# A "COMMON GROUND" STRATEGY TO SAVE OUR ECONOMY



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by Bill Barberg in

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## A "COMMON GROUND" STRATEGY TO SAVE OUR ECONOMY

#### BY BILL BARBERG

Following the intensely polarizing election, the United States needs healing and pathways forward to address the serious challenges faced by our neighborhoods, nation, and world. Together we must improve the economy by addressing the financial struggles of individuals and small businesses.

#### THE COMMON GROUND FOR A STRONG ECONOMIC FUTURE

A "common ground" goal of good economic policy is to grow a *solid*, *self-sufficient*, and *thriving middle class* that generates economic value, lifting everyone in our nation. This is not "trickle-down economics", where policies help the rich get richer with the hope that some of that wealth will trickle down to everyone else. This is about policies and actions that help people with low incomes and little wealth to grow their income and wealth. The result would be reduced dependence on government programs, improved family stability, increased generational wealth, and thriving neighborhoods. Instead of "trickle-down", let's call it "grow-up" economics.

With this economic strategy, as more people move up into the middle-class, *tax revenue* would increase—without raising *tax rates* on the middle- or-lower class—while the cost of many government programs would decrease. This would enable our nation to invest in infrastructure, healthcare and housing systems that keep people healthy, higher education that is accessible to all, and more energy-efficient and planet-friendly communities.

With a "grow-up" economic strategy, immigrants are not viewed as "takers" who come in to get free government programs at the expense of hard-working taxpayers. They are a highly motivated group who will sacrifice and work hard to build wealth and self-sufficiency, creating their own future, and contributing to a thriving economy for everyone else.

This is not the socialism feared by conservatives. Yet it achieves the outcomes pursued by progressives—greater equality, reduced poverty, and new revenue to pay for valuable investments in infrastructure, healthcare, education, and transitioning to an economy that can help save the planet.

#### THE CENTRAL ROLE OF A NATIONAL HOUSING STRATEGY

A national strategy for housing can be the centerpiece of this "common ground" economic policy. The housing policies and programs of the 1930s-1960s were not primarily designed to profit wealthy real estate investors or to maximize the corporate profits of the housing industry; They were designed to benefit the masses. Their purpose was to help a relatively low-income population build wealth, secure housing, and procure a better quality of life. The housing strategies of that time created the primary economic engine that grew the middle class and created an era of unprecedented prosperity.

However, those housing policies and programs had major flaws. They were intentionally designed to help white people and disenfranchise people of color. This became the primary driver of the wealth, health, and income disparities we see across the country today, as Richard Rothstein describes in his book, *The Color of Law*. Also, those policies had no concern for the negative environmental consequences of automobile-centered suburbs and urban sprawl. But for those they were designed to help, the housing policies and programs created the biggest growth in wealth and well-being the world had ever witnessed.

Now is the time to learn from that era and replicate what worked—but with greater wisdom and a commitment to justice for all. A smart, intentional, and multi-faceted housing strategy can be a core part of a "common ground" economic strategy that benefits people of all ages and ethnicities in America. Creating increased wealth and tax revenue would strengthen the nation and help pay for the costly response to the COVID-19 pandemic, much like the post-World War II housing-based economic engine powered the nation's recovery from the Great Depression and helped pay for the extraordinary government spending required to win the war.

#### THE "WHAT" OF A COMMON GROUND HOUSING STRATEGY

While not exhaustive, the <u>Solution Summit for the Housing Crisis</u> will have **over 70 sessions** covering the innovations, strategies, and success stories that should be part of a national housing strategy to uplift those who need it most. Participants will learn diverse, practical, and economical approaches to the housing crisis and sustainable housing strategies. They will see inspirational examples of things being done by innovators across the country and around the world.

In one of the sessions in the Solution Summit, Richard Rothstein and Tiffany Manuel share about plans to launch a National Committee to Redress Racial Segregation (NCRRS). It is essential that the people who were denied access to many of the pathways to middle class prosperity in our past be prioritized in new strategies. Those same strategies will brighten the future for countless families and individuals of all colors and ethnicities who have slipped from the middle class into financial distress and hopelessness.





The techniques for developing and implementing national strategies involve far more than a federal government program. Many actions can and must be done at the state and local levels. Both the Solution Summit and the NCRRS are focused on mobilizing and empowering actions in local communities. However, there are important changes that should be made at the national level to support successful local actions.

#### THE "HOW"

Every four years since the late 1960s, the non-partisan National Academy of Public Administration (NAPA) produces a series of papers to guide the new or returning presidential administration. This year's papers address the Grand Challenges in Public Administration, and one focuses on Enhancing Public Governance: An Agenda for 2021 and Beyond. While not specifically about housing, this paper makes powerful recommendations regarding the development and implementation of national strategies to address complex social issues.

<u>Enhancing Public Governance: An Agenda for 2021 and Beyond,</u> recommends several important ways the federal government can change key practices to improve effectiveness, reduce waste, and restore trust in government efforts to address the big challenges faced by our nation. Footnote 10 on page 15, which clarifies some of the recommendations, includes a link to <u>this video of me describing the use of strategy maps</u> and an approach to sharing information to improve strategy implementation.

These governance recommendations, which can support many of the strategy recommendations covered in the Solution Summit mentioned above, would help launch a powerful era of "grow-up" economics in communities across the nation.

#### AN INSPIRING HISTORICAL MODEL OF A "GROW-UP" ECONOMIC STRATEGY

An impressive example of how a thriving local economy can be established by focusing on creating an economic engine for people with low incomes and wealth is the remarkable (yet little-known) story of Lee County, Mississippi, one of the poorest counties in the poorest state in the country in the late 1930s. This <u>24-minute video</u> details this **success story and the powerful techniques of system thinking and strategy management** that can be implemented in today's economic development strategies.

This case study illustrates how a multi-faceted approach to enhance the education, workforce skills, and economic ecosystem for the needlest people in the county generated great benefits for the entire region.

#### CONCLUSION

We have an opportunity to come together as a nation to work toward an aspiration that appeals to people across the political spectrum—rebuilding a strong middle class. If we embrace lessons learned from the past and adopt a housing-centered economic strategy that provides extra support for those who were once excluded, we can create an unprecedented amount of economic vitality. Our goal is to reduce disparities, enhance quality of life in all types of neighborhoods, and help our nation grow stronger economically, offsetting the costs of the COVID-19 pandemic, and investing in our future.

#### **ABOUT THE AUTHOR**

#### **BILL BARBERG**



Bill Barberg is the president and founder of InsightFormation Inc., and has consulted with dozens of healthcare organizations, public health departments and cross-sector coalitions to help them develop and implement strategies to improve the health and well-being of communities. He is the author of the highly-acclaimed chapter, "Implementing Population Health Strategies" for the new book, "Solving Population Health Problems through Collaboration" and recently received the 2018 "Health System Transformation" award from Communities Joined in Action, a nationwide association of health improvement coalitions.

In addition to his consulting and writing, Barberg is a frequent speaker at national conferences on topics relating to collective impact, performance management and community health improvement.

#### He can be reached at:

bill.barberg@insightformation.com, LinkedIn, or www.insightformation.com.