

From the May 3, 2010 edition

PUBLIC POLICY

Summit seeks consensus on plan to grow jobs

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The Rhode Island Economic Summit, hosted by U.S. Rep. James R. Langevin, D-R.I., last month at the Community College of Rhode Island campus in Warwick, succeeded in attracting many of the leading players in the ongoing effort to grow jobs in the state.

What it did not do was produce a consensus on how and where to focus that effort, hardly a surprise to most attendees given the depth of the economic struggles in a state with double-digit unemployment.

Langevin saw the April 12 gathering as the start of a new, dynamic conversation, with the goal of creating action items that can become part of one comprehensive plan to put Rhode Island's economy back on track and create new jobs.

"One thing I did not want the summit to be was just another meeting," he told Providence Business News last week.

The idea to have one big plan is a recurring part of Rhode Island's history, said attendee Fred S. Hashway Jr., the R.I. Economic Development Corporation's director of government affairs and policy. But the plans never seem to move from words into action. The issue, he continued, is how to get all the key players from the public and private sectors and the General Assembly on board.

Langevin's staff is busy trying to make that happen, compiling a report with specific action items – which the congressman estimates to be about a half-dozen – in hopes of developing consensus on how best to move forward. He envisions the summit evolving into an annual gathering.

"The new knowledge district is a good step forward; it could be a catalyst for major job creation in Rhode Island. But it's going to take a consolidated, coordinated effort to capitalize on those ideas [and create] a comprehensive plan that we can all get behind," he said.

Yet, one important group was conspicuously missing – Rhode Island's legislative leaders, observed Barbara Fields, executive director of Rhode Island Local Initiatives Support Corporation. [The House and Senate leadership had been invited to attend, according to Joy Fox, spokesperson for Langevin.]

Acknowledging their absence, Langevin said that legislators were in the middle of dealing with the state's budget shortfall, with a number of votes scheduled.

Still, Fields praised the effort. "I really applaud [Rep.] Langevin for getting all these people in a room to talk," she said. "This was a good first step."

Linda Katz, the policy director at The Poverty Institute, also praised the summit for bringing together a diverse group of stakeholders – and for the opportunity to connect work force development as a critical component of future economic development.

"For too long, work force development was not connected to economic development in Rhode Island," she said. "We have employers now who are looking for new employees, and even in this economy, they can't find the skilled workers they need."

The greatest barrier to attracting new business to the state, she continued, is not taxes, but a skills gap. "About one-half of all Rhode Island jobs – 47 percent – are what are known as middle-skills jobs," Katz said. "As part of any comprehensive plan, we need to develop pathways to move from lower- to middle-skills jobs, and from middle-skills to higher-skills, higher-wage jobs."

There were many familiar faces at the summit. For instance, at the breakout session, "Attracting job creators to our state," moderated by U.S. Assistant Secretary of Commerce for Economic Development John Fernandez, Gary S. Sasse, the former administration director with Gov. Donald L. Carcieri's administration, talked at length about what he saw as the need to change the parochialism of Rhode Island's economic views, and develop a more coordinated effort in supporting innovation and efficiency in restructuring government and the delivery of social services.

John Muggeridge, vice president and general manager of Fidelity Investments' Smithfield campus, sounded a frequent refrain about the need to remove barriers to attracting large companies – tax policies, regulations and permitting. "Create an environment where business want to be and venture capital will follow," he said.

Much of the discussion at this breakout session focused on how to organize around what Neil Steinberg, CEO and president of The Rhode Island Foundation, had challenged the gathering to do in opening remarks: Create one Rhode Island. "We need to have a sense of urgency, with positive energy," he said.

Then, moving from the theoretical to practical mode for job creation, Hashway put in a plug with Assistant Secretary Fernandez, asking him to support \$5 million in new federal funds to recapitalize the EDC's Small Business Loan Fund – and create new jobs.

The small-business fund recapitalization is one of two initiatives to increase financial backing for small businesses as key jobs creators. Both the R.I. Senate and House voted separately as part of supplemental-budget deliberations to support a new, \$125 million state-backed loan-guarantee program to be housed at the EDC.

The importance of the link between better education and creating more jobs was a recurring theme at the summit, which was attended by the presidents of Rhode Island College, the University of Rhode Island, the Rhode Island School of Design and CCRI. CCRI President Ray M. Di Pasquale asked the participants to help identify future economic engines and sectors. "Tell me," Di Pasquale said, "where are the jobs, what are the green jobs, and we'll do the training." •