

Let me start by expressing my thanks to Jay, the Van Dusen Advisory Board, and the Wayne State community for the opportunity to speak about reinventing America's cities. And I have to thank you as well for the excuse to visit Detroit.

I love coming here.

The DIA. The Henry Ford. Belle Isle.

This is a city where you're always discovering something new.

And just when you think you've seen it all...there's Johnny Damon in a Tigers uniform.

The real reason I love Detroit, though, is for its incredible history.

The Motor City...the Arsenal of Democracy ...Motown...

There is a strong correlation, I think, between the number of nicknames bestowed on a city, and its relative importance to our nation's heritage.

Detroit has truly played an outsized role in so many chapters of American life, in ways well known...and not so well known.

For instance:

Last Thursday marked the 40th anniversary of Earth Day and this year marks the 40th anniversary of the federal Environmental Protection Agency.

I recently learned that we have Detroit to thank, in a way, for these milestones.

In the fall of 1969, a Wisconsin Senator and ardent conservationist named Gaylord Nelson first floated the idea of a national Earth Day.

And one of the very first organizations he approached about his idea was, in fact, the United Auto Workers.

Upon reflection, this isn't surprising.

At the time, the UAW was not only a very powerful institution politically; it was also a very engaged institution environmentally.

In 1965, the Union established a Conservation and Resource Development Department, which lobbied Congress on behalf of its members to regulate industrial waste, to ban the use of the chemical DDT...even to improve fuel economy, believe it or not!

Given its activism, as you can imagine, the UAW was enthusiastic about Earth Day, and along with the ALF-CIO it was among the first to back Nelson's cause, financially and organizationally.

As they say, the rest is history.

The first Earth Day was held on April 22, 1970 – 40 years ago last week.

And nearly all of the critical legislation that protects the air we breathe, safeguards the water we drink, and regulates the industrial use of our natural resources was conceived in the decade to follow...thanks to Senator Nelson's environmental movement...and, in part, to Detroit's labor movement.

I'm sure you're thinking: that's fascinating, but what does this bit of history have to do with reinventing American cities for the 21st century?

The short answer is: everything.

In the late sixties and early seventies, Senator Nelson was ahead of his time in seeing the connection between our environment, our health, and our prosperity.

He dreamed up Earth Day as a means of highlighting how we impact and interact with our environment.

And Detroit's unions presciently understood that conservation might somehow, someday, safeguard their jobs and their future.

Today, in a world of growing urbanization and dwindling resources, we know that Nelson and the unions were right.

Issues of sustainability and conservation are much less about "tree hugging," and much more about urban planning.

Because in the 21st century, a majority of our environmental impact and interaction will occur *in*, *around*, and *because* of our cities.

Put somewhat differently, our cities are increasingly the point of intersection for economic, social, environmental, and practically all the other pressing issues we face.

I would like to focus my remarks tonight on this interplay, and discuss with you how we can manage it for the benefit of our nation, of our planet, and of humanity.

In particular, I will highlight the ways in which anchor institutions...like Wayne State...can play a catalytic role to this effect in American cities...like Detroit.

And I'll also say a word about the global implications of our domestic urban revitalization efforts.

First, though, some context:

Forty years ago, when Earth Day was inaugurated, most Americans lived in small towns and rural communities.

As you know, a major shift has occurred since then.

Demographic and economic forces have clustered communities and jobs in urban mega-regions, like Detroit.

Today, most of us live in and around cities.

This shift is not only significant; it is ongoing, and it has tremendous implications for nearly every aspect of 21st century American life.

To cite but a few statistics:

American megaregions cover only 12 percent of the nation's landmass, but account for 65 percent of our population, and an incredible 75 percent of our economic output.

About eighty percent of "knowledge economy" jobs that are so critical to our future are located in these megaregions as well.

To be perfectly clear, by "metropolitan areas," I don't mean "downtowns." I don't mean the People Mover, the Ren Cen, and Comerica Park. I mean Midtown, Downriver, Southfield, Novi, and the 20-plus miles of Woodward, from Jefferson Avenue all the way to Pontiac.

I mean the burgeoning suburbs and exurbs that encompass every metropolitan area in the United States.

