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CITIES IN THE AGE OF TRUMP AND BREXIT:  
A CONVERSATION WITH  
CHICAGO MAYOR RAHM EMANUEL AND  
BRITISH MEMBER OF PARLIAMENT TRISTRAM HUNT

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## P R O C E E D I N G S

MR. KATZ: Well, good morning, everyone. Thanks for joining us today to talk about cities in the age of Brexit and Trump. And we're joined by two remarkable people who are well positioned to both interpret what has happened and, really, to give us some guidance going forward.

Rahm Emanuel is the mayor of Chicago, our nation's third largest city. As everyone in this room knows, he was formerly Chief of Staff to President Obama. He occupied a high-ranking position in Congress, so a national leader, in other words, who's gone local.

And Tristram Hunt is a Labour member of Parliament from Stoke-on-Trent. He's also a preeminent urban historian whose books on Victorian cities are must reads. So he's a localist who's gone national. So there's a lot to talk about with these two leaders.

MAYOR EMANUEL: Two ships passing in the dark.

MR. KATZ: Exactly. For those in the audience, there are index cards on your chair. When you want to ask a question, please write your name and the question on the index card. For those who are watching via webcast, please use the hashtag #metrorev and send your questions in via Twitter.

So let me give some context for this discussion, I'll be very short. The UK decision to leave the European Union and the election of Donald Trump exposed a deep geographic divide in our two countries. In the UK, London -- the UK's economic engine -- voted to remain in the EU, while a wide swath of secondary cities, tertiary cities, rural areas voted to leave. In the United States, as my colleague Mark Muro has showed, Hillary Clinton carried less than 500 counties, but those counties represent 64 percent of the economic output of this country. There are 3,000 counties, if anyone

wants to take a test tomorrow.

There are clear conclusions to draw here. Globalization has not just fueled income inequality, but it has fueled special inequality. In our two countries and throughout the world major cities have become the engines of national economies, the centers of global trade and investment, but the benefits of growth have not been shared widely, both within these winning places and then across their nations. So this economic balance and the free movement of labor and capital represented by globalization has upended our national politics.

We're going to talk about three things today. First, how deep, how real is this special divide and how do we begin to overcome it? Second, what are the consequences of Brexit and Trump for our major cities given the fact that national governments -- this is hard for me to say, as you know -- do play an important role on issues as diverse as safety net, healthcare, infrastructure, trade, so forth and so on? And, finally, how can cities begin to take greater ownership and responsibility for their future? Because cities have enormous public wealth that is basically driven by their economic position in the world.

So, Tristram, you are our guest in our nation. You've come from across that little pond --

MAYOR EMANUEL: He also has a better accent.

MR. KATZ: And you have a much better accent. (Laughter) To use Brookings terminology, what the hell happened with the Brexit vote?

MINISTER HUNT: Well, Bruce, thank you very much for having me here today. And I do think we can extrapolate some interesting correlations between what happened with the Brexit vote and what happened with the Trump vote when it comes to this divide between metropolitan and nonmetropolitan areas.

And for those of us on the center-left, this is a particularly challenging issue because I think what the Brexit vote did was really calcify some of these tensions within the progressive coalition between those areas which are feeling left behind by globalization and those areas which are prospering from globalization. And we're seeing, in a sense, a political split which is moving from traditional left-right axes to a communitarian-cosmopolitan split. And at the moment, the Labour Party in the UK often represents both these kind of areas and we're seeing real tensions into how it manages that coalition.

So let me just draw out a few things when it comes to the nature of the Brexit vote in terms of the geography of this divide. What we know is that those areas with lower incomes, with lower levels of educational attainment, with traditionally higher levels of manufacturing, but today higher levels of manual occupation -- which are particularly at risk of automation and job losses as a result of globalization -- those areas voted to leave the European Union.

And if we had to draw out, I think, one area to focus on which really brings together this question of income and culture, it would be education and levels of educational qualification were the real divide in terms of where the vote fell. And so what we did see was this great divide between the metropolitan areas -- Bristol, London -- voting to stay in Europe and rural and nonmetropolitan areas voting to leave.

It becomes more complicated in a UK context because Scotland voted to stay in Europe, Northern Ireland voted to stay in Europe, but Wales and, by quite a margin, England voted to leave. So it seems to me that the outcome of this is to think about, culturally, how we bring these metropolitan and rural areas together more and think about how we challenge inequality and how the nature of inequality has been distributed.

