



# Building Inclusive Cities

A FRAMEWORK FOR ADDRESSING BARRIERS TO INCLUSIVE GROWTH

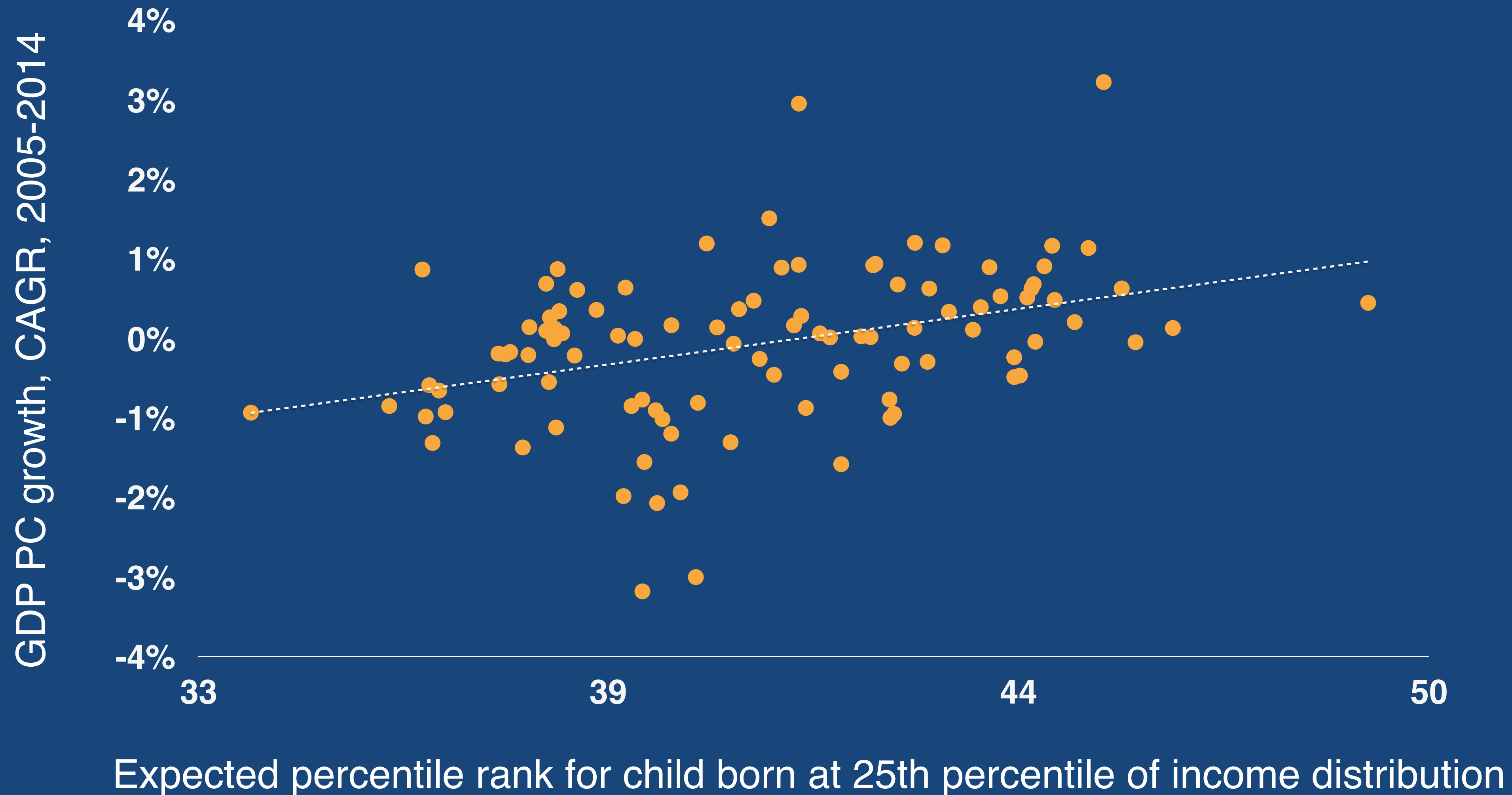
Joseph Parilla  
Brookings Metropolitan Policy Program

 @joeparilla

Region Forward Meeting  
January 26, 2018

# Inclusion matters for growth

## Upward mobility vs. GDP per capita growth, top 100 metros



# Growth matters for inclusion

10%



4%

*Increase in local  
employment*

*Increase in earnings per  
person*

“We find that earlier economic growth is positively associated with mobility, suggesting that faster growth enhances economic opportunity.”

