

The Two Tomorrows

Regional priorities for a better tomorrow
from the Fund for Our Economic Future

**Being average
is a choice.
So is being
extraordinary.**

CAN AN AVERAGE ECONOMY COMPETE?

Northeast Ohio faces a choice between two tomorrows. One where it clings to average. Where a legacy industry mix, declining access to jobs, lingering concentrations of poverty, and systemic racial exclusion continue to undermine Northeast Ohio's economic competitiveness.

WE BELIEVE WE CAN DO BETTER

The other tomorrow is extraordinary. A tomorrow where the region embraces bold **Job Creation**, **Job Preparation** and **Job Access** strategies and realizes its potential for a strong economy with good jobs and rising incomes for everyone.

The Two Tomorrows is a starting point for a broader community discussion, a call for collective action toward an extraordinary tomorrow. It provides a candid assessment of Northeast Ohio's economy, recommends 10 priorities to advance the region, and suggests metrics to track inclusive economic growth.

The Goal:

The Fund for Our Economic Future believes Northeast Ohio will have achieved Growth & Opportunity and increased its global economic competitiveness when there is a continuously regenerating economy creating good jobs and rising incomes for everyone.

What does that look like? A region with a growing traded sector and vibrant young firms. A region that is increasing the prosperity of all its residents, providing full employment and economic security to those who call it home. A region that eliminates racial employment and income disparities and finds solutions to the problem of concentrated poverty.

Northeast Ohio has the people and the assets to be successful. The critical ingredients are civic will and alignment.

A strong economy is defined both by whether it grows and how it grows. There are troubling signs that too few people are benefitting from recent economic growth.

While average incomes in Northeast Ohio grew 4 percent between 2011 and 2015, concentrations of poverty increased over the same period and the number of people living in areas of economic distress has risen by over 30 percent. This growing economic polarization threatens to undermine the long-term stability of the overall economy.

Systemic racial exclusion is real—and we are going in the wrong direction.

Individual and programmatic interventions aren't enough to combat centuries of systemic racial exclusion. Across the nation, communities, businesses and individuals are grappling with persistent and growing disparities between whites and people of color across all systems, especially the economy. Addressing systemic racial exclusion requires changing minds, policies, practices and laws through increased awareness, actions and accountability.

Our 10 Priorities

Job Creation

01. Deliver world-class business development services
02. Own the future of the production economy
03. Go big(ger) in the bioscience industry
04. Commit to the next new industry cluster(s)
05. Encourage and fuel entrepreneurship of all types

Job Preparation

06. Build skills for well-paying, in-demand jobs of today and tomorrow
07. Improve job quality through efforts to raise the floor and build pathways to advancement
08. Reduce barriers to employment

