Survival, Sustainability and Economic Transformation in a Centralized Economy
by Rex L. LaMore, Ph.D.

Imagine a place where the economy has been isolated for over 50 years from the vicissitudes of the largest economic system on the planet. Imagine that following the end of the Soviet Union, an estimated 80% of your economy’s imports and exports simply disappeared. Imagine an island where fuel shortages combined with the loss of modern fertilizers led to an explosion in community organic gardens, while, as some observers remarked, the average citizen may have lost up to 20 pounds off their previous body weight. No replacement parts for equipment, no access to many consumer goods such as soap, detergents, on and on…a place isolated both politically and economically.

I am of course referring to Cuba, our island neighbor 90 miles south of the tip of Florida. This past December I had the unique opportunity as a U.S. citizen to travel to Cuba. I was invited to participate in an MSU Study Abroad program organized by Dr. Rene Hinojosa, a professor of Urban and Regional Planning at Michigan State University. Dr. Hinojosa has organized several trips and exchanges with Cuba over the past few years. This particular study trip was for MSU freshmen from our Honors College and focused on historic preservation and sustainability. This study abroad experience was unique in that students were enrolled for two semesters in which they examined the history and culture of Cuba and each student developed and presented a research report on some aspect of sustainability or historic preservation. As freshmen they had a unique cultural experience combined with an intensive course of study on the basics of cross-cultural research design and implementation. Students’ research interests varied as you might expect, from citizen perceptions of historic preservation, to attitudes on happiness and consumerism, to the quality of bottled water.

- Continued
Many students used a comparative approach to their research, seeking to compare and contrast the context of Detroit to that of Havana. While time and resources did not permit them to conduct what we would call a rigorous analysis, they did begin to discover for themselves some interesting similarities and differences in these two cities, ranging from the nature and extent of urban gardening to the effects of not having cell phone service for social interaction. For some of the students it was the first time they had ever been unable to text friends and families on a regular basis...and they noted in some of our debriefing sessions that as a result of not being able to text whenever/wherever, they talked more to each other!

As a community economic developer of over 35 years there are a couple of takeaways from this experience that I would like to share with my colleagues. First, there is an emerging free market economy surfacing in Havana. The Cuban National Assembly has designated “Old Havana” as a unique district in which private enterprise is allowed. As you can imagine in a centralized state run economy like Cuba, this is a big step. A select number of hotels, restaurants and primarily tourist-based enterprises are now being allowed to operate in the historic areas of Havana for the purposes of attracting tourists (Europeans, Canadians and others) to Cuba. These businesses are taxed and the revenues generated are reinvested in the restoration of Old Centre Havana. From what I was able to observe in my short visit, Cuba is attempting to support redevelopment in this targeted area very much like our Downtown Development Authorities. Old Centre Havana has some of the western hemisphere’s most unique historic buildings, many registered with UNESCO’s World Heritage sites. The preservation of these treasures is a critical but difficult task given the limited resources available to Cuba.

We have invited Ayleen Robainas Barcia, Ph.D., an architect and leader in Havana’s restoration to join us at our September 4, 2014 REI Summit at the MSU Kellogg Center to learn about the historic private enterprise zone being piloted in Old Havana and how it is helping to rebuild, revitalize and preserve the Old Centre of Havana. As an example of self-sufficient urban development with limited resources, the lessons being learned in Havana today are highly relevant to Michigan’s community revitalization efforts.

I observed a very modest lifestyle exhibited by most of the Cubans I met, from physicians to teachers. As an isolated island economy they are very prudent in their consumptive behavior. Lots of folks ride the buses (a few have the 50s-era cars you see in the travelogues, but don’t be fooled by those, they are not museum pieces. Often as not it is a Chevy body with a scavenged soviet truck engine (they are imaginative!). But while they lack material goods they have a very rich and vibrant cultural sector in music, dance, art and prose.

Finally, the Cuban people I met were welcoming and uniquely curious about U.S. citizens. They don’t see many of us (I was often asked if I was Canadian) and most of them expressed a sincere curiosity about why we don’t seem to get along. I am
Survival (Continued)

old enough to remember the Cuban Missile crisis (more accurately the Soviet Missile Crisis because they were Soviet missiles, not Cuban!). I remember vividly the fear of potential global nuclear confrontation, but most Cubans today don’t have a living recollection of that event. They found it difficult to understand why we have apparently forgiven Russia for the missile crisis, communist China for Korea, Germany and Japan for World War II, but not Cuba.

Cuba is an island nation in transition. It is a neighbor to whom we are physically close, but economically and socially segregated from. They have a strong culture of self-determination, something we share in common. In reflecting on my visit to Cuba and the many lessons learned, perhaps this is a situation where stepping back will move us forward.

For more information contact Rex LaMore.