–Bradbury and Triest, 2016

# Inclusive economies reflect a three-part goal

## GROWTH



Jobs  
Output  
Entrepreneurship

## PROSPERITY



Productivity  
Standard of Living  
Average wage

## INCLUSION

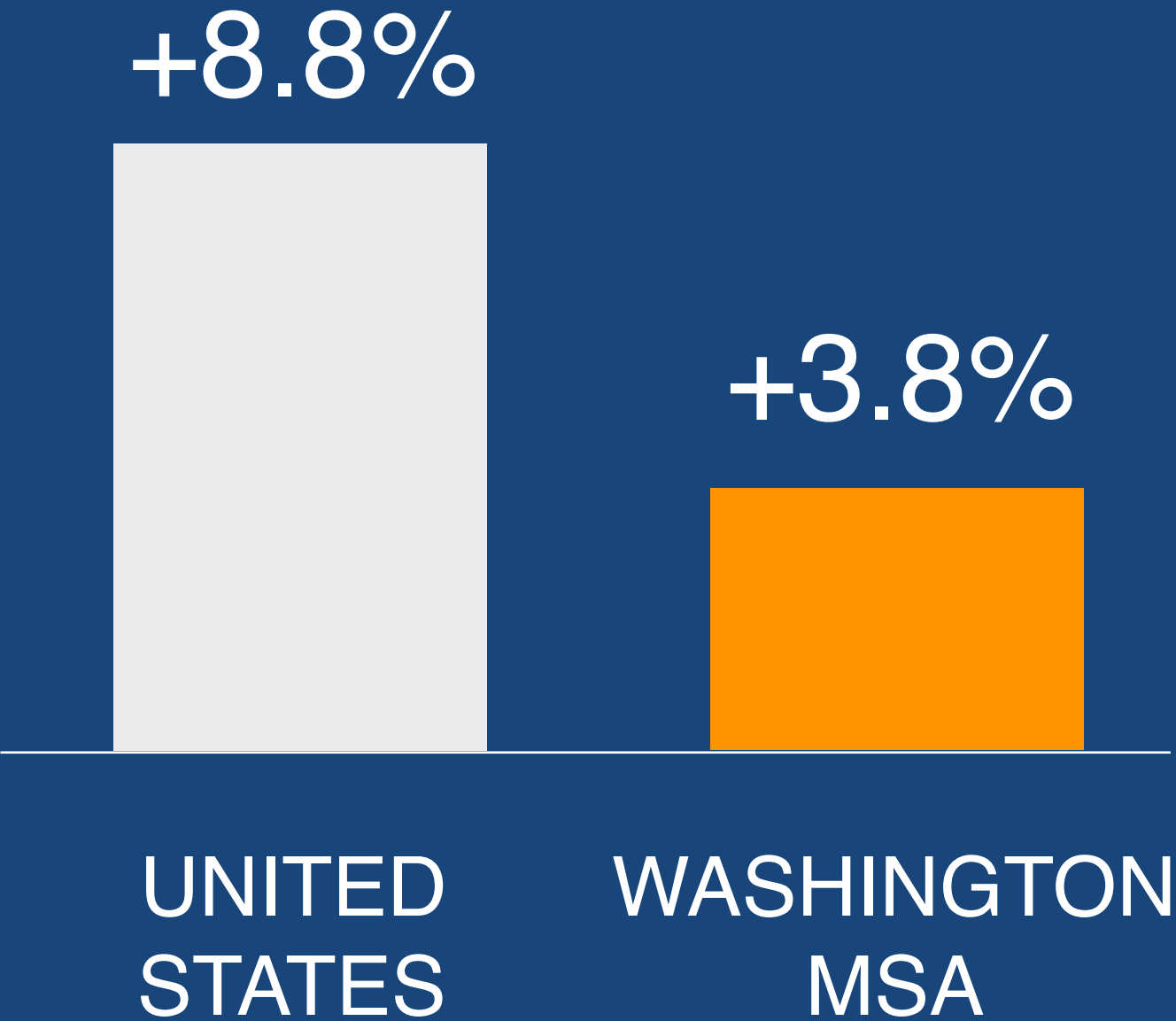


Employment rate  
Median wage  
Relative poverty rate