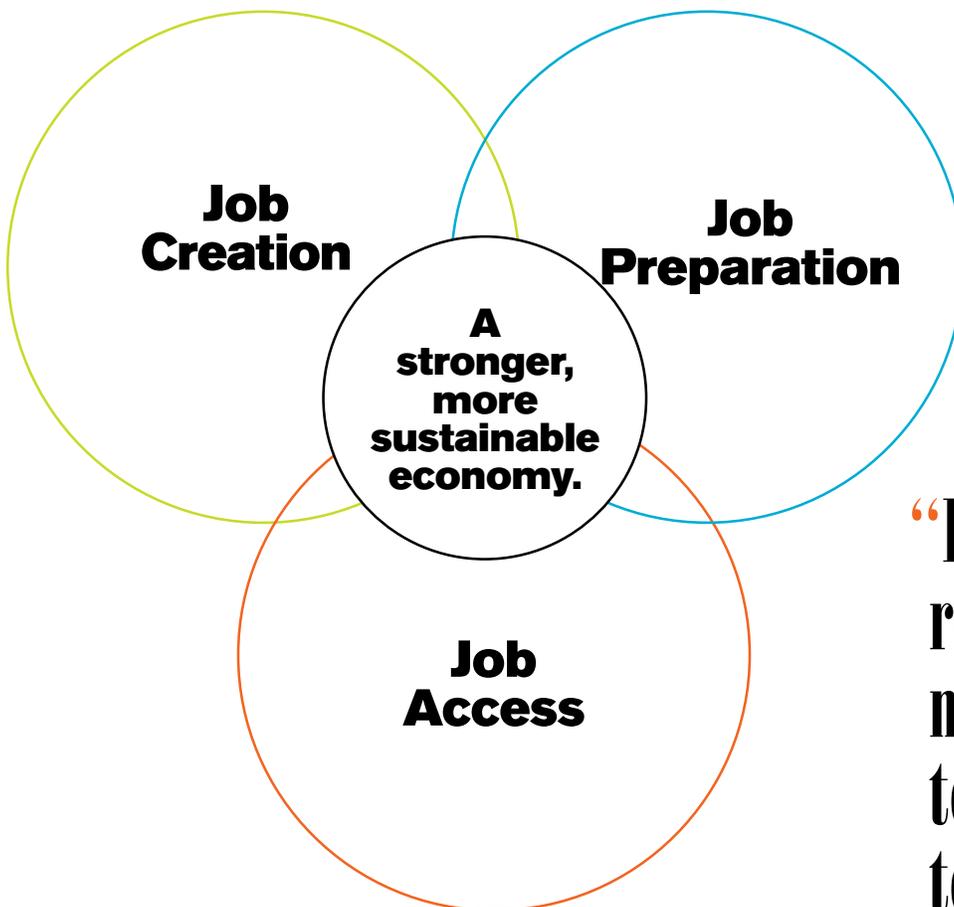
Job Access

09. Brings jobs to people
10. Better connect people to jobs

It takes a region to lift an economy; no single leader, company or organization can do it alone. To be most effective, the Fund believes in the importance of strong local strategies, shared regional priorities for statewide and national advocacy, a focus on systemic solutions, and a collaborative mindset.

The long-time collective focus on traditional economic success measures like job gains, gross product and per capita income has encouraged narrow attention to growth activities and simultaneously ignored whether an economy has regenerative capacity as well as whether gains have been shared by residents of all races and across all places. Our region's definition of success must hold Growth & Opportunity as co-equal and mutually supportive. It's time to redefine how we measure progress toward a better tomorrow that prioritizes a continuously regenerating economy creating good jobs and rising incomes for everyone. *The Two Tomorrows* sets forth a dashboard of eight critical metrics for tracking progress and evaluating interventions. (See Scorecard on page 4.)

What gets measured, gets done.



“It is time to redefine how we measure progress toward a better tomorrow.”

Growth & Opportunity Scorecard – Northeast Ohio

	Metric	Goal	Current performance	Target performance	Closing the gap?	5-year historical trend
A continuously regenerating economy ...	1. Traded-sector Growth	Outperform peers in traded-sector GMP growth rate	2.9%	3.3%	↓	↗
	2. Growth in Young Firms	Outperform peers in young firm employment growth rate	0.1%	2.5%	↓	—
	3. Rising Prosperity	Outperform peers in prosperity growth rate, per Brookings' Prosperity index	0.6%	0.9%	↓	↗
... with good jobs and rising incomes ...	4. Full Employment	75%+ of working age adults	70.0%	75%	N/A	↗
	5. Economic Security	75%+ of families earning a family-sustaining wage	67.7%	75%	N/A	↗
	6. Employment Equity	Reduce and eliminate gap in unemployment rates by race	9.0pp	0%	N/A	↗
... for everyone.	7. Income Equity	Reduce and eliminate gap in average monthly income by race	\$1.7k	\$0	N/A	↘
	8. Geographic Equity	Reduce and bring to zero the number of people living in concentrated poverty	238k	0	N/A	↘

Note: 5-year trend arrows represent compound annual growth rates from 2011-2015 or 2012-2016 based on data availability. Current state figures for metrics 1-3 also represent 5-year compound annual growth rates; current state figures for metrics 4-8 represent data from most recent year of availability. Target for metrics 1-3 based on peer MSA performance during same time period. Target for metrics 4-8 based on reaching a target goal for the metric, independent of peer metro performance. Peer MSAs vary depending on data availability. PP stands for *percentage point*. In the 5-year trend column, red denotes worsening performance and green denotes improving performance.

About Us

The Fund for Our Economic Future is an alliance of funders – foundations, corporations, universities, health care systems, business and civic associations, government entities and individuals — that pool resources and know-how to advance economic growth with equitable access to opportunity for the people of Northeast Ohio.



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