GET INVOLVED: University Center for Regional Economic Innovation (REI)

Are you interested in joining a digital community seeking to generate innovative ideas, tools, policies, and practices that can strengthen Michigan’s economy? Join the REI Networks!

Do you have what it takes to be a Co-Learning Plan Author? This fall we will be calling for authors to write on a variety of topics, including youth entrepreneurship, community benefit corporations, and much more! This is a great opportunity for experts working in entrepreneurship and business development, K-20 education, exporting, IT, policymaking, venture capitalism, scholarly research, civic leadership, urban and regional planning, and economic development. Please consider sharing your expertise to help strengthen Michigan’s economy. The findings and recommendations in these co-learning plans, funded through this request, will serve as a source for current and practical information for regions and communities across Michigan.

MSUOE/CCED Staff Help Build Neighborhood Capacity

by Bob Brown

Flint, Michigan is one of four U.S. cities to be awarded a Building Neighborhood Capacity Program (BNCP) grant. The (BNCP) is:

“a federally-funded program that focuses on neighborhoods where there have historically been barriers to creating viable revitalization plans and that struggle with issues such as concentrated poverty, high rates of crime and issues of community safety and justice, low-performing schools, inadequate access to housing and healthcare, and the absence of economic vitality. The BNCP realize these issues are interrelated and must be addressed holistically rather than in a piecemeal fashion. In addition, successful efforts to address these challenges in ways that lead to better results for children and families require community-driven efforts that build on neighborhood assets and that are supported and sustained by local leaders over an extended period of time.”

-Center for the Study of Social Policy

Jessica Barnes-Najor (MSUOE) and Bob Brown (CCED) are partnering with the Flint BNCP to build the capacity of neighbors to effectively engage with each other and university researchers. Although the key principals of the community-based participatory research (CBPR) approach have been identified, our capacity to prepare communities and researchers to engage together in participatory research processes is just emerging. To bridge that gap, we have developed, in collaboration with community partners, a series of engaged scholarship modules. These modules are based upon the understanding that the effectiveness of an engaged scholarship initiative is determined, in part, by the intention, knowledge, and skill of its partners. To identify the topics of need for supporting the knowledge and skills of partners, we looked to the literature in CBPR, while delving deeper into a wide array of research for each individual topic. The module topics, research base, and current status are presented in the table below. Please note that the literature base identified in the table is not exhaustive; rather, we have identified the primary bases of literature used in the development of the content (or the expected literature base for content not yet developed). – Continued
The first four modules have been delivered to our BNCP partners in four 2-hour interactive sessions. These co-learning sessions not only build capacity of our BNCP partners, but also help to refine and improve the presentation of module content.

### Module Topics

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<thead>
<tr>
<th>Topic</th>
<th>Literature Base</th>
<th>Current Status</th>
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<tbody>
<tr>
<td>Introduction to CBPR and TPR</td>
<td>CBPR and TPR</td>
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<tr>
<td>Honoring local and indigenous knowledge</td>
<td>CBPR, TPR, Anthropology</td>
<td>Content completed</td>
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<tr>
<td>Understanding partnerships</td>
<td>Community Psychology, CBPR, Social Network Analysis</td>
<td>Content completed</td>
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<tr>
<td>The dynamics of effective teams</td>
<td>CBPR, TPR, Business Management, Industrial-Organizational Psychology</td>
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<tr>
<td>Introduction to needs assessments</td>
<td>CBPR, Epidemiology</td>
<td>Under revision</td>
</tr>
<tr>
<td>Power and privilege</td>
<td>CBPR, Cultural and Ethnic Studies, Education, Developmental Psychology</td>
<td>In production</td>
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Barnes-Najor and Brown will also be partnering in Detroit with the Warren/Conner Development Coalition and FoodPlus Detroit to build the engagement capacity of Detroit residents.

For more information on these projects, contact Bob Brown at brownr23@msu.edu.

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## MSU CCED Students Impress at 2014 Crossing Borders Conference

**by J.D. Snyder, Kelly Christopherson, Aaron Galer, and Leslie Grimm**

CCED research assistants Leslie Grimm, Kelly Christopherson, and Aaron Galer were invited to present at the March 13-14 Crossing Borders 2014 Conference hosted by the Canadian Studies program in the Department of Transnational Studies at the State University of New York at Buffalo.

This interdisciplinary conference emphasized political, economic, and socio-cultural issues facing international border communities in North America, with an emphasis on U.S.-Canadian communities. Presentations explored cross-border relationships through literature, social media, advertising campaigns, sports environments, and reflections on natural phenomena such as Niagara Falls. Dr. Andrew Holman, professor of history at Bridgewater State University, delivered the keynote address, “Outside the Glass: Some thoughts about Hockey and Canada.” He observed the shifting cultural norms surrounding hockey and Canada, including shifts away from violence and equalized opportunities for participation between genders.