But also, as a historian, I never lose sight of the fact that going right back to Rome, the sort of contempt for urban cosmopolitan elites and sort of rural virtue versus urban immorality has always been there. And so this could be another turn of the cycle on that.

MR. KATZ: So, are the two of us immoral? (Laughter)

MAYOR EMANUEL: Right back to Rome. Let's blame the Italians.

MR. KATZ: So give us your take on our election and whether it begins to -- whether what Tristram has said applies to our complicated system.

MAYOR EMANUEL: Well, there's obviously similar data. Before I go -- look, I think the biggest place to both bring people together, because it's a place where I think the divide occurs, is on education and educational opportunities. So, if you want to create -- not just for similarity purposes, but for unification purposes and so people don't balkanize into comfort zones, education is both the economic and cultural kind of nexus point. So that's one I would say that talks a little more about the future.

And my own take, there are a couple of things I would say about the election. I think, look, let me take the first cut at it as a Democrat. In '92, Bill Clinton ran on middle class first, we win. In '96, against Dole, the President ran on building a bridge to the 21st century and the economy was in a certain condition that was more optimistic and people were going to stay with what they got because it was working. In 2008, President Obama ran on hope and a harsh criticism of what he would say are the shortcomings of both Bush economics at home and also Bush foreign policy, and was a better alternative to then John McCain. These are personality-driven alternatives. By '12, he ran against Bain Capital, plutocrat, that you would let the auto industry fail and I saved it. We lose in 2000, 2004, and 2016. So what is it about what we won and when we won and what is it that we didn't do when we lost?

And I'm all for -- and I think it's not only the right politics, it's the right policy -- I'm all for a socially inclusive message, but not at the exclusion of an economically robust message. And if you look at when we won versus when we lost, the takeaway is clearly about something that's a more robust and inclusive economic message versus one that is just socially -- and even if you look at the campaign, the criticism of Trump coming out of the Democrats, and Hillary in particular, was one on character and on socially inclusive. The kid's commercial was not an economic message, it was one on character, kind of temperament, et cetera. And I think we should go back to what I think has worked. And that to me is a very strong -- and now this will get eventually in this discussion, what are the policies, what is politics around those policies -- a very strong economic with a strong socially inclusive message. But not one at the expense of another.

And then, at the end of the day, both candidates had certain personal negatives that people saw. Okay, so that negates that. Then you've got a change versus a status quo candidate in a change election. It's not more complicated than that. I mean, he's a historian and I don't -- that's not Poli Sci 105, okay? It came down, in a change election, a change candidate versus one that was seen more as a continuity.

Every election, if you look at Clinton, it was a response to Bush. Bush was a response to Clinton. Obama was a response to Bush, and Trump is a response to Obama. I mean, that is the history. And so, at a certain point, it's more fundamental and it's not really obscure. I mean, there are other factors that drive this, but in the sense of when you look at developed worlds today and the politics which is following.

And then I probably would say one other thing. A lot of this is focused, as I just did, on economics. We were talking about this a little before. Do not underestimate that this is actually a rejection of failed politics as much as failed

economics. That the political system in England wasn't addressing people's insecurities in the same way that they're saying that in other elections. And here in the United States it was a reaction to a political system that was not dealing with fundamental economics, outside of the first two years when President Obama had an incredibly brilliant Chief of Staff. (Laughter)

And outside of President Bush's first term when he had a Republican majority, the political system has not responded. And so they took a cudgel and a hammer to the political system because it wasn't working. Where you have broken politics not addressing concerns, the concerns are driving this, but it's also the inability of -- what drove their reaction was the inability of the government to be reactive to their concerns. That's what's happened. They don't think England was standing up to the EU and actually driving part of this.

You go through these elections and you look at what's happening, it is as much a reaction to the ossification and the failure of the political system to address core economic issues. And so it was, yes, the foundation's economics, but the hammer was very focused on breaking up and moving the political system into a place that would actually address these core insecurities.

MR. KATZ: I want to focus on --

MAYOR EMANUEL: It didn't sound as good on that.

MR. KATZ: No, no. These are, frankly, two excellent observations that, for some reason, don't seem to have made it into mainstream discourse.

I want to focus on geography for one second and then begin to move into policy and politics. If you read the American media and you take this urban-rural riff, you would conclude what we must be talking about is Manhattan or The Loop in Chicago, and some mythical rural area far from these urban cores. I mean, the fact of the matter in the

United States is half of people who live in rural America, actually live in metropolitan areas, right? So when you drive from the downtown of Chicago, you ultimately get to some of these rural counties and people are commuting back in.