Today, these suburban and exurban communities are growing at twice the rate as the cities they surround.

They are inextricably linked to and intertwined with the urban areas at their core – geographically, socio-politically, economically, and in every other way.

Indeed, together with the core cities they surround, these communities form the 50 or so megaregions that make up the landscape of modern American life.

We call these regions "Metro Detroit" or "Greater Indianapolis" or "Chicagoland."

And increasingly, they face challenges once presumed only to affect city-centers: poverty, crime, struggling schools, crumbling transportation infrastructure, and a lack of access to affordable housing, health care, and public transit.

It might surprise you to know, for instance, that the largest and fastest-growing poor population in America today is in the nation's suburbs.

According to the Brookings Institution, over the course of the last decade, suburban poverty grew at five times the rate of poverty in rural and urban communities.

Our megaregions today define America ...sometimes for better...and sometimes for worse.

On the one hand, these sprawling networks anchor the country's workforce and industries, points of commerce and ports of trade, centers of research and crucibles of creativity, gateways of immigration and intersections of cultural vitality.

That's a good thing!

But our megaregions are also the locus of pressing concerns...concerns that the Rockefeller Foundation has long been focused on managing and ameliorating.

As we have for 97 years, the Foundation finds and funds bold new ideas that help people in communities around the world lead more productive and resilient lives.

Because of the demographic revolution underway, cities have become a major focal point for our interventions.

Indeed, 50-years ago, the Foundation helped create the field of urban design and theory.

One of the initial grants in that effort was to the young author, activist, and urbanist Jane Jacobs, whose life's work, especially her classic, *The Death and Life of Great American Cities*, continues to shape perspectives about urbanization today.

In that seminal work, Jacobs wrote,

"In order for a society to flourish, there must be a flourishing city at its core."

This bedrock recognition has informed and inspired the Rockefeller Foundation's enduring commitment to and investment in "flourishing cities" in America and around the world for the past several decades.

We directed seed money to community-based development organizations in the 1960s and 70s.

We opened doors to affordable and supportive housing through the 1980s and 90s.

And today, because of the inescapable fact that life in the 21st century is markedly more urban and interdependent, we are shaping a new generation of urban innovations, to address a new generation of urban vulnerabilities.

To that end:

We're working with mayors and county executives in several megaregions to assess and address the impacts of climate change, helping them guide city, state, and interagency planning processes over coming years.

We're working with the Center for Clean Air Policy's Urban Leaders Program to help local policymakers trade ideas, notes, and best practices.

We're also helping to frame smarter, more sustainable transportation policies, and to elevate the stature of transportation and infrastructure challenges on the national agenda.

But that agenda...whether the subject is transportation, or affordable housing, land use, or poverty alleviation...must be locally driven by community stakeholders, if we are to have any hope of implementing smart urbanization strategies in American cities.

I know this from personal experience.

By the time I had the great privilege of leading the University of Pennsylvania, the University City neighborhood on the western edge of campus was in dreadful shape.

Crime had soared.

One in five residents lived below the poverty level.

Shops and businesses had closed.

Middle class families had moved out, and drug dealers had moved in. The streets were literally filled with trash.

Some of us believed that the prosperity of the neighborhood and the university were inextricably linked.

We felt that we could not have a future as a truly great university in a disintegrating community.

Either the neighborhood would improve – becoming a safe place to live, work, study, play, raise, and educate children – or the university would deteriorate.

But many scoffed at this view.

After all, Penn was a great Ivy League university rich in endowment, tremendously competitive, and with a world-renowned faculty.

They felt that the university would thrive regardless of what was happening around it.

Were we thus insulated?

Or would the blight of the neighborhood become the plight of the university?

If students felt less safe on campus, and parents felt less comfortable sending them there, would Penn suffer as a result?

In the end, while the precariousness of our neighborhood sparked the discussion, what galvanized us to action was our sense of civic duty.

After intense self-reflection about how we hoped to be defined as leaders, we decided that to be a role model for our students – to teach them the importance of civic responsibility and engagement – we had to be civically engaged as an institution.

Penn needed to become a force for strengthening our community.

We had to play a part in the neighborhood's self-renewal.

