

Blueprint for American Prosperity

Unleashing the Potential of a Metropolitan Nation



B | Metropolitan Policy Program
at BROOKINGS

February 21, 2008

Metropolitan Washington Council
of Governments

Blueprint for American Prosperity: What is it?

A three-year policy initiative, launched in November in advance of the 2008 Presidential election to:

Educate our national decision makers:
we are a metro nation

Catalyze adoption of key federal reforms

Empower a network of regional business,
political, and civic leaders who will champion
change and be effective stewards of regional
success

Blueprint for American Prosperity
Unleashing the Potential of a Metropolitan Nation

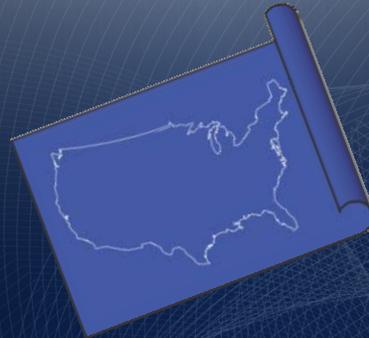


Blueprint for American Prosperity

Unleashing the Potential of a Metropolitan Nation



* Key Findings *



1 2 3

Dynamic forces pose stark challenges for the U.S., testing American prosperity



1 2 3

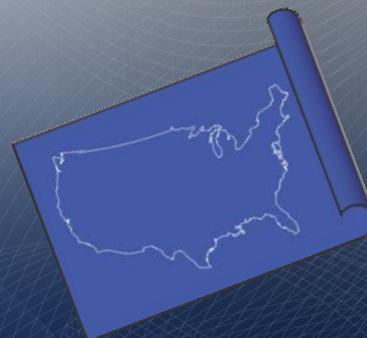
To prosper, U.S. must leverage four key assets which concentrate in metropolitan areas

Innovation	Human Capital
Quality Places	Infrastructure



1 2 3

The U.S. needs a new federal partnership with local, state, and private sector leaders: a Blueprint for American Prosperity



1 2 3

Dynamic forces pose stark challenges for the U.S., testing American prosperity

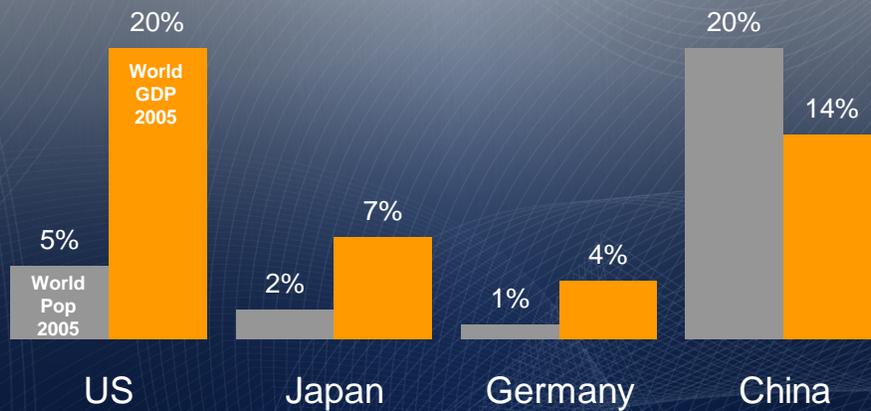


Blueprint for American Prosperity
Unleashing the Power of a Midwestern Leader



America begins a new century in an enviable position

\$13.2 trillion economy



Blueprint for American Prosperity
Unleashing the Power of a Midwestern Leader



While the U.S. will remain a leader in the global economy, we face some urgent challenges

Economic Challenges

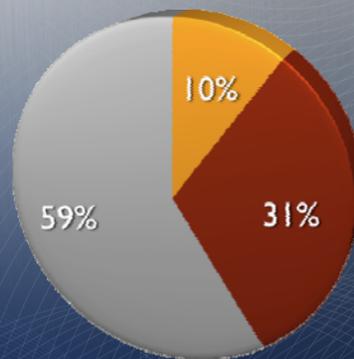
Social Challenges

Environmental Challenges



Economic Challenges: U.S. faces expanded global competition

China and India make up 40 percent of the recent growth in the world's economic output



India China
World

Global Economic Growth (1996-2006)



Economic Challenges: Meanwhile, there is continued economic restructuring at home

Economic changes abroad have altered what we Americans do at home



Services include professional/business, education/health, and leisure/hospitality

