozen city rankings makes one thing clear: Chicago must implement measures that address its actual problems as well as promote its attributes more effectively to an international audience.
Chicago’s strengths
Chicago’s strong performance when compared with other world cities can be attributed to strengths in several areas:

**Human capital.** Chicago’s strength in research, development, and intellectual capital earns it high marks in several rankings, which cite Chicago’s educated workforce, world university rankings, and entrepreneurial environment. In the A.T. Kearney index, Chicago placed fourth overall among surveyed cities in this category. Mori Memorial lists Chicago in the top 10 cities for R&D and as the seventh-best city for researchers based on its performance in indicators such as accumulation of research institutions and opportunities that stimulate researchers to conduct academic activities. PwC gave Chicago a nod with a 10th-place finish (tied with Stockholm) in its “Intellectual capital and innovation” category thanks to the city’s high world-university rankings and percentage of the population with a higher-education degree.

**Transportation.** Chicago ranks in the top tier of PwC’s “Transportation and infrastructure” category, buoyed by a strong performance in ease of commute (for PwC employees, at least) and affordability of public transit.

**Environment.** PwC notes that Chicago is among the top three global cities in terms of low air pollution.

**Economic foundation.** In 2011, the McKinsey Global Institute estimated that Chicago will be among 13 “middleweight” cities that will become megacities by 2025—the only city in a developed country to earn this distinction.54

**Culture.** Chicago’s arts and culture scene is recognized with high marks by the A.T. Kearney index. A.T. Kearney has nudged Chicago up significantly in its cultural experience indicator over the past several years, from 20th in 2007 to eighth in 2015.

**Resilience.** PwC’s analysis of sustainability and the natural environment found that Chicago’s natural disaster risk is low compared with that of other world cities. A separate index focused exclusively on resilience, Resilient Cities by Grosvenor, measured the vulnerability and adaptive capacity of 50 cities to both natural and manmade disruption and rated Chicago fourth.55

**Cost.** The 2016 PwC ranking put Chicago seventh among 30 cities by cost—a drop from the 2014 ranking of second—taking into account the average of total corporate tax rate, cost of business occupancy, cost of living, purchasing power, and the “iPhone index.” Here, Chicago enjoys a notable advantage over some of the world’s top global cities such as London and New York, which score lower on affordability. A property ROI index released by a London real estate brokerage in February 2017 ranks Chicago rents as the 13th most expensive of 72 global cities—but eighth out of the 10 US cities included in the study.56

Our analysis suggests that Chicago is already in a strong position globally. However, many of these core strengths derive from Chicago’s historical attributes as a US commerce hub and a gateway to the Midwest rather than the depth and effectiveness of its international engagement efforts.

*Defined by PwC as “working hours required to buy an iPhone 4S 16GB, price divided by weighted net hourly wage in 15 professions.”*
Chicago’s weaknesses

The city rankings also pinpoint where Chicago falls short compared with other world cities.

**Foreign direct investment.** Despite progress in recent years, Chicago is not a world leader in FDI by value of projects. In Global Cities of the Future 2014/15—an index specifically focused on FDI published by fDi Intelligence—Chicago does not appear among the top 25 cities in developed nations.

**Political engagement.** PwC’s ease of doing business and A.T. Kearney’s political engagement analyses gave Chicago poor marks for the number of foreign embassies and consulates in the city compared with other world cities. Further, Chicago has attracted a relatively modest number of political conferences. This may be inevitable, given the city’s noncapital status.

**Global appeal.** Despite the city’s two international airports, PwC pointed to Chicago’s poor appeal as a global gateway, as measured by the number of international tourists, international association meetings, and “World Top 100 Airports.”

These three weaknesses are partly attributable to Chicago’s global reputation. What Chicago is known for is often negative or does not match the facts on the ground. Chicago must find ways to compensate for or resolve its shortcomings to continue as a key player on the global stage.

It is also important to note that most city rankings do not deduct points from the calculations for negative indicators—crime rates, inequality, population decline, and segregation. While many cities, particularly in Asia, have grown rapidly thanks to mass urbanization, Chicago saw the largest population decline of any major US city or region in 2016. These urban challenges certainly have an impact on other quantifiable metrics such as FDI, tourism, and global appeal. Chicago’s homicide rate in 2015 was 18.8 per 100,000, more than São Paulo or Mexico City. Chicago is one of the most segregated metropolitan areas in the United States. Twelve percent of the African American population is in a census block group that is 100 percent African American; in comparison, less than 1 percent of the population lives in such areas in New York City. Furthermore, most majority-white census tracts have fewer than 10 percent of families living in poverty, while just over half of the majority-black areas have more than 30 percent of families in poverty.