The CCED research team presented their *White Paper on Global Models of Binational Regional Collaboration: The Potential for Great Lakes Regional Innovation*. – Continued
This paper explores regional economic partnerships across borders in Europe and North America; analyzes collaboration on the state-provincial level, regional sub-state/sub-provincial, and the traditional federal level; and identifies key economic strategies and building blocks for successful binational regional collaboration.

Binational regional sub-state/sub-provincial collaboration involves participation from local units of government such as municipal and county officials, private sector actors, and economic development agencies and organizations. The white paper highlights the recent CCED work to develop binational collaboration at the regional sub-state/sub-provincial level in Michigan and Ontario.

MSU CCED is collaborating with the Southwest (Ontario) Economic Alliance in holding a binational regional collaboration conference June 11, 2014 in Sarnia.

CCED has already co-hosted three successful binational conferences in 2012 and 2013, two in Sault Ste. Marie (MI and ON), and one in Port Huron, MI. The Port Huron conference October 2, 2013 identified potential collaboration areas between Michigan and Ontario groups and networks in green chemistry, agri-food production, and joint regional marketing. The MSU CCED is currently developing strategic elements for these areas in a project funded by the MSU Institute for Public Policy and Social Research.

For more information about this project, please visit www.knowledgeplanning.org.

CCED Team Research (Continued)

property. As a result, local governments take the responsibility of eliminating abandoned structures, and because taxpayers ultimately bear the cost of deconstruction, there is a need to identify strategies that end private property abandonment.

The CCED team began this private property abandonment research in October, 2012 and has been continuously moving forward. Dr. LaMore and Michelle LeBlanc, a former CCED research assistant, developed a preliminary research paper, Planning Policies and Regulations that can Reduce the Practices of Private Property Abandonment in United States: The Case for Michigan. The report examines the feasibility of adopting public policy and planning regulations that would require private enterprises to secure financial instruments (i.e. insurance and guarantee bonds) on newly constructed commercial and industrial structures. The application of such insurance policies would change the ability of private industrial and commercial entities to abandon their property without carrying the responsibility of deconstruction.

The report examines two possible strategies for ending the practice of private property abandonment: insurance policies and bonds. The recommended policy for requiring insurance for deconstruction, which follows a similar legal principle to health insurance or fire insurance, would be mandatory for newly constructed commercial and industrial properties. Similarly, performance guarantee bonds require private sector developers to obtain and carry bonds that will cover the cost of demolishing. These bonds are secured by the local government. This practice is currently feasible under the Performance Guarantee Act of the Michigan Zoning Enabling Act of 2006, which empowers the local government to require surety bond covering the estimated cost of improvements. The performance bond could be implemented at the local level through zoning ordinances.

CCED is continuing its abandonment research and developing construction and deconstruction cost estimates of the average industrial and commercial property – Continued
in order to evaluate the insurance policy cost. The cost assumption would help the insurance companies determine the premium for different kinds of properties and encourage the property owners to use recycled materials, which can reduce the cost and duration period of deconstruction.

The two systems of financial assurance, insurance policies and bonds, could reduce the practice of private property abandonment in Michigan. The future practice of requiring financial assurance may be molded by the level of government at which this requirement would be mandated. The two strategies, while different in practice, could achieve the same purpose of holding private property owners responsible for dismantling, removal, and restoration of their industrial and commercial property. In the future, we plan to develop a focus group to begin initial discussions on the feasibility of these insurance policies and bonds, hopefully resulting in a new sector of insurance policies for industrial and commercial companies. The overarching goal of this research is to eliminate private property abandonment in Michigan and around the United States.

For more information, please contact Rex LaMore.

**COMMUNITY CONTRIBUTOR**

Enjoy this next article submitted by a Lansing community member.

**Five-Step Master Plan for Talent Retention** by Community Contributor: Keri Litwiller

When it comes to creating an economic master plan, the focus needs to be placed on talent retention and attraction and recognizing how these variables influence economic development. The capital city offers a diverse community college campus and is neighbor to a Big Ten university. Between the two campuses there is a population of approximately 100,000 students. Considering this number, a comprehensive strategy needs to be implemented to tap into the available human capital as a way to retain talent, rebuild our economy, and strengthen the assets we possess.

Employees can no longer be viewed as tools for workforce labor, but need to be recognized as the catalyst for workforce development. As we begin to shift this perspective of workforce development, we can transform our city into a place of economic vitality, one that is better able to compete with other comparable cities to attract a stronger human capital.