Source: WTO; BLS



Economic Challenges: The new service economy is a bifurcated one

High Value Service Sectors



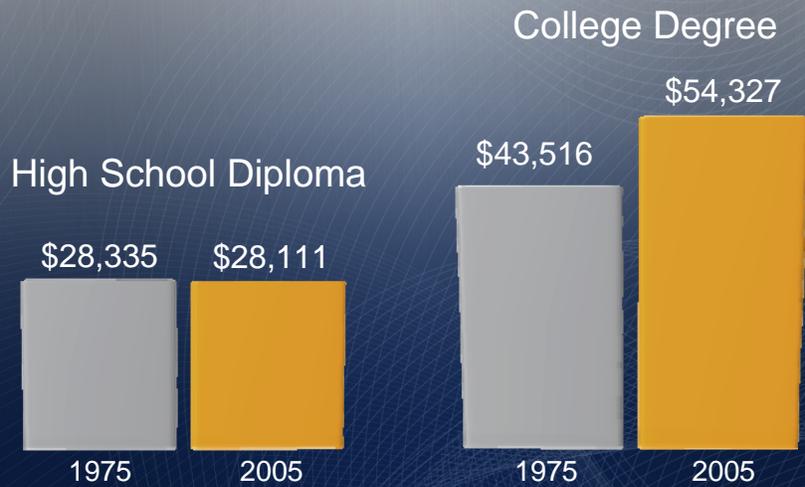
Lower Skilled Service Sectors



Photo courtesy of Anthony Antal/Cincinnati CityBeat
Source: World Bank World Development Indicators



Social Challenges: Changing rules of economy have widened income inequalities...



Salaries in year 2005 dollars
Source: U.S. Census Bureau

Blueprint for American Prosperity
Ensuring the future of a prosperous nation

Social Challenges: Income inequalities may worsen, given changing demographics

By 2030,
51 million
baby boomers will
have retired

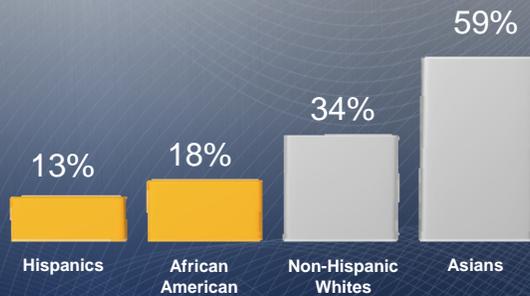
In their place, will
be a more diverse
workforce



Blueprint for American Prosperity
Ensuring the future of a prosperous nation

Social Challenges: Educational attainment varies widely by race

Bachelors Degrees in 2006 for Adults ages 25 to 44



Source: U.S. Census Bureau American Community Survey 2006 Public Use Microdata Sample

Blueprint for American Prosperity
Promoting the interests of all Americans' families

Environmental Challenges: As we grow, the U.S. faces hard choices on the environment

CO₂ Emissions Per Capita (tons)



Source: International Energy Agency

Blueprint for American Prosperity
Promoting the interests of all Americans' families

Environmental Challenges: U.S. growth is exacerbating pressures on natural resources

120 million more people
by 2050



Source: U.S. Census Bureau

Blueprint for American Prosperity
Unleashing the Potential of a Metropolitan Nation



Environmental Challenges: U.S. growth is exacerbating pressures on natural resources

213 Billion More Square Feet
by 2030



Source: Arthur C. Nelson, Brookings 2004

Blueprint for American Prosperity
Unleashing the Potential of a Metropolitan Nation



1 2 3

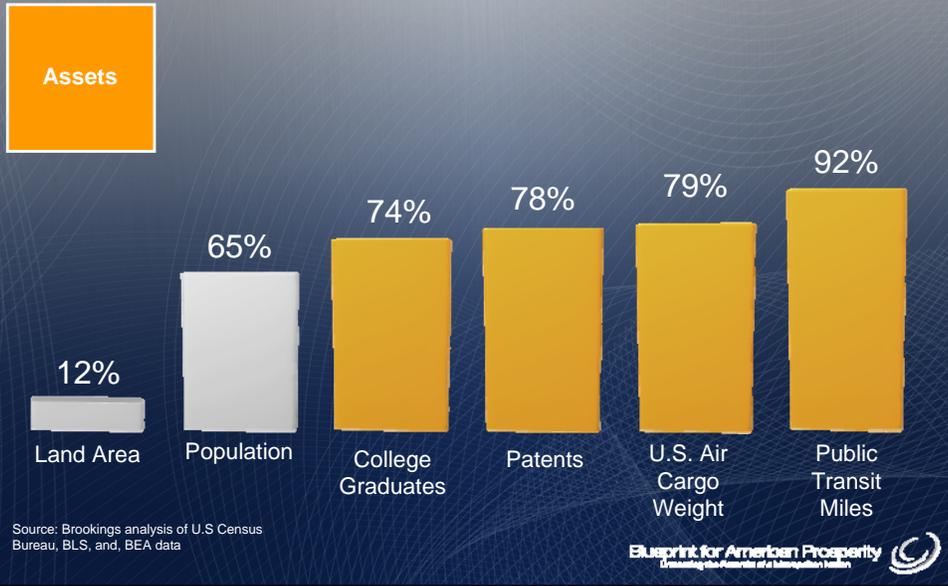
To prosper, U.S. must leverage four key assets which concentrate in metropolitan areas