While not all neighborhoods in Chicago reflect these trends, companies and individuals concerned with these factors are less likely to invest in or travel to the city. There is a direct correlation between the city’s ability to manage local problems and increase its global stature. As previously noted, however, the city must not choose between fixing problems at home and expanding its global reach. It should do both simultaneously. Successful cities flourish abroad from a strong local base, and those that thrive globally will have the means and resources to act locally.
In a fast-moving, 21st-century economy shaped by globalization, technology, urbanization, and security threats, cities must marshal their resources and energy in a more focused way. Doing so requires a new approach to coordination and collaboration among the city’s leaders in all four pillars of urban life. A global strategy for Chicago represents an unprecedented effort to align major international activities across the city and, given the reality of finite resources, to focus on interactions that will yield the greatest impact. A global strategy will unify the city around a common goal: to advance Chicago’s interests globally and in turn to create new opportunities to benefit the residents of Chicago.

Chicago’s global strategy must include four distinct components. The first demands better coordination among institutions across the four pillars. The second outlines steps to improving Chicago’s international brand. The third requires the city to build its leadership role on the global stage. The fourth proposes developing a global mind-set in addition to serving local needs. Each component encompasses numerous moving parts—existing organizations, ongoing outreach, and sometimes overlapping initiatives.

The global strategy is meant to be a flexible framework, a lens through which Chicago can assess and respond to emerging opportunities. It can and should evolve over time as the city continues to build on its existing assets and international activities. And most importantly, it should always serve the city’s interests and priorities both overseas and at home.
The cross-pillar approach is a vital component to a global strategy for Chicago. The activities in one pillar naturally extend to and rely on other pillars: tourism promotes the city’s arts and culture, FDI requires access to civic leaders, foreign students contribute impressive sums each year to the city’s economy. A global strategy for Chicago can be effective only by ensuring that these intertwined activities are harnessed and managed to their fullest potential.

Collaboration on existing efforts can improve. At any time, Chicago agencies and organizations could be hosting delegations, engaging with local consulates, and planning events in foreign countries. Each organization has its own contacts and relationships. Given the sheer volume of activity, Chicago is missing valuable opportunities to coordinate efforts, avoid duplication, and, most important, get more from its existing resources.

For example, a sustained presence in high-potential foreign markets is critical to advance Chicago’s global diplomatic and economic interests. But it may be difficult to secure the funding necessary to open foreign trade offices dedicated solely to the city. One way to build a global presence would be to capitalize on existing beachheads operated by other organizations. Choose Chicago had multiple locations in Canada, China, and Mexico before budget impasses required some to close, while WBC has a satellite office in Shanghai. In addition, the Illinois Department of Commerce and Economic Opportunity operates 10 offices around the world.

Collaboration will give stakeholders added visibility into the city’s full range of activities in the international arena. As Bogotá has shown (see sidebar, “Cross-pillar coordination,” on page 15), the act of getting leaders into a room on a regular basis fosters familiarity, collaboration, and a shared sense of mission. Such benefits cannot be underestimated.

Furthermore, consider the benefits of further integrating higher education with business and commerce. Businesses can help define skills and training needed to create a pipeline to employment. Meanwhile, universities are incubators for new businesses, entrepreneurship, and technological change. Through more strategic partnerships, local universities can serve as vital resources to companies seeking to stay ahead with cutting-edge research and development.

Intrapillar coordination is also needed
As we improve coordination among the four pillars, we must also ensure that actors and efforts within each pillar are on the same page in regard to global engagement. Chicago has a proud history of its organizations working together to achieve more than they could have alone; however, particularly in the arena of global engagement, related organizations within the same pillar are often unaware of the activities of potential partners—and the opportunities that may lay dormant as a result of this poor visibility.
As the hub of the civic pillar, the mayor’s office is naturally positioned to be the initial point of contact for international activity. When traveling overseas, the mayor makes an effort to see all four pillars of his destination city and speak with officials in each one. The Office of Global Affairs currently helps filter diplomatic requests, draft international correspondence, and prioritize opportunities. But the office only has a few full-time staff members and currently lacks the resources to lead the implementation of a citywide comprehensive global strategy. If granted more staff and resources, this office could also work more closely with the relevant city organizations across pillars (for example, WBC, universities, and cultural institutions) to develop strategies and engage with national and federal policy agencies on international matters to ensure that Chicago’s interests are being represented.