We needed to be a partner.

We needed other partners to join with us.

To make a long story short, that's precisely what we did.

And I'll be honest – it wasn't easy, and it took a very long time.

But over the course of my ten years at Penn, we demonstrated what a powerful impact a university can make when it accepts that its destiny is entwined with that of its neighbors.

We engaged our neighbors in the vital work of improving safety and security, housing and commercial development, public education and employment...generally, in building a vibrant community.

I learned a number of lessons in leading this work.

First, I am convinced that anchor institutions are vital in efforts to reinvent America's megaregions.

Over the last decade, several anchor institutions in addition to Penn have breathed new life into neighborhoods, communities, and cities by engaging and investing in real partnerships.

Universities and medical centers, in particular, have taken on this role – viewing it both as an obligation and an opportunity.

It's an obligation because urban universities are a special kind of urban citizen – and good citizenship means taking responsibility, not just taking advantage of tax privileges.

It's an opportunity for “eds and meds” to serve a greater social good at the same time as they do well for their students, faculty, employees, and mission.

And it's an opportunity to be engines of economic development, because “eds and meds” are strategically positioned to drive community revitalization.

They are poised with the resources and deep knowledge base to address poverty, unemployment, crime, and affordable housing.

In most cities, gone are the days when industry, financial institutions, and public utilities were the largest employers.

As manufacturing jobs left town, and as banks and public utilities consolidated, “eds and meds” have become the largest employers and the economic lifeblood of many regions.

In America's twenty largest megaregions, institutions of higher learning or academic medical centers are among the top ten private employers.

Thirty-five percent of the people who work for private employers in those cities are employed by universities and their medical centers.

In Washington, San Diego, Baltimore, and Philadelphia, institutions of higher learning and medical facilities account for more than half the jobs available.

So, it is clear that "eds and meds" can drive a local and regional economy – as producers, employers, and enormous consumers of goods and services.

They're capable of generating an enormous impact through their purchasing power, investment strategies, real estate holdings, training and technical capacity, and employment practices.

And, unlike industry, they cannot be easily sold, acquired, or moved thousands of miles away.

Just think of the scale we're talking about.

America's higher education sector makes up almost 4 percent of our national economy.

If it were a country, that sector would have a GDP of more than \$350 billion, greater than half the economy of Mexico.

For these reasons and more, "eds and meds" can...and should...play a transformative role in anchoring the reinvention of local neighborhoods, metro communities...even entire megaregions.

This brings me to a second lesson.

If the efforts of these anchors are piecemeal and tepid, they will fail spectacularly.

However, if they are systematic and holistic, they will be lasting and transformative.

Countless anchor institutions in struggling communities have tried to address individual issues, one at a time.

Rarely do they make a commitment to work aggressively on all fronts...all at once.

At Penn, we reasoned that economic development, retail construction, public education, home ownership, affordable rental housing, and safe, attractive streets could leverage one another, creating powerful multiplier effects.

And we found that when you tackle all these issues simultaneously...and forge alliances with all the stakeholders...urban transformation not only becomes very possible – it becomes a lot easier.

To build-back the local economy, along a largely deserted commercial corridor near campus, we developed a 300,000 square foot project that included a luxury hotel, a beautiful new Penn bookstore, public plazas, and a raft of stores and restaurants.

To invest in local public education – and to give families in the neighborhood greater faith in our efforts and hope for the future – we reached out to the public, the Philadelphia Federation of Teachers, the city, and the school district to build, together, a neighborhood public school. To create a livable community for families and students around campus, we acquired scores of abandoned and rundown homes and apartment buildings in strategic spots throughout the neighborhood, rehabbed them, and sold or rented them to the public.

Oftentimes, as a public service, we conducted these transactions at a loss, in order to maintain the economic diversity of the neighborhood.

To enhance public safety and a sense of community, we partnered with residents, the electrician's union, and the local electric utility to uniformly light the sidewalks of 1,200 neighborhood properties, inviting pedestrians to literally "take back the streets."

And later, we developed mortgage incentive programs to bring faculty, grad students, and staff into the neighborhood.

Together, over time, these overlapping efforts began to work synergistically...and, I should add, dramatically.