When we're in England, apologize from an American perspective, you could drive through England in, what, three hours or four hours? (Laughter)

MAYOR EMANUEL: That is such a Manhattan point of view. (Laughter)  
I did not do that.

MR. KATZ: It was all to say that there's the politics of proximity.

MINISTER HUNT: Yeah.

MR. KATZ: That you can go from the core of Manchester or the core of Sheffield or the core of Liverpool, and you're in agrarian areas pretty damned quick. So what explains -- I mean, in some respects what we're talking about are urban cores, older suburbs, suburbs maybe built in the 1970s and 1990s, rural counties, agrarian areas that have interdependent economies that are not that far from each other. So how has this divide become so large?

MINISTER HUNT: I think with the UK situation there are two distinct differences. The first is the kind of specter of London, which is this great sort of Death Star within the UK, kind of sucking in all the talent and the money. (Laughter) And the level of resistance and opposition to London-centric views and the notion that London takes more than its fair share of public spending, more than its fair share of infrastructure, beholden to the city of London, and so you link with London the notion of finance and the effects of the 2008/'09 financial crash with the city of London. And so hostility to Brussels and Europe was also, in a sense, hostility to London and the meaning of London.

The second difference, I think, with the U.S. is, I mean, here you have, as it were, your liberal coastal zones. In the UK, actually, the coastal areas were the



areas that voted strongly to leave Europe, as well. You have a great deal of poverty. You have far too many communities feeling left behind, the end of fishing industries, the end of domestic tourism industries. So the coastal zones in the UK also felt strongly that they were being left behind by the kind of economic progress alongside those more obvious rural and smaller town areas.

For the Labour Party, again, what Brexit did was exacerbate this sense of disconnection from those smaller market towns and more provincial areas. And we had been losing them for some time and this kind of accelerated the process. So I do think the geography is important, but I think it's slightly -- just the spatial element of it in the UK is slightly different.

MR. KATZ: Right.

MAYOR EMANUEL: I don't want to go back, but two things I would say is before you go into a rural-urban there's suburban. Now, I hate to look at it as the way I'm about to say it, but that's very politically promising because the suburban vote moves up closer to a more progressive vision. Rural and urban are more diametrically opposed, okay?

MINISTER HUNT: Right, right.

MAYOR EMANUEL: If you look at '92 results, '96 results, '08, '12, and '06 against Bush, when we took back the House and Senate, the promising real estate politically for Democrats is in the suburban area. The key politically then -- and this is an observation -- is what policies cross-pollinate between our strength of our urban with a dialogue and an integration of self-interest with suburban so they're not divisive. It used to be urban-suburban.

MINISTER HUNT: Right.

MAYOR EMANUEL: It's now urban-rural. There's an opportunity in the

suburbs. A, they're getting more metropolitan in their own outlook and demographics. In our United States, obviously, you go around Chicago -- I mean, look, we have an Asian U.S. senator mixed in Illinois now with Tammy Duckworth. Her replacement is an Indian and that's a suburban congressional district. That's looking more and more like a city with both, also, the economics, et cetera. That's an opportunity on infrastructure, on education, on all the things that come to a quality of life, as well as to the economic vibrancy.

And so to me, I look at this and then I say, okay, where did we win? Where did we lose? What did we win in the past, but lost here? And then you find there are more unifying pieces for us on a whole host of issues. You know, the social policies of inclusion are not a damaging piece with the suburban-urban coalition. In fact, if anything they're a huge opportunity to drive a wedge between suburban and rural. Sorry about talking about wedge politics that way, but.

Second is there's more commonality on infrastructure investment and on training and on universities and quality of life issues that should be a natural dialogue. And so to me that's not only the right policies -- they're good policies -- they're fundamentally good politics as an opportunity to get one plus one.

MR. KATZ: So we're getting to the policy mix here and I think that as we move forward we're going -- and this is a reflection on the United States -- we're going from hard gridlock over the past six years, a lot of stuff happened in '09 and 2010, but since then there's bits and pieces of legislation that have been done at the federal level, and we're moving essentially to another first 100 days, potentially an aggressive, ambitious national agenda that can move through a Republican-controlled Congress and a White House.