In commerce, several private and public organizations aid companies wishing to enter the global market as exporters. WBC has expanded its mission to include exports as part of implementing
its Plan for Economic Growth and Jobs. Traditionally, export services have been fragmented, with multiple agencies at the municipal, county, state, and federal levels aiding businesses. Metro Chicago Exports was launched in 2014 to unite the efforts of Chicago, Cook County, and six collar counties (DuPage, Kane, Kendall, Lake, McHenry, and Will). WBC is also participating in a process to coordinate a regional approach to attracting FDI. These initiatives, which represent unprecedented collaboration in the metropolitan area, offer businesses a one-stop shop to assist with exports as well as workshops and other support.

Organizations within the education pillar—area universities, colleges, and educational nonprofits—often show how collaboration can benefit students and the community at large. This approach could be extended to the promotion of Chicago as a destination for higher education. Several cities, notably Boston, provide tours to international students that cover several area universities. While the schools still offer their own tours, this citywide collaboration is a draw for families from overseas who wish to see all the options across a given city. Such tours often include a sampling of the city’s cultural attractions as well, providing a fully immersive experience. Several travel companies offer such tours already and could be viable partners in establishing a tour of Chicago’s colleges and universities to students and parents.

A natural leader of such an educational promotion initiative would be America’s Urban Campus, a consortium of 22 Chicago-area institutions launched in 2013 to “enhance the image of Chicago as a global destination for higher education,” among other goals. The organization’s founding was a promising first step, thanks to the backing and support of the Chicagoland Chamber of Commerce, Chicago Community Trust, Chicago Loop Alliance, Choose Chicago, and WBC. Now, America’s Urban Campus must be activated to mobilize these institutions in a strategic effort to recruit foreign students. Funding and leadership are needed to achieve this near-term goal.

Finally, in the same way commerce flows both ways—trade delegations promote not just FDI to Chicago but also exports from Chicago businesses—arts and culture must embrace efforts that attract more visitors while forging strong relationships with international counterparts. Arts and cultural institutions are increasingly adopting a global mind-set and making connections with organizations in other countries, yet these outreach efforts are typically not coordinated with other Chicago institutions. Greater visibility and planning among Chicago’s stakeholders could increase the impact of such connections and identify new opportunities to promote the city and its cultural offerings.

A natural leader of a higher-education promotion initiative would be America’s Urban Campus, a consortium of 22 Chicago-area institutions launched in 2013.
To ensure effective and efficient cross-pillar coordination, leaders and institutions in Chicago should:

1. **Meet regularly.** Collaboration should occur on a regular basis and involve top-tier public and private leadership tasked with global engagement to discuss upcoming efforts in the planning stages, events, and outreach efforts.

2. **Ensure deeper interpillar coordination.** Civic leaders should convene individuals from across the four pillars to strengthen relationships, increase visibility, and identify opportunities for collaboration.

3. **Coordinate activities more consistently with the city’s international agenda.** Representatives from across the four pillars should be integrated into global outreach activities to present a more complete picture of Chicago’s strengths.

4. **Expand efforts to drive FDI, international tourism, and export growth.** By increasing the impact of the commercial pillar, Chicago will have some additional resources—in the form of business activity and revenues from the hospitality and tourism industry—to support the city’s goals.

5. **Extend its presence in international markets.** Chicago should work with the State of Illinois and other stakeholders to use existing offices and activities to promote the city more effectively and at a low incremental cost.

6. **Forge deeper collaborations between art and culture and business communities.** The artistic and cultural pillar is a major component of Chicago’s reputation as dynamic, livable city and could be used more prominently in efforts to attract foreign businesses and tourists.

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**Strategy 2—Establish a more effective international narrative for Chicago**

Given the power of reputation and branding, Chicago must promote its distinctive attributes, tackle its urban challenges, and engage more actively in reputation-building efforts that draw on the four pillars.

“A gap exists between the reality of Chicago and the perception of that reality. Especially outside the United States, Chicago too often remains an unknown quantity, more famous for what it used to be than what it is.” This excerpt, from a 2007 Chicago Council on Global Affairs report, reinforces that while Chicago has long struggled to enhance its international profile, the city has been unable to make any measurable progress. Chicago’s global city ranking highlights this gap.