At the Rockefeller Foundation, we encourage and enable exactly this sort of systemic and holistic thinking and planning around urban revitalization initiatives.

For the past two decades, we have supported comprehensive community development programs that leverage smart policies – like the Community Reinvestment Act and the Low-Income Housing Tax Credit – to produce new housing and retail development.

A particular focus of ours has been inner-city supermarkets, which are now the centerpiece of an initiative promoted by the Obama Administration to foster economic development and better health for urban residents.

My predecessor, Peter Goldmark, organized an unprecedented public private partnership of financial institutions, foundations and the federal government through HUD into an effort called the National Community Development Initiative, today known as Living Cities.

This effort has leveraged over \$15 billion of investment in urban areas, creating thousands of units of housing, increasing safety and security, generating jobs, and improving community resilience.

This work and our Penn experience also embodies a third lesson.

Urban revitalization is only successful with innovation and participation.

By innovation, I mean deliberately taking risks in pursuit of a holistic vision of progress.

By participation, I mean painstaking efforts to engage the entire community you are hoping to reinvent.

Together, these are the two crucial pillars of institutional leadership...leadership that is a precondition for change and progress.

To give you an example from my work at Penn:

At the periphery of the campus, we developed a 75,000 square foot community development project that included a new movie theater, a new supermarket, and scores of small neighborhood-friendly stores and restaurants.

This was an effort in purposeful participation and calculated, innovative risk. For one thing, we planned this project in an area so dangerous that, at the time, it was home to a McDonalds known locally as "McDeath."

For another thing, some rightfully asked:

Why in the world would a university spend the time, energy, and resources in building, of all things, a cinema?

But we knew this development would create stronger ties between town and gown, foster community solidarity, fight crime, improve curb appeal, and generally speaking breathe life into an asphyxiating neighborhood.

In 1998, we went forward and inked a deal with Robert Redford and Sundance Cinemas to build the theater.

It would show independent and experimental films, and feature an art gallery and café, a video library, community meeting spaces, and perhaps a jazz club.

Across the street would be a multi-story parking garage atop an innovative new supermarket, Freshgrocer.

Construction was proceeding apace two years later when the parent company, General Cinema, filed for bankruptcy and pulled the plug on the Sundance Theatre project.

Just like that, a critical piece of our plan stalled...and my lunches with Robert Redford came to a sad end.

Predictably, some admonished Penn for biting off more than we could chew, urging us to suspend the search for another partner.

And it wasn't easy convincing the trustees to spend more money to seal the deal we eventually struck with National Amusements.

But at the end of the day, and less than two years after the Sundance project collapsed,

the Bridge Cinema de Lux – a sensational state-of-the-art movie theatre complex – opened to rave reviews.

The Bridge now attracts a half-million patrons a year, and is now the site of a nationally acclaimed film festival.

If you were to visit the Freshgrocer tonight at 10:00 PM or 2:00 AM, you would see throngs of students and neighborhood residents shopping, noshing, and schmoozing.

Attracting large crowds on formerly empty unlit streets has made the neighborhood safer and more diverse.

It's been a shot in the arm for the local economy.

And it's made our community attractive to outside developers.

But we learned first hand – and painfully – that this is risky work.

And when you strive for innovation, and assume the risk that comes with it, it's best to have true believers, partners, and participants from the community by your side.

Revitalization must be undertaken in concert *with* the community – its residents and activists, its community associations and city officials, its university administrators, students, and faculty.

Community development, in other words, needs to be done *with* the community, not *to* the community, or *for* the community.

This was the mantra of the Rockefeller Foundation in our work in post-Katrina New Orleans – another example...and perhaps the best I could share with you...of that elemental equation in revitalization efforts:

Participation...plus innovation...plus leadership...equals results.

After Katrina, the Rockefeller Foundation became involved in the long-term recovery effort in New Orleans – an effort that was mired in discord, distrust, and impasse.

Congress had appropriated hundreds of millions of dollars for rebuilding New Orleans.

But access to those funds required the state and local governments to adopt a unified recovery plan.

Such a plan was far from sight when the Foundation decided to jump-start an inclusive and cooperative planning process.