The question is -- and you were just with the President-elect on

Wednesday -- where are those areas where at this point we do really need to stand ground? Because there is a fundamental difference of opinion and a different demographics, to some extent, between our major cities? And you delivered a letter to the President-elect from the mayors of the major cities around the sanctuary city issue and the immigration.

MAYOR EMANUEL: DACA.

MR. KATZ: DACA. Where are those areas where we really do need to have a fundamental fight? And where are those potential areas which, frankly, not a hell of a lot of people have talked about, where there are possibilities for collaboration? And I thought I would start with the mayor and then take it over into the English context.

MAYOR EMANUEL: Well, I do think there are places where we're going to have cooperation and there's places where we're going to have confrontation. I delivered the letter because Chicago has a great deal of Dreamers, DACA students. These are kids who their parents brought them here, they have been checked out from every which way, gave the government name, address, phone number, et cetera, and they're going to college.

These are kids who are literally, in my view, honoring their parents' sacrifice and struggle to come and embrace the American dream. And I say that as a grandson of, ultimately, somebody who came to the city of Chicago in 1917, my grandfather. And Chicago was a sanctuary, so he was leaving pogroms of Eastern Europe. His grandson is the mayor of the city. It's an incredibly powerful statement of why people come to the United States. These are good kids and I don't believe the government should be asking you for information and then doing a bait-and-switch and using that information against you. That's a fundamental violation of what is right, so there is no ground to give.

I also believe that New York -- there's actually more cities now that are going to become sanctuary cities. It's actually not going to go down, it's going to go up, and that's happening in Illinois. It's not just big cities. You're going to see cities that realize how important it is for their economy, their housing, to be protective of people that have come. Immigrants is not just an urban center phenomenon.

MINISTER HUNT: Yes, that's right.

MAYOR EMANUEL: But, on the other hand, I believe if you look at Chicago's economy -- as I've said, given our aviation system, given our public transportation system, given our nexus on -- we're the only city where all seven rail lines in the United States run through. If you look at our roads, that investing in infrastructure - - and it's been a key piece of my economic strategy for Chicago -- transportation is a fundamental job creator today, but of economic growth going forward. And we have seen it in the city where we've opened up public transportation stops, to what we've done on the airport, to what we've done in other parts of the economy. That investment in infrastructure, that investment in transportation is a job creator and an economic engine, and there are ways to maximize accounts to do that.

I would also say, in another place -- given his vote base, et cetera, and for our own policy goals -- in Chicago we have a thing called the Chicago Star Scholarship. If you get a 3.0 in public high school in Chicago, we make community college free. We're the only city to do it and it's open to everybody regardless of your family's status. For a 3.0 you earn two free years of community college. And we've just started if you get a B average in community college, the universities in Chicago will give you anywhere from 35 to 50 percent off of tuition. It's the only place you can go to college basically (inaudible). That can be a place of cooperation because, if you look at his political base, he will see the community college as an economic tool, not just for jobs

but for career building and as a tool of talent building.

So those are places, but on immigration I would then say on taxes there can be places, but it's fraught if you end up giving just an unbelievable giveaway to the wealthy. If you want to do stuff on Earned Income Tax Credit, on credits for people that work versus poverty, you want to do certain things that we as Democrats believe, but if this is just going to be another giveaway to the top 1 percent, you're going to have a fight.

MR. KATZ: Just to stick with --

MAYOR EMANUEL: And it's also wrong and its bad politics.

MR. KATZ: Just to stick on the community college piece for a second because I'm not sure --

MAYOR EMANUEL: I'm just touching some issues.

MR. KATZ: No, no, but that's --

MAYOR EMANUEL: I didn't touch (inaudible) environment, but I would say that's a fight.

MR. KATZ: But I think that's really important. And for people in the audience, what you've done on remaking your community college system, using the sort of German apprenticeship model really as an inspiration, is nothing short of transformative. And what's interesting is that the Republican governor of Tennessee basically has the same approach and the two of you have begun to work together. So, in some respects, what we're talking about is that there may be common ground between a number of Republican governors and a number of big city mayors, and medium and smaller cities, on these kinds of very practical issues. Is that delusional or is that really practical?

MAYOR EMANUEL: Not in America. In Washington it is, but not in America. (Laughter) No, look, in Chicago we took our seven best creating job industries:

healthcare, transportation, distribution logistics, professional services, hospitality, advanced manufacturing, IT, social services. Each school has a focus. Industry drives the curriculum.