On a fundamental level, Chicago has suffered from a lack of sustained engagement on the global stage. As a result, the city’s shortcomings have been magnified by the absence of a countervailing voice to promote its distinctive attributes—its architecture, lakefront, cost of living, quality of life, diversity, transportation infrastructure. Consider this account from Florian Willershausen,
a journalist from Germany: “I asked my European friends about Chicago. All of them talked in stereotypes: Al Capone, crime, corruption. Some knew about the city’s disastrous fiscal situation. Nobody mentioned anything positive.” In contrast, when Mayor Emanuel hosted Mayor Sadiq Khan of London in the fall of 2016, Chicago was seen as a multicultural, environmentally conscious, and globally connected city by the foreign press.

For Chicago residents, the fact that the world is oblivious to the city’s assets might seem incomprehensible, but it’s both true and entrenched. More important, this issue presents a serious barrier to organizations in every pillar of urban life. While people who visit Chicago for the first time immediately understand that it’s a world-class city, the relatively low number of international visitors means that the tide will turn too slowly to have much of an impact on Chicago’s international reputation. Changing the narrative will require the city to engage on the global stage in a more active, sustained way. It’s about developing a clear idea of what makes Chicago distinctive and communicating consistently to specific audiences. But the effort isn’t just about marketing, although that’s a component. It is also about successfully tackling the challenges the city faces at home that feed the alternate narrative. By highlighting Chicago’s assets and simultaneously reducing the problems, Chicago will raise its profile and relevance on the global stage.

**Demonstrating a more active, vocal leadership on the international stage**

In recent years, Chicago has made significant progress in promoting entrepreneurship and innovation and making strategic investments that spur economic development. For example, initiatives such as 1871 have significantly expanded the startup ecosystem, and the city has
been successful in attracting corporate headquarters. The international community needs to be made more aware of these activities and how they continue to transform Chicago. As the city’s most visible salesperson, the mayor must lead the effort to change perceptions through active engagement in international circles.

Consider the impact that Eduardo Paes, the former mayor of Rio de Janeiro, had on that city. Mayor Paes is widely regarded as an energetic, innovative leader with a long-term vision for the city. He has shared his insights in popular arenas such as Ted Talks and participated in global forums. Rio still struggles mightily in addressing its grinding poverty, crime, and corruption, and is heavily scrutinized in its ability to stage events such as the World Cup and 2016 Olympic and Paralympic Games. However, these elements have been counterbalanced by an optimism that civic leaders are implementing solutions that will make a tangible impact.

Chicago should follow this example, with the mayor and a select team of city leaders actively promoting the city’s progress and its innovative approaches. Mayor Emanuel is uniquely well positioned as a national leader to lead this effort: he is among the best-known US mayors, and his ties around the country and the world provide him with a platform to reach international audiences. Much as Mayor Bloomberg became synonymous with gun control and the fight against climate change, Mayor Emanuel could be a forceful champion for issues with global resonance. For example, Chicago could be an active voice in international dialogues on tackling urban violence, an issue of vital importance to the prosperity of the city. It can also credibly lead the conversation on resource stewardship, thanks both to its location on the shores of Lake Michigan and its investments to upgrade its water infrastructure. The 2017 Urban Waterways Forum helped position the city as a convener of pressing and unique global dialogues.

Building an international brand
Chicago has many advantages and attributes that distinguish it from other cities, but it has yet to develop a strong, effective, and memorable brand. Previous efforts to brand Chicago have either sought to compare it favorably with better-known cities such as New York or position it as the city for all people and tastes. The resulting marketing campaigns primarily targeted tourism, with more limited reach into international markets due to funding constraints. None has effectively established Chicago as a truly global city on par with its top-tier counterparts. Chicago should also draw on its own attributes—from the built (infrastructure, airports, architecture, parks) to the geographical (river, lakefront, centrality) to the historic (museums, diversity, the forthcoming Obama Presidential Library)—to tell a compelling story of the city and the experiences that visitors can only get in Chicago. If successful, this narrative will inform outreach across pillars.