We began working to pull together players with different and competing interests, including the mayor and the city council, the governor, the Louisiana Recovery Authority, and representatives of more than seventy neighborhoods throughout the city.

True to the spirit of the riverboat casinos washed away in the storm, this investment was a gamble.

The politics are bitter, and the chances for failure are still real, to this day.

But we knew that with innovation and with participation, we could help the process of a transformational recovery.

Today, it looks as though the gamble is paying off.

With our initial investment and constant commitment, a Unified New Orleans Plan was approved by the New Orleans City Council and the Louisiana Recovery Authority, enabling the city to access millions of dollars in federal funding for rebuilding.

The Office of Recovery Management, the Downtown Development District, and the New Orleans Redevelopment Authority all use the Unified Plan as their primary development guide.

It serves today as the basis for the City Planning Commission's Master Plan.

This story and the others I've shared with you illustrate the crucial elements of any urban revitalization effort.

But I have to say, what I'm interested in is the story that is being written right here in Detroit.

Anchor institutions and stakeholders...systemic and holistic efforts...innovation and participation...not only are these elements present in Detroit...they're present in abundance.

Indeed, they're present on this very campus, and in this very room.

The Rockefeller Foundation was proud to support the production of "Beyond the Motor City," a documentary that tells the story of America's transportation and infrastructure challenges.

As the name suggests, the film focuses on Detroit...where many of these challenges are particularly acute...but also where stunning innovations are underway...innovations that could have, to my mind, national and global implications.

Foremost among these, of course, is the partnership led by Rip Rapson and the Kresge Foundation to build light rail public transit along the Woodward corridor.

Talk about a "Dream Cruise"...the thought of light rail on Woodward immediately captures the imagination.

But to my mind, just as captivating is the revolutionary effort among so many public and private partners in Detroit to come together around a holistic, strategic plan for Detroit's future.

The Kresge, Ford, Skillman, Kellogg, and Hudson-Webber foundations are collaborating in ways that are truly unprecedented and enlightened...each institution realizing that their aligned efforts across a range of initiatives will create leverage and synergy and transformative change.

In the Midtown area, Wayne State, Henry Ford Hospital, and the DMC are partnering to serve as anchors in Midtown.

Together, these institutions and many public and private sector partners are thinking comprehensively, planning collectively, acting innovatively.

They are taking risks...such as focusing their efforts on Midtown...and they're leveraging resources...such as their combined purchasing power.

We need efforts like these in abundance.

And not just in this city...not just in this country...but around the world.

Because, as you know, urbanization is a global phenomenon.

For the first time in history, half of the world's population now lives in and around cities.

And that population is predicted to swell from 6 billion today to 9 billion in 2050.

In this century, these simple trend lines of increasing population and increasing urbanization are converging in complex, unpredictable, dangerous ways.

Indeed, as global citizens...as urban citizens...we face a choice:

Either we watch as a deluge of billions surges into unplanned urban regions around the world – depleting the natural resources on which survival depends, fueling the spread of disease and possible pandemics, jeopardizing national security – or we lead by developing innovative, collaborative responses.

Every city has a stake in the outcome.

Every city can help determine the course of global urbanization.
Every city...including Detroit.

That shouldn't surprise you.

This city was, after all, the epicenter of innovation at the turn of the last century...the Silicon Valley of the 1900s.

Woodward Avenue...the first mile of concrete highway in the world in 1909.

The modern traffic light...invented by a Detroit Police Officer in 1918.

The Davison Freeway...our first modern expressway.

Not to mention, of course, the invention and mass production of the automobile itself!

That's why I've always thought the moniker "Motor City" doesn't do Detroit justice.

Innovation is truly this city's heart and soul.

So in closing...I can only urge you...as the pace of global urbanization quickens...as the complexity of its challenges deepen...

Don't listen to the doomsayers and the naysayers.

Listen to the echoes of your profound past, heard today in every city the world over.

Look to the reflections of the 100-year global urban revolution that started right here in Detroit.

Dig deep and tap that century-old spirit of innovation and imagination.

Because even though Detroit needs a world of change,

I know that what you do here can, once more, change the world.

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