# GROWTH



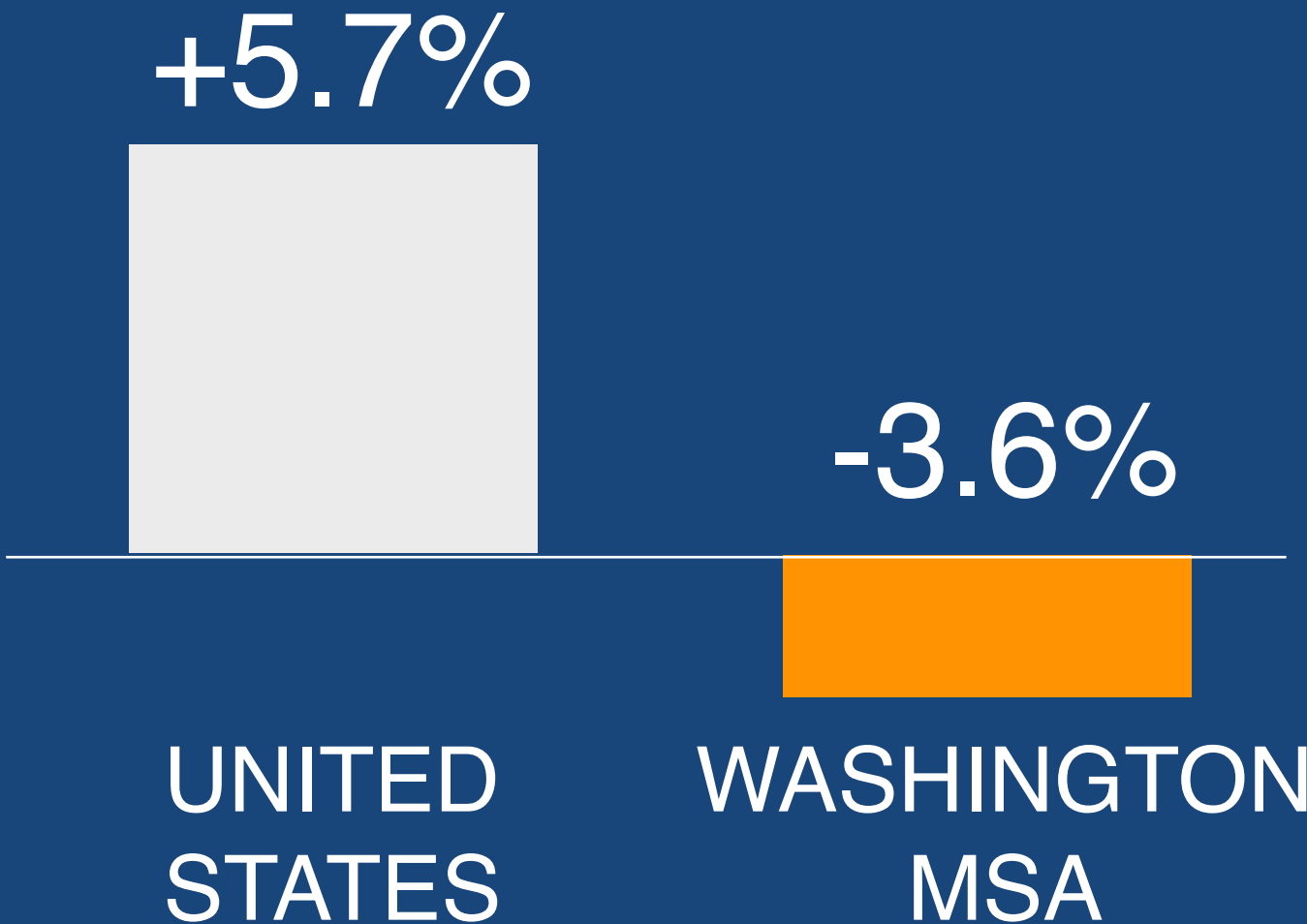
GDP Growth  
*2010-2015*



# PROSPERITY



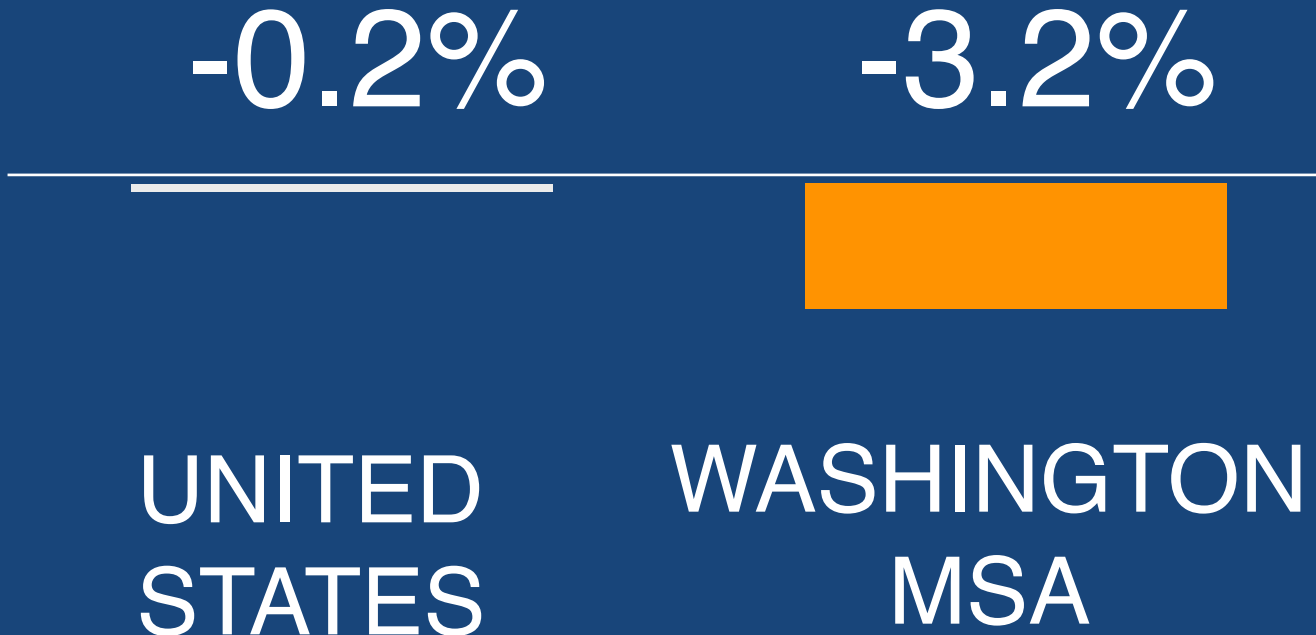
GDP per Person Growth  
*2010-2015*



# INCLUSION



Median Wage Growth  
*2010-2015*



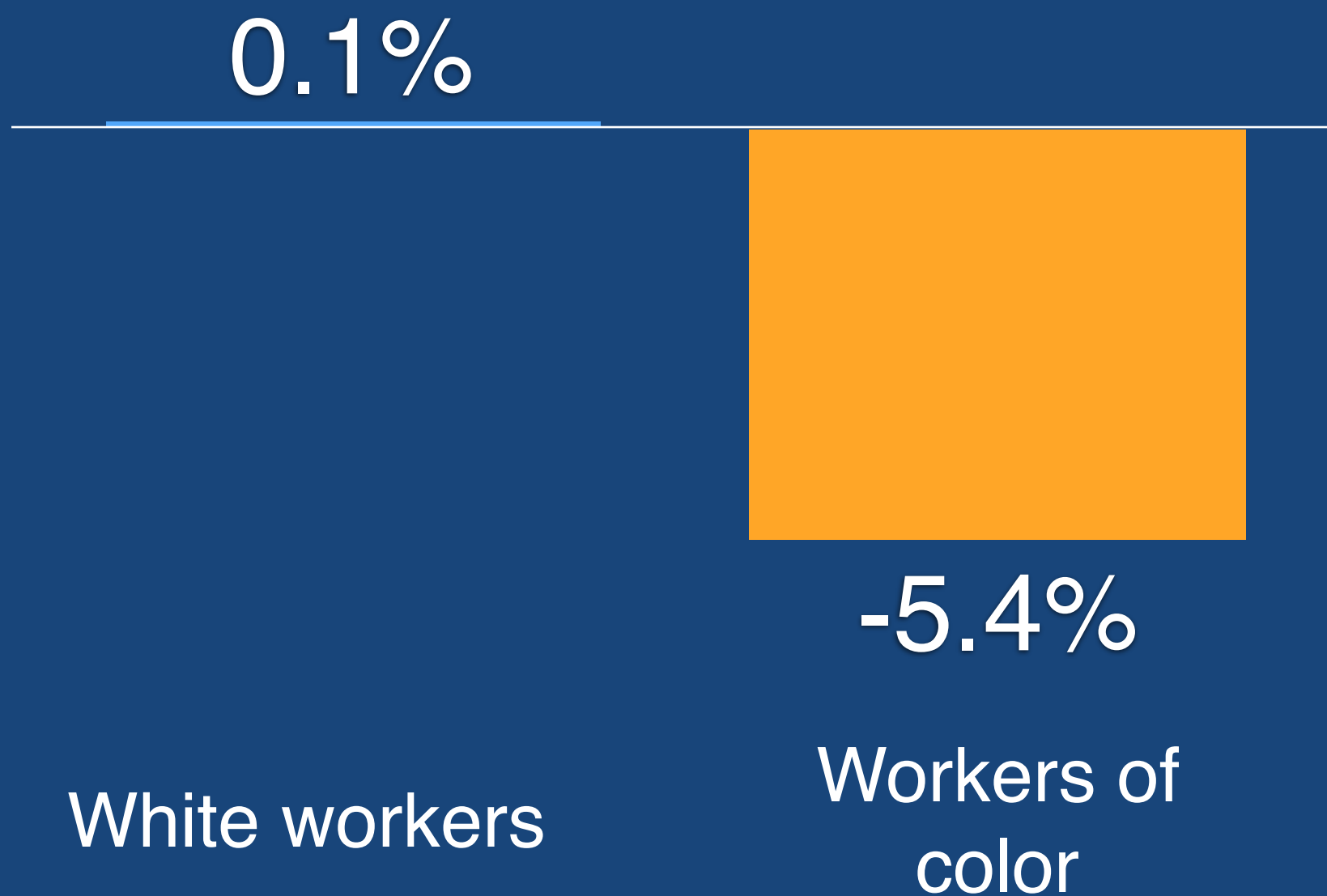
Source: Brookings, Metro Monitor, January 2016