Chicago can tell a compelling story, but it must better focus and coordinate its efforts. Critically, an effective brand isn’t a marketing campaign or promotions strategy. Rather, the brand’s core messaging and concepts inform the campaigns that follow. Different stakeholders require different messaging: the aspects that businesses care about when considering new locations (such as talent and transport infrastructure) differ greatly from how international students choose a university (quality of the institution, overall experience, and career opportunities). The brand should act as an umbrella that encompasses these elements while being relevant, authentic, and credible.
Capturing the full potential from existing efforts
On any given day, Chicago has a multitude of organizations across all four pillars involved in international outreach. Cultural institutions are planning tours in foreign markets, universities are communicating with alumni networks that stretch around the globe, television shows and movies that were shot or based in Chicago are drawing large audiences and giving those populations a glimpse of the city, and executives are meeting with their counterparts in developed and developing markets. Each represents a platform that can be used to promote Chicago more effectively. The effort involved in mobilizing these assets is incremental; it's primarily a matter of increasing awareness among the participating organizations.

The city should identify countries where its arts and culture institutions have forged relationships or are planning to tour and use these events as a platform. In parts of Asia, for example, Chicago Fire is in syndication, offering audiences glimpse of the city's landmarks and vistas. Foreign alumni of Chicago's universities are primed to be ambassadors for the city, so including them prominently in outreach efforts will help to paint a more complete picture of Chicago. For regular business travelers, the city should provide direction on the information to emphasize in their discussions in order to support messaging consistency.

To improve Chicago's international brand, the city's leaders and institutions should:

1. Attract more international events and organizations. The Chicago Forum on Global Cities has demonstrated the impact of such events to reinforce Chicago's position among leading cities and expose a new audience to the city's charm and attributes.

2. Draw on Chicago's strong, multifaceted business community. The city has an enviable concentration of seasoned business leaders with international experience, and these professionals can be used both to promote Chicago internationally and serve as a valuable network for foreign executives.

3. Use arts and culture to build awareness among international audiences. The city should build on the impact of its portrayal and image in television, movies, music, arts, theater, opera, architecture, history, and entertainment to further its interests.

4. Encourage enhanced contact with international alumni. Promoting the city through existing alumni networks could have a significant impact at a very incremental cost.

5. Develop an authentic, relevant brand for the city. Convene marketing experts and city leaders to create a brand with messaging that can be tailored to each pillar and international audience.
Strategy 3—Build Chicago’s policy-relevant leadership role on the global stage

Chicago can be a leading voice for global cities and global citizens to take on leadership roles in existing international organizations.

Around the world, organizations have been formed to build momentum for action on a range of issues affecting urban centers, from climate change and the environment to urban planning, to immigrant integration and combatting security threats. Increasingly, global cities are called upon to lead the charge due to their economic clout, growing populations, and influence. Cities that don’t participate in this dialogue, often because their elected officials are consumed with local problems, will cede their capacity to shape it. However, civic officials who earn the reputation as leading voices for advocacy and progress can not only make an impact in these areas but also burnish the reputation of their city.

The task force has identified two arenas in which Chicago can be a leader—in the discussion of global cities themselves and by serving as a model in applying cutting-edge solutions at the local level to challenges afflicting cities worldwide.

Leading the discussion on global cities
The Chicago Forum on Global Cities is a groundbreaking discussion on the role of global cities as it furthers the suggestion that global cities should be represented alongside other forms of
government and transnational organizations. In addition to continuing the discussion begun by the forum, several global events that Chicago has hosted—including the NATO Summit, the Chicago Architecture Biennial, and the Urban Waterways Forum—provides the city with a unique platform to showcase its strengths and weigh in on the issues facing global cities. By contrast, the city’s failure to secure the right to host the 2016 Nuclear Security Summit, which would have brought 54 world leaders to Chicago, was a lost opportunity.

Chicago also has much to gain from other cities during these dialogues. For example, the 2016 “Reducing Urban Violence and Improving Youth Outcomes in the Americas” action tour, cohosted by the World Bank, the University of Chicago’s Urban Labs, and the Chicago Council on Global Affairs, provided Chicago’s stakeholders with insights from security, community, and government leaders from some of the most violent cities of Argentina, Brazil, and Colombia. Leaders from Cali and Medellin, Colombia, shared their strategies for dramatically reducing homicide rates. While not all tactics are easily transferable or successful in different environments, the exchange of ideas and strategies are vital to scaling up evidence-based solutions.