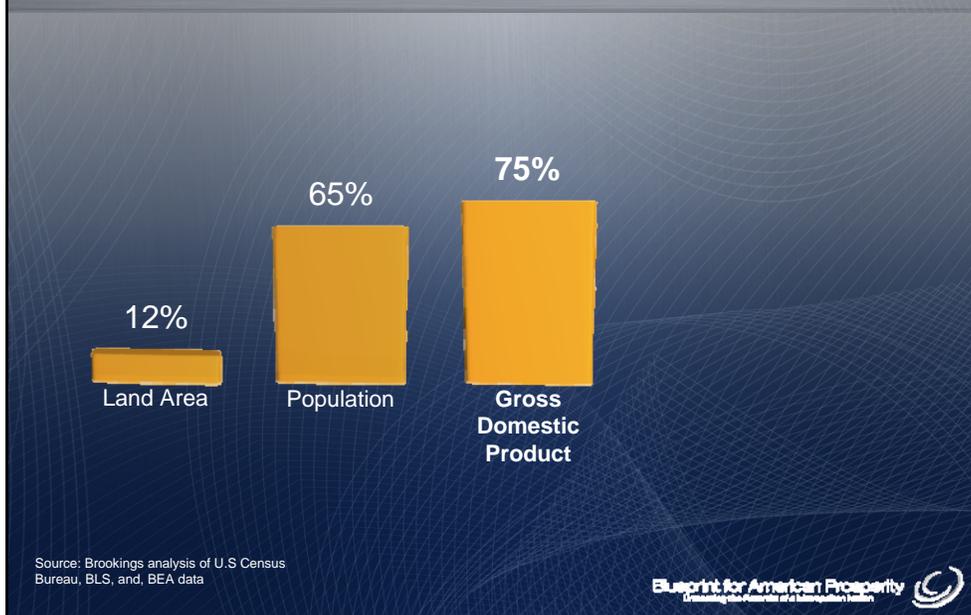
Where do we find these central assets?



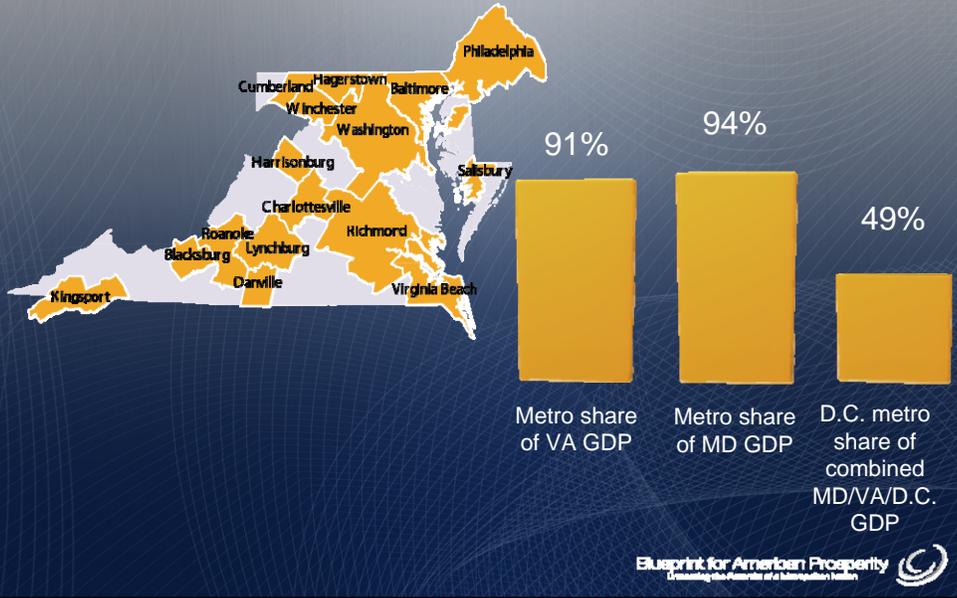
Our country's top 100 metros hold the bulk of the assets of the U.S. economy



Thanks to these assets, the top 100 metro areas generate 75 percent of the nation's GDP



In the “Potomac” region of DC-VA-MD, there are 16 metro areas driving the region’s economy