# Sizable wage disparities remain between whites and people of color

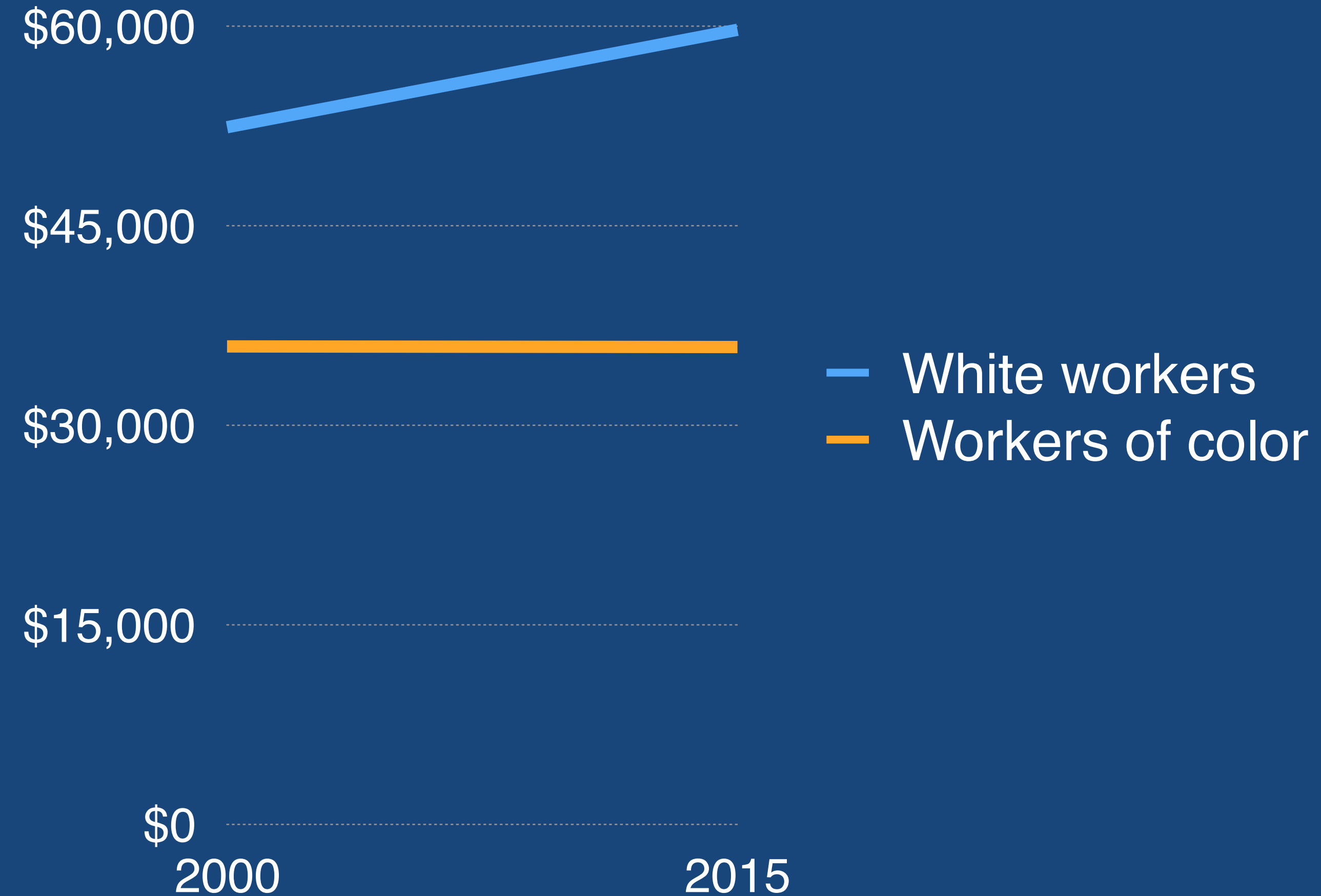
## INCLUSION



Median wages in Washington MSA  
2010-2015



## Median wages in Washington MSA



# Brookings Inclusive Economic Development Lab

3

regional  
economic  
organizations

6

months



REPORT

## Building inclusive cities: A framework and lessons for local leaders

Joseph Parilla, Brad McDearman, Ryan Donahue, and Rachel Barker  
Thursday, September 28, 2017



### OPPORTUNITY FOR GROWTH

How reducing barriers to economic inclusion can benefit workers, firms, and local economies