By acting as convener and host for discussions about global cities, Chicago can further solidify its position as a forward-looking, engaged city focused on solving the grand challenges that urban centers will confront in the coming years. The response to WBC’s Plan for Economic Growth and Jobs among counterparts such as Mexico City demonstrates Chicago’s potential to become an authority and resource for other cities. By embracing technology and innovation, Chicago can be at the forefront of smart-city policies on how to run a city efficiently and cost effectively and improve the quality of life for all residents. Chicago’s civic organizations can lead the conversation on the issues affecting global cities by continuing to do policy research and publish thought leadership and reports. The Chicago Council on Global Affairs’ work on global cities, bolstered by its expertise in areas from agriculture to security to trade, has already begun to establish Chicago as a thought leader on global issues. Combined with universities and organizations such as the Paulson Institute, the new Pearson Institute for the Study and Resolution of Global Conflicts at the University of Chicago, and the Buffett Institute for Global Studies at Northwestern University, Chicago is turning into a center for global affairs.

**Developing local approaches to global challenges**

Several modern challenges—population growth, terrorism, sustainability, urban violence, the stresses of immigration, and climate change—hit urban areas first and hardest. Chicago has the opportunity to increase its influence in shaping the dialogue around these issues, both by developing effective homegrown solutions and through increased collaboration with other cities and global organizations. Individual local actions can have a greater global impact when implemented in concert through a network of global cities. By establishing itself as a leader and laboratory on such issues, Chicago has the potential to not only improve the quality of life for its residents but also promote its international reputation as an innovative problem solver.

In this effort, Chicago has already started to make strides. The University of Chicago’s Urban Lab, for example, collaborates with policy makers and practitioners on programs to address such issues as crime and poverty. Chicago has the potential to become much more active. By engaging
more in organizations such as the C40 Cities Climate Leadership Group, the Global Parliament of Mayors, and United Cities and Local Governments, Chicago could ensure that it contributes to knowledge sharing and city performance. This dialogue is critical—not just for sharing what has worked for Chicago but also to learn best practices that have proved effective in other cities.

Chicago has also championed policies to reduce energy consumption and improve its stewardship of natural resources. Initiatives to upgrade its century-old water infrastructure, install LED lighting, implement rapid bus transit routes, and operate a bike-sharing program demonstrate that
Chicago has taken important initial steps to address common urban problems, but it must do more. Its location on the shores of Lake Michigan gives Chicago an important platform to promote responsible stewardship of water and other natural resources, and it should take steps to capitalize on this opportunity by learning from others. Similarly, the city has championed UI LABS' City Digital program, a consortium of public and private organizations focused on applying innovation and technology to transportation, physical infrastructure, energy management, and water and sanitation. A focus on such issues will enable Chicago to develop solutions for how cities can better manage their resources and infrastructure to accommodate increased populations.

To build Chicago's leadership role on the global stage, leaders and institutions in Chicago should:

1. **Take on more leadership roles with policy-relevant international organizations.** Chicago is well positioned to participate in solutions to climate change, urban violence, immigrant integration, the stewardship of natural resources, antiquated infrastructure, and the effective use of technology.

2. **Build strategic, proactive outreach to heads of state, elected officials, and dignitaries.** City Hall must build the capacity to welcome foreign leaders to the city.

3. **Define the city's model of engagement with the world.** Rather than seeking to emulate or displace another global city, Chicago must determine the role it should play on the international stage based on its unique strengths.

### Strategy 4—Develop a global mind-set

The way Chicago residents and leaders understand the city's role in the world will determine the course of the city.

Some may argue that Chicago is not in a position to take a global lead when its local problems are so glaring. We argue that now is not the time for diffidence. Any city's global strategy must serve local needs, just as a national foreign policy must serve domestic needs. As such, we expect Chicago's global strategy to be judged on whether it ultimately strengthens the city's ability to fix its fiscal and social problems.

A globally engaged city is more likely to focus on the problems in the city itself because its global engagement and success depend on it. A city can't attract FDI or international tourists, for example, without a robust infrastructure or the resources for marketing and promotion. Education institutions and arts and cultural organizations are vital to producing a diverse, qualified pool of talent that embraces a global mind-set. As this report has demonstrated, cities around the world face the same challenges that confront Chicago—and many have made significant progress, some in a relatively short time period. Cities as diverse as Bogotá, London, and Rio de Janeiro have demonstrated the potential of financing improvements through new sources of revenue generated from greater global engagement. Chicago must commit to following a similar path. Chicago's global interactions will dovetail with efforts to improve the city through local measures.
Achieving buy-in of Chicagoans
The task force recognizes that many Chicagoans do not feel invested in the city’s international standing. The negative response by Chicago residents to the 2012 NATO Summit brought this lack of unity into sharp focus. While the summit offered a tremendous opportunity to share the very best of the city with foreign dignitaries and elevate its profile, many residents were more focused on the disruption and imposition due to traffic or security. As such, it is paramount that public and private sector leaders articulate how Chicago’s participation in international events and policy efforts directly supports the city’s mission on the global stage. Since cities have the capacity to make progress on issues such as climate change, sustainability, and poverty, Chicago has a vested interest in developing and sharing solutions that also benefit its residents.