There are several key elements in retaining and attracting human capital. The first is through the growth of knowledge-based jobs. We need to market the capital city region as an area that has a developed workforce and a clear vision for economic wellbeing. Second, the emphasis is on diversity in the workforce. Our young adults are more diverse than previous generations and value inclusivity. Having a diverse foundation will continue to attract young talent. Third is the ability for college career counselors to network with local organizations to embed talent into the economy. Employees want their strengths to be utilized and to find purpose and meaning in their work. By putting “aces in their places,” the opportunity to retain talent increases. Fourth is investing in our adolescents and providing them the opportunity to job shadow and explore career opportunities. By developing a continuum of strong high school graduates, we create a built-in workforce that continues to advance our economy. Finally, the expansion of amenities and recreation in the area is critical. The ability to retain and attract talent also includes the resources to engage individuals with their environment. This fuels a place not just to live, but also to play.

In any effort to entice skilled individuals to stay in the area, these elements should work in conjunction with one another. The absence of these elements impacts the sustainability of our city, which lies in our ability to retain a greater proportion of our graduates and to attract new talent. While our city has a great history of industry and manufacturing, the best way to accelerate a knowledge-based economy is by concentrating on more advanced manufacturing, expanding our business climate, and looking at our talent as our “most valuable asset.” It is through the convergence of this plan that we can embrace “quality of place.” Our ability to retain and attract the creative and the innovative, the dreamers and the doers, is critical to the overall well-being of our city.
CCED Thinkers and Doers: Lansing for Hire by Kate Calabra

Every semester, CCED hosts a Thinkers + Doers forum. These forums focus on current events or issues within the Capital Region and act as a way to exemplify the relationship between research and action. Each semester, CCED invites a “thinker”—someone doing the research, analyzing data, and determining trends—as well as a “doer”—someone actively engaged in the community through outreach efforts such as public policy or programming. Together, thinkers and doers are creating and implementing solutions to our region’s problems. Thinkers + Doers forums provide a platform to advocated these efforts. The forums also act as an opportunity for like-minded individuals to expand their networks and resources, ultimately building capacity within the Capital Region.

On April 24th, 2014, CCED hosted a Thinkers + Doers Forum titled “Lansing for Hire.” This semester’s forum was crafted by community member Keri Litwiller as a call to bring more attention to talent attraction and talent retention to Lansing.

Lou Glazer of Michigan Future shared his thoughts on how Michigan can become more prosperous and voiced the need for a stronger knowledge based economy. Colby Spencer-Cesaro of Workforce Intelligence Network (WIN) presented the many ways that WIN is utilizing data to find trends in the workforce and how to relay those trends into creating better workforce development strategies. Finally, Amanda Dumond of Prima Civitas explained the Michigan Internship Initiative, an effort to better connect employees and employers through structured internships designed for entry level workers as well as older workers transitioning between jobs.

After the presentations, audience members conversed with the speakers and each other, asking questions or sharing their own experiences regarding Michigan’s employment conditions. The event proved to be another successful forum with regard to exchanging knowledge, demonstrating current action in Michigan, and identifying ways that Lansing can build upon its current efforts and resources to continually improve the Capital Region. For more information on past and upcoming Thinkers + Doers forums, click here. CCED is always looking for new forum topics.

Summer Outreach Opportunities at REI by Lauren Ross

The MSU EDA University Center for Regional Economic Innovation (REI) has been working diligently with professionals across the state to develop a third series of co-learning plans for the 2013-14 project year. In February, eight co-learning plans were selected from a pool of nearly twenty applicants, and included such topics as: Pop-Up Business Program Development; Improving TIF Transparency and Accountability: A Consolidated TIF Database for Michigan; and Platform, Places and People: Engaging Alumni as Champions of Michigan’s Unsung Heroes. The authors of these co-learning plans will be featured at our annual Innovate Michigan! Summit on Thursday, September 4, 2014. The authors will present the findings of their research; the summit is a great opportunity for economic innovation professionals to network with others from around the state.

REI will also be conducting several student-led, faculty-guided project webinars in the coming months. These webinars include Site Selector Data Collection and Website Development in the Upper Peninsula with Dr. Jennifer James-Mesloh of Northern Michigan University on Tuesday, April 29, 2014 from 10-11am; Montcalm Business Incubator with Dr. Davia Downey of Grand Valley State University, on Wednesday, April 30, 2014 from 2-3pm; Action Plan for a Detroit Employment District: Mt. Elliott Industrial District with Dr. June Manning Thomas and Dr. Eric Dueweke of Taubman College, on Tuesday, May 6, 2014 from 10-11am; and Afterhouse with Dr. Steve Mankouche of the University of Michigan – Ann Arbor, on Thursday, May 8, 2014 from 2-3pm.

For the full list of 2014 co-learning plan series projects, information on current and past webinars, and Innovate Michigan! Summit updates, please visit our website at www.reicenter.org.