September 2017

JOSEPH PARILLA



### COMMITTING TO INCLUSIVE GROWTH

Lessons for metro areas from the Inclusive Economic Development Lab

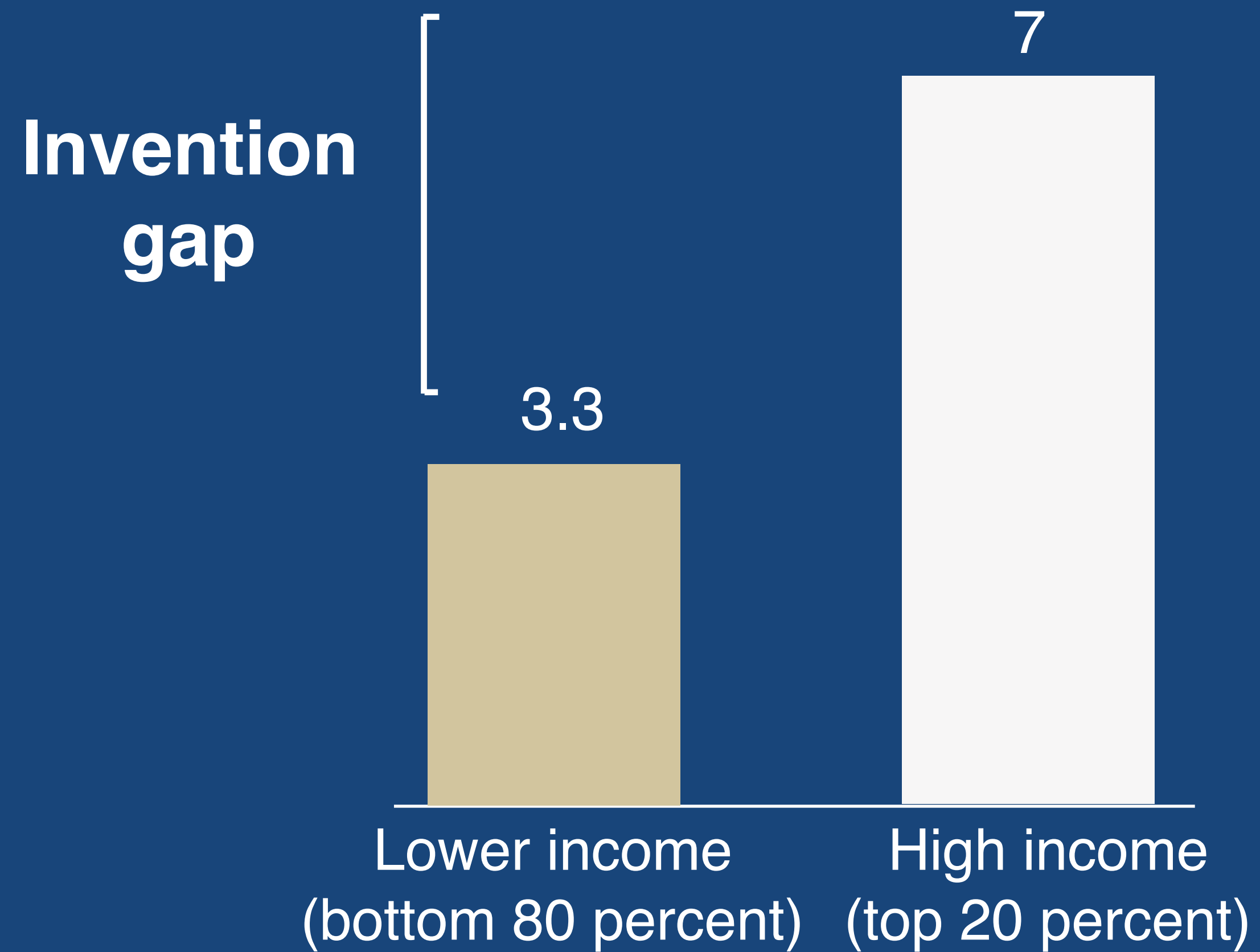
September 2017

RYAN DONAHUE, BRAD MCDEARMAN,  
AND RACHEL BARKER



# Dynamism barriers

Patent rates among high achieving NYC students,  
by parental income

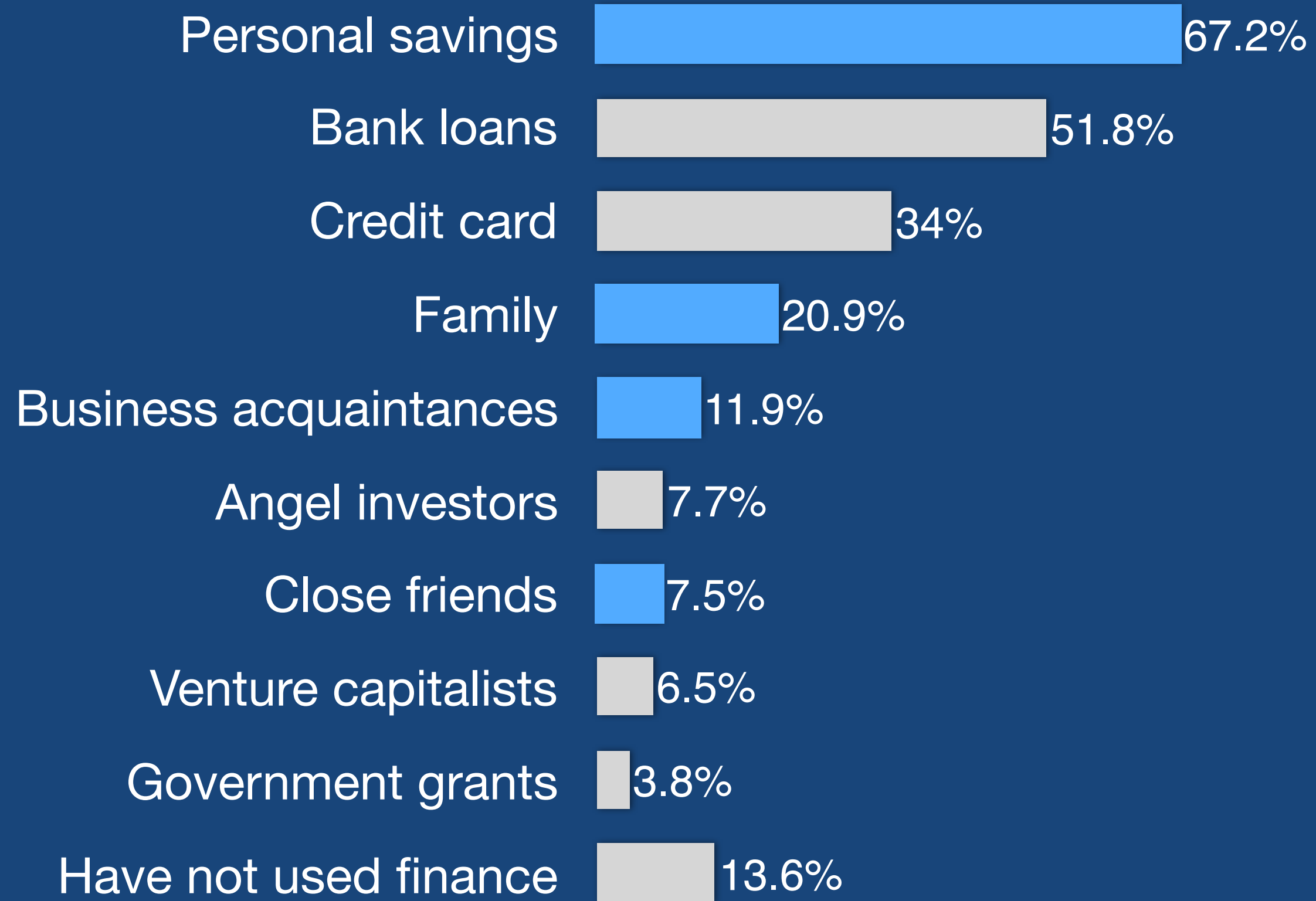


Inventors per 1000 children

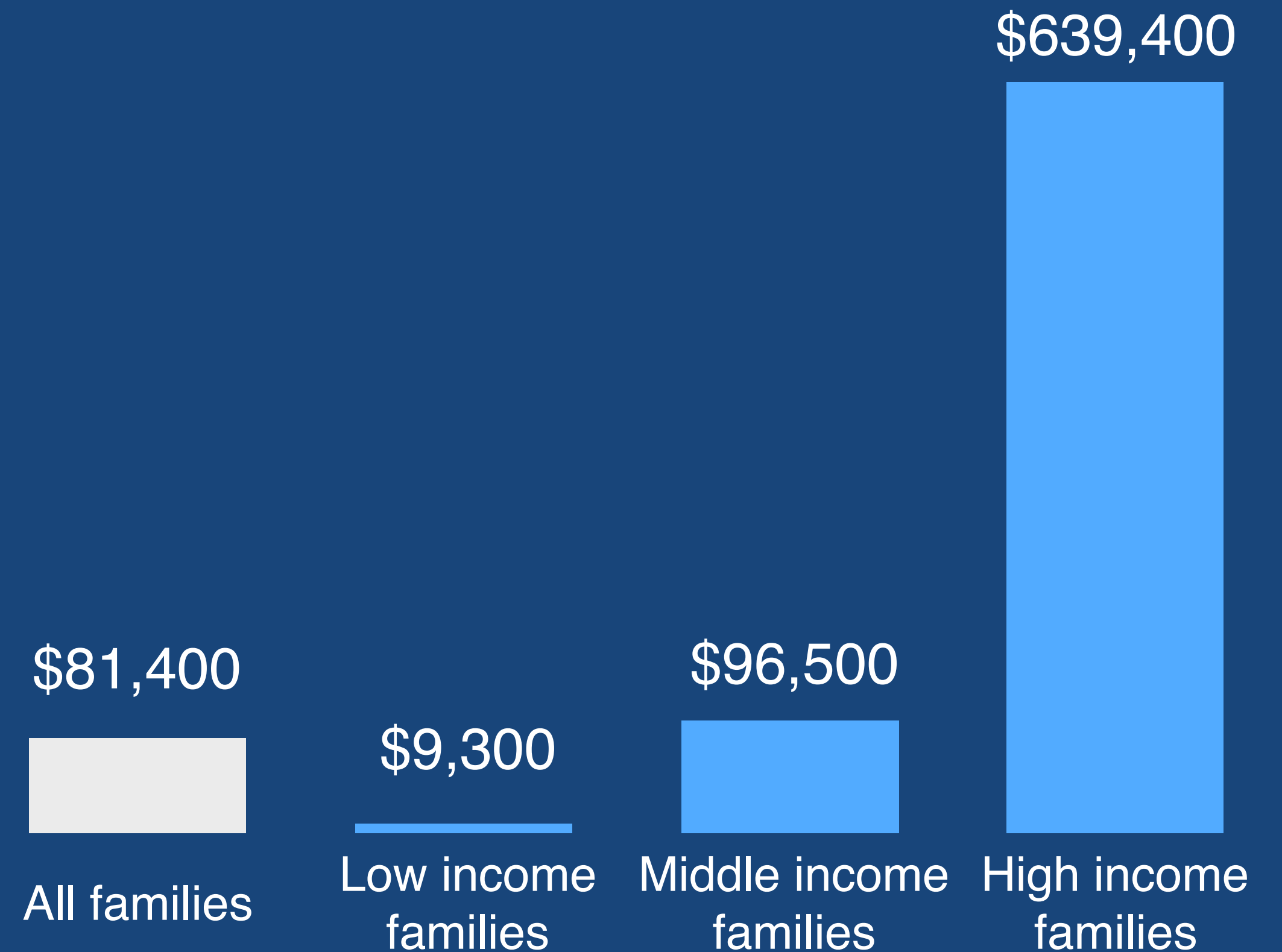


# Dynamism barriers

## INC. fast-growing firms, source of funding

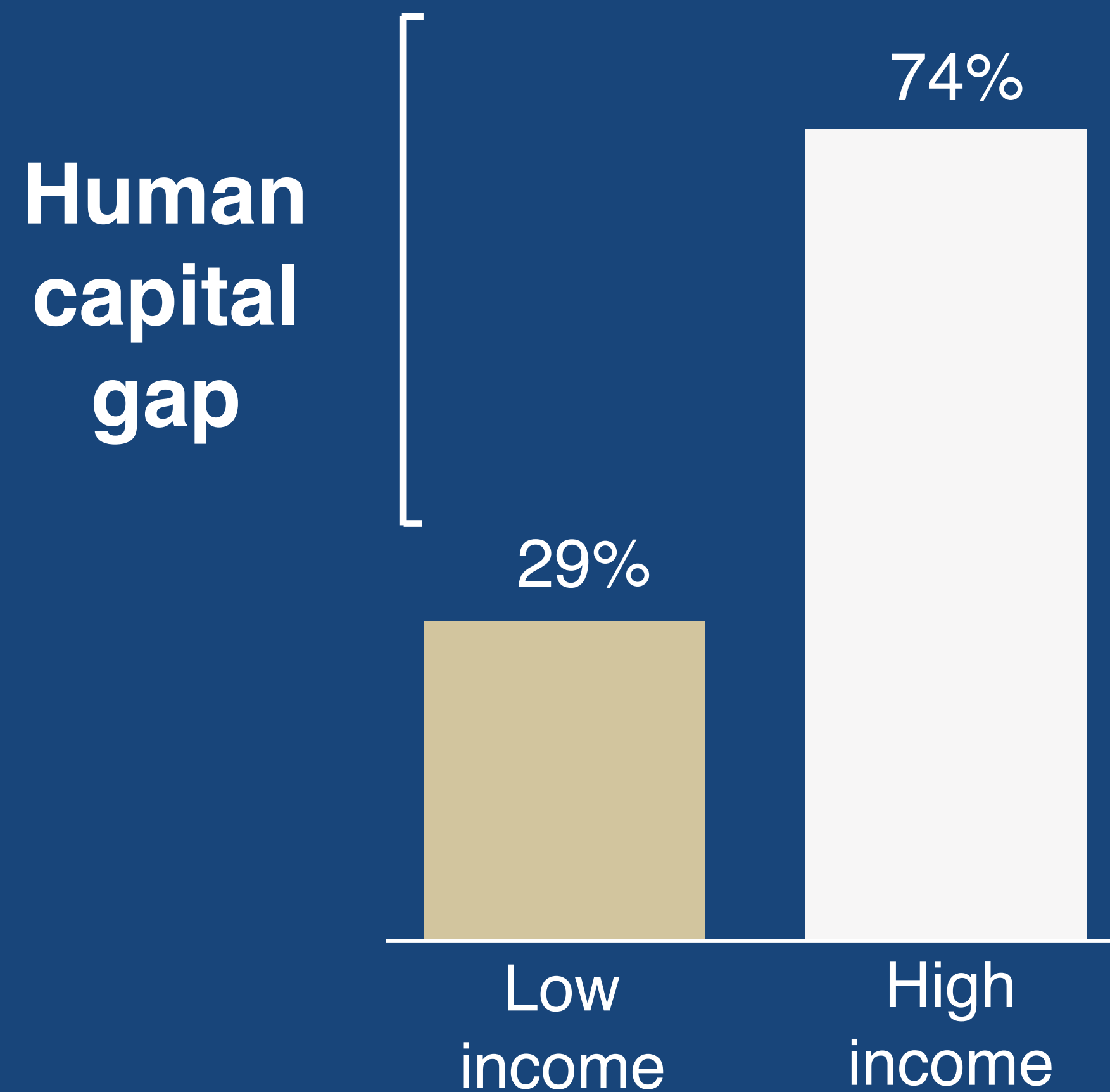