Further, despite the fact that Chicago is a city of immigrants, too many people do not relate to the city’s international identity and how that identity, in turn, connects them to the world. Chicago’s cultural diversity and robust ethnic neighborhoods are not only a huge contributor to Chicago’s character but also offer a direct line to the same countries that Chicago is pursuing through high-level contacts in government and commerce. Currently, these communities are a largely untapped resource. Before residents can be mobilized, however, they must understand what is at stake and how they can benefit from a city-led global strategy.

Adopting a global perspective
We also have the opportunity to create global citizens starting at an early age. A number of leading primary and secondary schools in the city offer curriculums that feature a strong international component. Chicago Public Schools has 15 international baccalaureate high schools that have partnered with area universities to offer culturally rich programming. On the primary level, CPS has established several language academies, where students learn a foreign language and are exposed to foreign cultures and customs. The expansion and cross-pollination of such programming initiatives could promote a greater awareness of the world and foreign cultures.

For example, without disturbing the experience of local constituents, agencies and organizations across the city could do much to improve the accessibility of key city landmarks and attractions to foreign visitors. Some cultural institutions have made strides in catering to international visitors. The Art Institute, for example, has developed a program to make the museum “China ready.” It has connected with tour operators in China, produced an audio guide and materials in Mandarin, and recruited volunteers and security officers who speak Mandarin. Such an effort requires a commitment of resources—but failing to prepare our city for foreign visitors will result in lost revenue and a poor international reputation.

To develop a global mind-set across all pillars, leaders and institutions in Chicago should:

1. **Promote a global mind-set among Chicago’s students and residents.** The city’s primary and secondary schools have a role to play in developing students who are citizens of the world and prepared to thrive in a more globalized society.
2. **Encourage the global mind-set of Chicago’s arts and cultural organizations.** In the same way that foreign markets represent the greatest growth opportunities, attractions and institutions should also actively court international audiences as part of Chicago’s broader outreach.

3. **Strengthen the sense of ownership and identification that residents, in particular ethnic groups, feel for the city and its place on the global stage.** Civic leaders should clearly communicate to Chicagoans how international engagement can improve the city.

4. **Be more welcoming to foreign visitors.** The city should add languages to signs in airports, mass transit, and public spaces and expand support services to international tourists.
Engineering a global city

Several cities offer a fascinating microcosm of city design and growth. In Shanghai and Singapore, a change in government spurred transformation, while Dubai was conceived as a brand-new city from the ground up. These cities have seen an astronomical rise in the past few decades for various reasons, including good planning, bold leadership, and economic advantages. The development journeys of these three cities provide lessons to civic leaders looking to be competitive in a globalized world or dealing with extremely fast population growth.

Dubai

With a population of 3 million and a GDP of $82 billion, Dubai is not among the top 100 world cities by either metric. Yet the buzz around the city keeps it squarely in the discussion of global cities—in part due to its well-planned, rapid growth and almost simultaneous rise to relevance. From 2002 to 2008, the city's population doubled, and more than 95 percent of its residents are foreign-born. The leadership and vision of United Arab Emirates (UAE) Prime Minister Sheikh Mohammed al-Maktoum have been major factors in Dubai’s ascendance. First attracting regional attention, Dubai grew both out of traveler convenience and the freedom it offered to those looking for nightlife and tax-free salaries. Sheikh Mohammed opened up real estate to foreign investors in 2002, and the wealthy living in the region’s less-stable countries reacted favorably, snapping up land parcels and pushing Dubai to the forefront of the international real estate market.

Sheikh Mohammed also made doing business in Dubai easy: in the 1980s, he declared Dubai’s port, Jebel Ali, to be a “free zone” where companies could operate under laws more familiar to Western businesses. Today, Jebel Ali is one of the 10 busiest ports in the world. Sheikh Mohammed also created a patchwork of economic zones throughout Dubai, each intended to appeal to a different industry. This tapestry of zones has come to define Dubai’s international business operation, as banks and other firms can continue to do business their way in their own defined space. Such policies have made Dubai a finance and media hub as well as a tourist destination, diversification that could help it weather the recent fluctuation in oil prices.

