

## MEDS RECOMMENDATIONS July-August 2008

To further high-road economic development in their own states and as a region,<sup>1</sup> members of the IL, IN, IA, MI, NY, OH, PA, and WI delegations to the 17-18 July 2008 Midwest/Great Lakes Economic Development Summit (MEDS) unanimously agreed to make the following recommendations to their respective governors.<sup>2</sup> Authorization of recommendations (1), (2), (4), (5), (7), (12), (17), (19), (21) requires only executive action. Recommendations (6), (9), (11), (14), (18), (22), (23) require legislative action. Recommendations (3), (8), (10), (13), (15), (16), (20) require broader stakeholder action.

***Regional Information & Technical Assistance Infrastructure:*** (1) Produce a detailed “map” of the region’s economy that provides as good information as possible (a) key sectors as measured by share of state value-added, employment, linkages to other sectors, and trade; (b) comparison of those sectors against international and other extra-regional rivals; (c) intra- and extra-regional trade flows and supply chains; and (d) the contribution of different geographic areas on same terms; (2) produce a comparable “map” of available state and regional policy levers and money that could promote high-riding; (3) begin discussions with area high-riding firms and MEP (Manufacturing Extension Partnership) centers, community and technical colleges, public universities and extension services, and other potential sources of technical and other assistance on how better to meet those firms’ workforce, management, engineering, research, and other needs.

***Manufacturing Strategy:*** (4) Reorient MEP centers and other sources of manufacturing assistance (e.g., university and community college training partnerships and university research and development partnerships) regionally to focus on promoting high-road manufacturing with a focus on small and medium-sized employers: targeting high-road (or high-road “wannabe”) small and medium-sized enterprises; promoting in-region purchasing by OEMs and suppliers; identifying new customers in current and emerging markets; promoting product/service and process innovation through research and development partnerships; and targeting groups of relevantly similar firms on a regional basis, with harmonization of state supports; (5) bar MEP or other state assistance to firms in (or with a history of being in) violation of labor or other law (e.g., wage and hours violations, delinquent taxes, open safety or environmental violations); (6) organize the region’s Congressional delegation to demand a substantial increase in national funding of MEP and other sources of manufacturing assistance (e.g., university and community college training partnerships and university research and development partnerships), tied to a

---

<sup>1</sup> As applied to any geographic area, “high-road” development strategies are that that use public policy and other democratic power to simultaneously (a) maximize value-added/employee, (b) minimize waste of natural and other resources, and (c) capture the benefits of doing both for the shared prosperity of those who live and work there.

<sup>2</sup> All recommendations are understood to include needed changes in law or administration required for efficient enforcement, to be institutionalized to the point of surviving changes in current state political leadership, and to seek economies of scale and scope available from regional adoption and joint purchase of needed products or services.

more deliberate focus on serving high-road firms, especially small and medium-sized manufacturers.

**Transportation Strategy:** (7) Jointly request federal (a) regulatory and investment streamlining of transit equivalent to that now available for highways and (b) guidance on state “flexing” of highway funds to non-highway modes; (8) establish cost-of-living-reduction as a central goal of state transportation policy (e.g., by requiring feasible location and energy efficiency as a condition of public support of development projects); (9) develop minimum state and regional standards on local transit availability and supportive real estate development; (10) development a regional plan on multi-modal inter-city transportation, at the level of specificity on state responsibility and contribution of the Great Lakes water compact, and put that proposal before the next Congress; (11) organize the region’s Congressional delegation to take a common position in upcoming debate over highway reauthorization consistent with these other commitments.

**Energy Strategy:** (12) Commit to a comprehensive application of cost-effective energy efficiency measures to all state buildings within five years; (13) require regional uniformity in the transmission and distribution of all energy sources, including alternative and renewable energy, within one year; (14) enable tariffed recovery of investment in cost-effective efficiency measures, including those made by private non-utility capital; (15) prepare a plan for upgrading the regional grid to international performance standards, with a specific proposed state/federal/private-sector sharing of cost, and present to the next Congress; (16) market the region as a critical national resource in meeting national energy needs — emphasizing its distinctive contribution to the R&D, commercialization, and manufacture of efficiency and clean energy products and services (particularly in transportation, clean coal, biofuels, and wind) and the education and training of science and engineering talent — and collaborate regionally in pursuing federal funding opportunities in this area; (17) accelerate investigation of the feasibility of a regional Great Lakes wind power project; (18) organize the region’s Congressional delegation to promote region-neutral federal carbon taxation and 10+ year extension of Production Tax Credit and Investment Tax Credit; (19) as plug-hybrids and EVs become commercially available, replace a certain percentage of the state vehicle fleet with them.

**Workforce Strategy:** (20) With leadership from individual states, develop the region as a national model of high-road education and training;<sup>3</sup> (21) establish networks for learning and mutual assistance<sup>4</sup> among the region’s (a) high-road workforce partnerships linked to state

---

<sup>3</sup> Elements to include region-wide (1) emphasis on career readiness — with identified career pathways and lattices, needed skills in their negotiation, means to achieve those skills, and portable credentials on their achievement — throughout PK-20 public education and adult training systems; (2) full modularization and IT-support in delivery of education and adult training, with maximum feasible ease of entry to and exit from different training programs and providers; (3) in-state tuition reciprocity; (4) “bridge” contextualization of adult basic skills in career pathways; (5) expanded income and scholarship assistance for low-income populations seeking training in high-demand jobs/careers.

<sup>4</sup> Elements to include: (1) sharing of tools and benchmarking of best practice to improve management, overall performance, coordination with institutional allies (e.g., community and technical colleges, social service and insurance programs), evaluation, and funding adequacy; (2) regional collaboration (e.g.,

sectoral/cluster efforts and (b) providers of early warning, layoff aversion, and displaced worker assistance; **(22)** show regional leadership in developing a national proposal to replace current federal workforce investment law with a single coherent federal system that combines training and income support to enable all adults access to career-pathway-based training; **(23)** organize the region's Congressional delegation to support that proposal and, more immediately, the redistribution of UI tax dollars and passage of the McDermott/Kennedy bill on UI modernization.

---

through shared curricula, regional supply chain development, levers for within-region value capture, etc.) in meeting current and emerging workforce needs; (3) special attention to ensuring that current low-income/-skill adult workers benefit from high-road strategy.