## Median household net worth by income, 2013 dollars



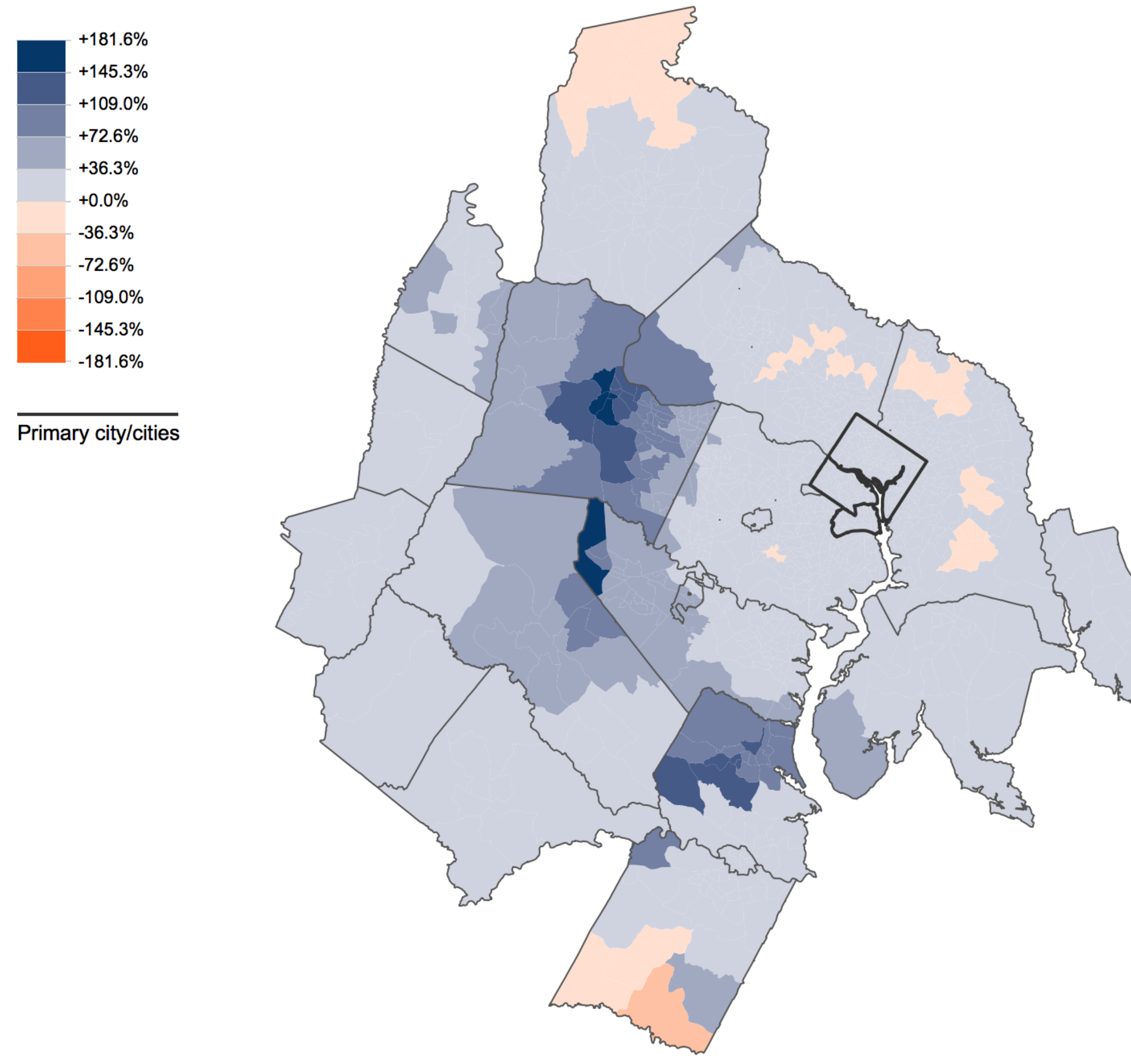
# Skills barriers

Share of U.S. 8th graders with top test scores in 1988 that attain a bachelor's degree by 2000



# Access barriers

Percent change in the number of nearby jobs, 2000–2012



**+2.0%**

Percent change in the number of jobs near the average resident, 2000-2012

**-9.6%**

Percent change in the number of jobs near the average resident in a poor neighborhood, 2000-2012

GREATER WASHINGTON

# Three-part framework to address inclusive growth barriers



PEOPLE



PLACES



FIRMS



# Three-part framework to address inclusive growth barriers

## Skills

Work-based learning

Creative & digital skills training

Criminal justice reform

Wage insurance

## PLACES

## FIRMS

# Employers and civic leaders are partnering on skills initiatives

## Milwaukee

Grow Here  
Campaign

**GROW.HERE.**



- Goal of 200,000 career learning experiences for students in seven-county region by 2020

## Cuyahoga County

Skill Up



- County economic development office initiative to help middle-market businesses train their existing workforce