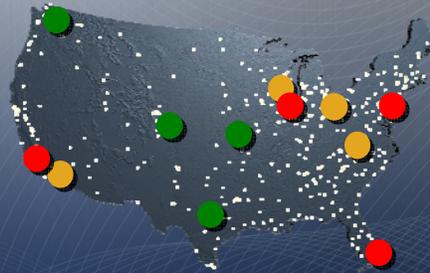
Despite their assets, metro areas face a daunting set of challenges

- Pressure to innovate
- Legacy of industrial past
- Responsibility to educate low-income children
- Shortage of housing affordable to workers
- Traffic congestion



Photo by Housing Authority of Baltimore City (Bottom Left)

Yet, no matter how much local and regional leaders innovate, they do not have the resources, powers, or flexibilities to go it alone



In a rapidly changing world, our metro area leaders demand an...

- Accountable
- Strategic
- Dependable
- Market-Oriented
- Partner



Yet our national government is strangely adrift

Blueprint for American Prosperity
Presenting the potential of a bipartisan agenda



The problem is that Washington:

Fails to keep pace with metro
realities

Is absent when they should be
present; present when they should
be absent

Hinders integrated problem-solving

Grossly under-leverages the market

Blueprint for American Prosperity
Presenting the potential of a bipartisan agenda



Meanwhile, other nations are acting now

CHINA: Building a sophisticated network of ports and freight



GERMANY: Creating a network of interlinked cities



SPAIN: Creating solar power network

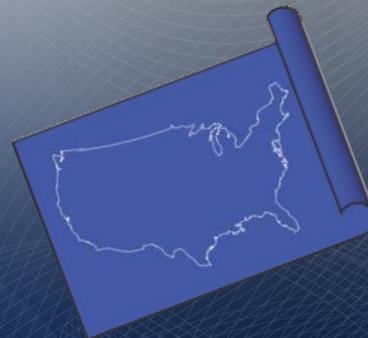


Map source: The Urban Age, Shanghai, July 2005 (Top); Photos courtesy German Federal Ministry of Transport, Building, and Urban Affairs (Middle); Photos courtesy of Commercial Offices of Spain (Bottom)



1 2 3

The U.S. needs a new federal partnership with local, state, and private sector leaders: a Blueprint for American Prosperity



Blueprint for American Prosperity
Ensuring that America is at the forefront of the world



Innovation

What if the Federal government empowered market actors in innovation?



- Create a new public-private agency that makes innovation its priority
- Funds research and commercialization across all industry clusters thru university-industry efforts
- Diffuses IT modernization in small- and mid-sized firms

past

present

future

Photo (Left) Courtesy of RSMAS, University of Miami;
Source: BLS Data

Blueprint for American Prosperity
Unleashing the Potential of a Midwestern Nation

Human Capital

What if the Federal government empowered local innovations in human capital?



- Fund and reward urban school reform
- Promote accountability/resources for h.s. completion and BA attainment
- Provided a match to state/local efforts to make higher ed affordable to inner city students

past

present

future

Photo (Left) courtesy of Publication and Photography, University Communications, University of Nebraska-Lincoln
Source: UNESCO, Global Education Digest

Blueprint for American Prosperity
Unleashing the Potential of a Midwestern Nation

Infrastructure

What if the Federal government led and empowered on infrastructure?



- Create a 21st century transportation vision and system that strengthens our key corridors
- Makes targeted, priority investments
- Empowers states and metros to flexibly spend their dollars in exchange for accountability and results

past

present

future

Map courtesy of Department of Transportation,
Federal Highway Administration

Blueprint for American Prosperity
Empowering the potential of all Americans' leaders



Our Action Plan: We need partners and advisors

A "PARTNERSHIP OF 100" ACROSS 25-30 METRO AREAS

- Regional business alliances
- Elected leaders (mayors, county officials)
- University presidents
- Other non-profit or civic leaders
- Key national organizations

A Metropolitan Leadership Council

Blueprint for American Prosperity
Empowering the potential of all Americans' leaders



With our partners, we can...

- Aggressively reach out to national and regional media (news, editors, opinion pages)
- Develop “bottoms up” demand and visibility for the Blueprint
- Build national partners to help advance policy ideas
- Engage and educate staffs and advisors of Presidential campaigns
- Brief members of Congress and key committees

Blueprint for American Prosperity
Empowering the potential of a bipartisan coalition



Together, we can activate a new federal partner that can help us build a

Productive economy
Strong, diverse middle class
Sustainable community

Blueprint for American Prosperity
Empowering the potential of a bipartisan coalition



Blueprint for American Prosperity
Unleashing the Potential of a Metropolitan Nation



www.blueprintprosperity.org