Shanghai

Shanghai is China’s largest city and ranks fourth in the world by population and eighth by GDP. Historically, its industrial prowess attracted foreigners and Chinese nationals alike and fostered a vibrant cultural milieu, from dance halls to restaurants, that catered to the wealthy. The onset of World War II halted the city’s growth, and the rise of the Communist party effectively cut the city off from the rest of the world. Shanghai continued to play a key role in the Chinese economy, and its size and power ensured its status as a meeting place. In the early 1990s, Chinese leader Deng Xiaoping chose Shanghai as the driver of China’s commercial revolution. When the Chinese economy opened up to the world, Shanghai was ready.
Despite decades of limited access to foreign businesses, residents, and visitors, Shanghai has consistently benefitted from its historic strength as a crossroads of East and West. Although it has not fully made the transition to a service center (manufacturing accounts for a third of its industry output70), its quick ascendance has been due to deliberate policies aimed at building the city’s core competencies as well as ensuring its appeal to the international business audience. In 2016, the city released its 13th five-year plan; the latest plan emphasizes “modernizing industry, environmental protection, and innovation” all in the name of consolidating its position as a “global economic, financial, trade, and shipping center.”71 And in the wake of Shanghai’s hosting of the 2010 World Expo, the city’s leaders have also embarked on the “1122” initiative, aimed at making Shanghai a world cultural center by 2020.72

Singapore

Singapore has become one of the top business services hubs in the world since gaining its independence in 1965. Singapore’s unified vision, set forth and shepherded for decades by Lee Kuan Yew, enables it to pursue new opportunities forcefully. Compared with its economic development agencies in most other cities, Singapore’s Economic Development Board (EDB) has more autonomy and direct access to all levels and sectors of the Singaporean government. From the outset, the centralization of this function allowed a laser-like focus on economic development that has centered largely on attracting foreign investment. Singapore’s openness to Western business, legal models, and language positioned it as a natural link between East and West.

Despite these unique attributes, the city is instructive in its rapid growth, nimble response to challenges, and current strategy. For example, Prime Minister Goh Chok Tong recognized that foreign talent would help to alleviate the woes of the 1997 Asian financial crisis. He actively encouraged Singapore’s residents to welcome foreigners into their communities, and the government’s pro-immigration stance has faced little resistance. In addition, his administration appointed foreigners to head two key institutions: the Development Bank of Singapore and Neptune Orient Lines. The city-state’s leaders recognized that cultural vibrancy was a key tenet of sustained growth. In the 1980s, the government shifted to building its cultural identity for the benefit of tourists as well as residents. Today, Singapore promotes itself as the “Global City for the Arts” and points to its new museums as key attractions. In an era when professionals can choose to live and work anywhere, its leaders recognize that culture is a key element in attracting top talent.
What will it take for Chicago to assert its reputation among leading global cities? A grand vision backed by strong and steady leadership. Chicago is more fortunate than most global cities because it can draw on a history of ambitious efforts matched only by the resilience of great civic leaders who refused to stop until they succeeded. Leaders who raised the city from ashes. Leaders who looked at a city by the lake and reconceived it in the image of the classic European cities. Leaders whose designs gave birth to a skyline and lakefront that mirror the city’s strength and aspirations.

These undertakings were hailed as triumphs and have become part of Chicago’s rich tapestry. Most important, the legacy of these grand plans, beyond their economic contributions, was to establish Chicago as a place where serious-minded people flock both to witness and to make history.

A comprehensive global strategy is about not just economic dynamism, top talent, and a better quality of life. It is also about coordinating priorities amongst stakeholders to exert influence, relevance, and leadership in developing solutions to the world’s most pressing challenges. The benefits of a well-articulated global strategy—particularly one that enjoys broad support—can stimulate economic development that generates more funding to improve the city. Ultimately, it is not about choosing a local or global vision, but rather succeeding at both. And the benefits that come from this approach will in turn better serve all the residents of Chicago.

This vision of a global strategy lays out an ambitious plan for Chicago and can serve as a model for other cities worldwide. Now leaders from the public and private sectors must make it a reality.
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Endnotes

Part 3: Why Chicago needs a coherent global strategy


2 Analysis by DK Shifflet & Associates.


Part 4: Chicago’s global assets and weaknesses


41 Ibid.
42 Ibid.
43 Ibid.
44 Ibid.


Part 5: Defining Chicago’s global strategy


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