# Three-part framework to address inclusive growth barriers

## Skills

Work-based learning

Creative & digital skills training

Criminal justice reform

Wage insurance

## Access

Transit and job access

Innovation hubs & activity centers

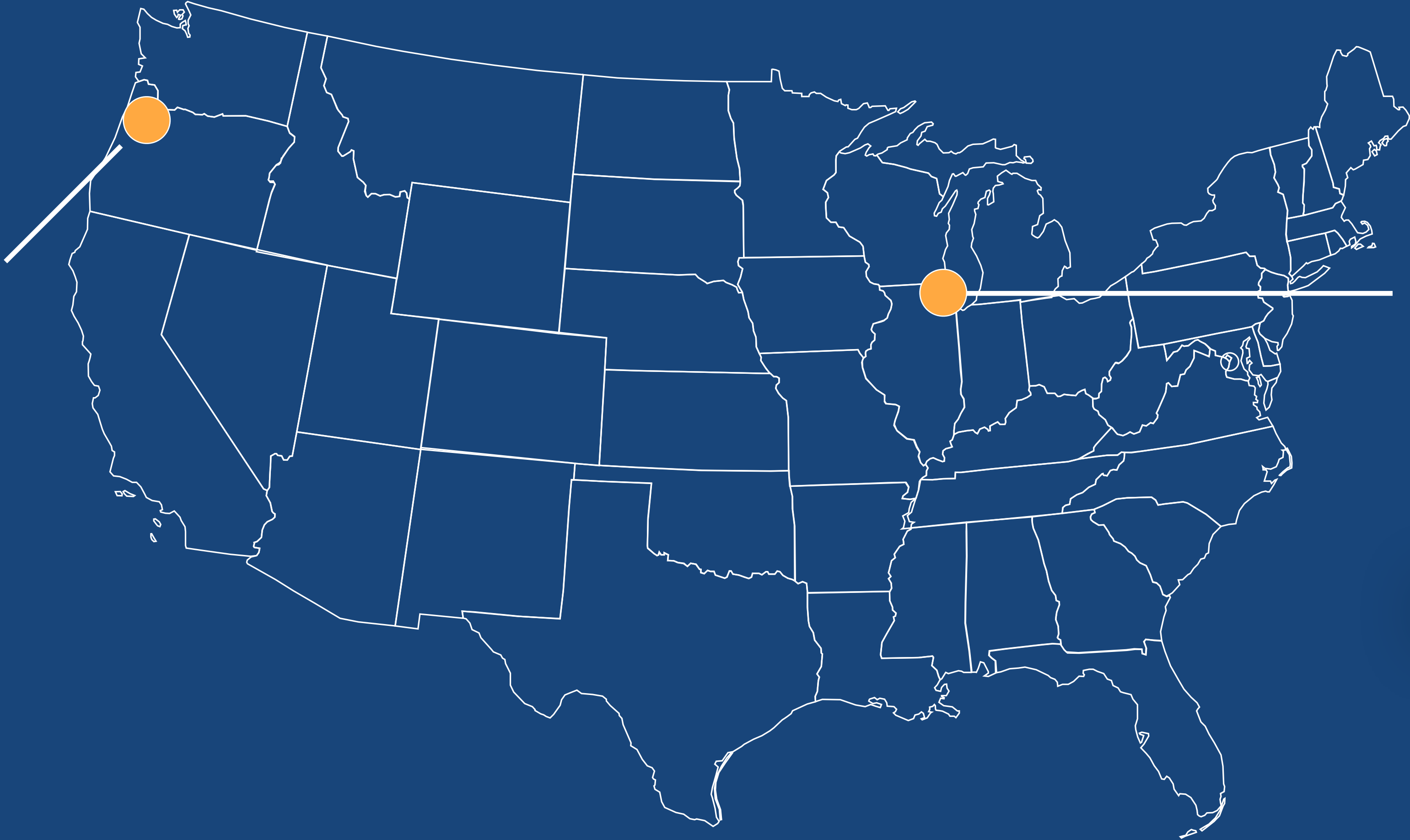
Housing choice

Zoning

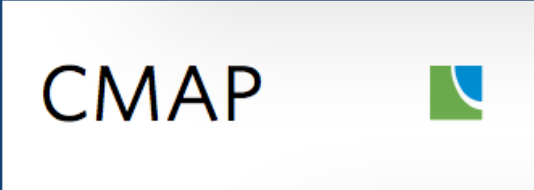
## FIRMS

# Regional gov'ts are increasing access through housing and transit

Portland  
Economic  
Value  
Atlas



Chicago  
Regional  
Housing  
Initiative





# Three-part framework to address inclusive growth barriers

## Skills

Work-based learning

Creative & digital skills training

Criminal justice reform

Wage insurance

## Access

Transit and job access

Innovation hubs & activity centers

Housing choice

Zoning

## Dynamism

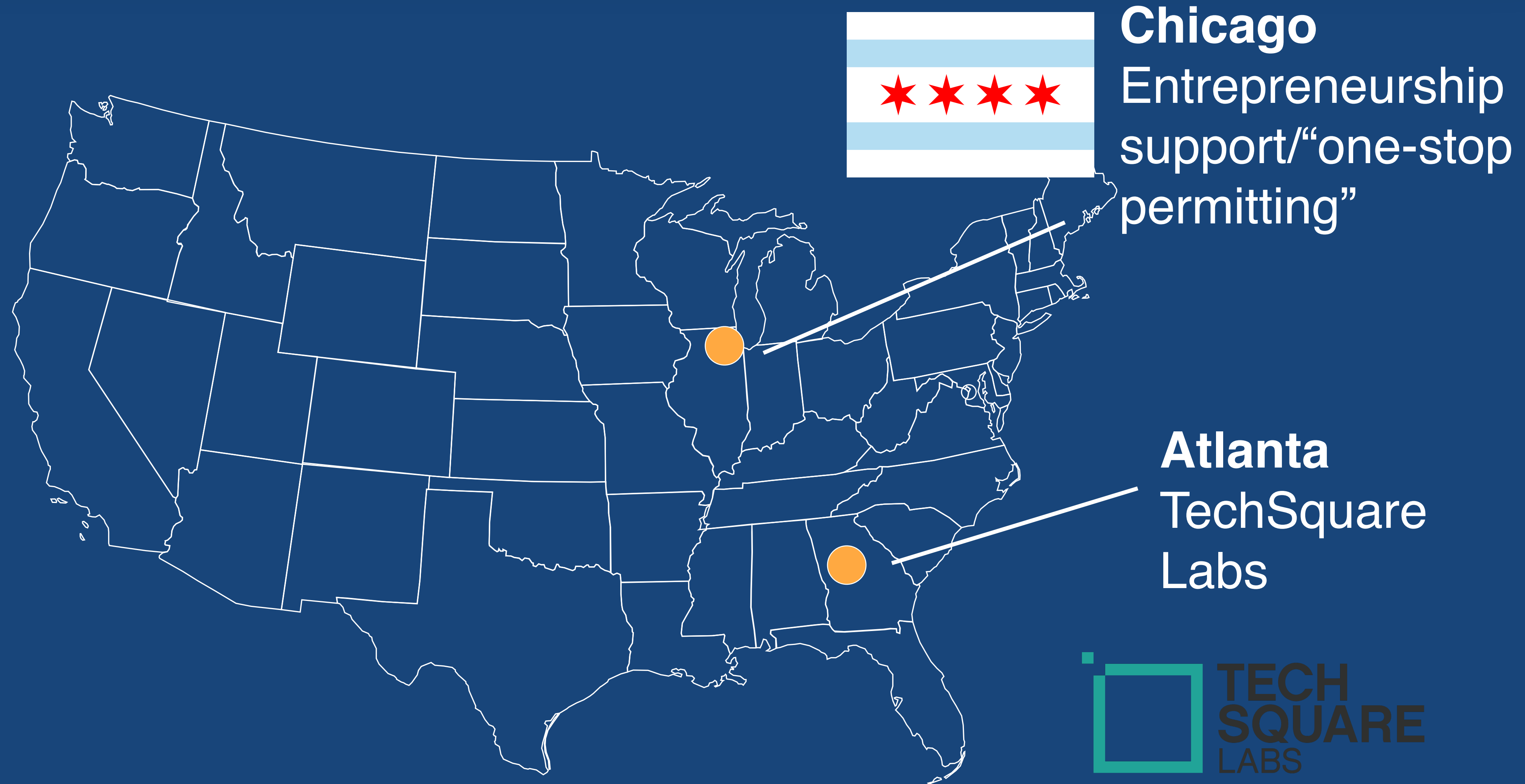
Cluster strategies

Entrepreneurship

SME productivity

Export assistance

# Governments and intermediaries are spurring firm dynamism



# Many civic groups shape inclusive economies



# Initiatives must align around common measures

## Growth



- Total Jobs Created
- Total Payroll Added
- Total Capital Attracted



## Opportunity



- Share of outcomes in MBE companies
- Payroll added per job
- Outcomes' proximity to distressed areas



GROWTH & OPPORTUNITY



# Building Inclusive Cities

A FRAMEWORK FOR ADDRESSING BARRIERS TO INCLUSIVE GROWTH

Joseph Parilla  
Brookings Metropolitan Policy Program

 @joeparilla

Region Forward Meeting  
January 26, 2018