And to give you an example, this month I'm going to be opening up at O'Hare, we're cutting the ribbon, on the first stage of one of the largest intermodal facility at a gateway airport. O'Hare's runways was a big deal in getting it, but Olive-Harvey is a school on transportation distribution logistics, and it's tipped the balance for us because now they have as best a guarantee to people coming out with CDLs on truck driving. People are looking for certainty in the workforce and that's a great (inaudible). Whole Foods moved from Indiana -- Mr. Vice President (Laughter) -- their distribution center to Chicago, two miles or a mile down the road from Olive-Harvey, the transportation distribution logistics. They moved their Midwest distribution center for all of Whole Foods to Chicago's South Side from Indiana. And it's just a mile from the community college plus all of these highways.

So, talent, training, transportation, that's how you create, in my view, inclusive economic success so more people feel like today's economy is working with them rather than against them. And we've used the community -- and the governor in Tennessee came up with his model.

MR. KATZ: Right.

MAYOR EMANUEL: And what you ensure, and ultimately what we're trying to do in Chicago, is 12th grade is no longer the endpoint of our public responsibilities. Everybody's going to go a minimum of 14th grade and that's what we're driving towards.

MR. KATZ: Does this play in Britain?

MINISTER HUNT: Yes. I mean, first of all, the importance of having

decent technical and vocational educational pathways is so significant. The problem in Britain is the centralization of so much of that educational policymaking in Westminster. We're only beginning now to think about how we can devolve that. And so you should have a Chicago curriculum or a Birmingham curriculum or a London curriculum.

I think what is more challenging in terms of the Brexit vote and policymaking is immigration. And immigration was the runaway issue in terms of public policy for the Brexit vote because of our membership with the European Union, because of the number of Eastern European migrants who could come to the UK as a result of the free movement of labor across the European Union. So for those towns feeling under pressure economically, who correlated sort of longer-term structural economic decline with high levels of migration, taking back control of the language of migration policy was the element that spurred them to vote. And yet if cities like Liverpool or Manchester or Stoke-on-Trent or Cambridge or Oxford or London want to succeed, they also need to be open to global talent.

And so in terms of urban public policy here there's a real challenge that if you want to attract talent, you've got to be open, and yet the vote was partly about pulling the drawbridge up to a certain extent. And we're already seeing, you know, talent not coming to the UK. We're seeing talent making decisions about going elsewhere in the world because they don't have certainty about immigration in the future.

MAYOR EMANUEL: Can I ask? This is your show, but to me -- this is what happens when you have a middle child (Laughter) -- to me, in my view at least, whether it's vocational or four-year, et cetera, education should be the -- well, it is right now we can see behavioral patterns, voting patterns, economics, that should be both to Birmingham, Manchester, and England a unifying capacity given -- I think there's some resentment that people from around the world to get ahead in your educational

institutions in London that aren't open to people in England. And driving education in Manchester, using it as an example, and Birmingham is the cities you notify, should be the opportunity where people then feel hopeful about tomorrow, where they don't feel tomorrow's coming at their expense and other people are gaining part, you know, they don't feel like are, you know, British.

MINISTER HUNT: Yeah, I think that's exactly right. I mean, education and levels of education attainable was both kind of the arbiter of the vote, but it's also the public policy solution. But we need to -- and I think you have the same conversation here in the U.S. -- completely re-gear our educational system to deal with the long tail of underachievement. And we still have an incredibly old-fashioned model of industrial education, which just is not up to speed with what the modern world demands. And so we're seeing part of that, to go back to your point originally around that, political frustration about what is on offer from politicians and what are the public policy solutions to the challenge of globalization playing itself out. And education absolutely has to be front and center of the solution.

MR. KATZ: Tristram, I want to stay with you for a second because England and the United Kingdom is one of the most centralized nations in the OECD. I mean, we tend to talk about England as North Korea with elections in terms of the --  
(Laughter)

MINISTER HUNT: Well, it is becoming a one-party state.

MR. KATZ: In terms of the power that is centralized in Whitehall and among a very few number of people, actually. I mean, when Tony Blair was prime minister and Gordon Brown was prime minister, you would go to Whitehall and you would say, my lord, how much power is vested in two or three or four people? Very, very different in the United States for power so diffused.



What is beginning to happen, however, is the rise of localism and the rise of national government beginning to do city deals and devolution agreements with Manchester and Greater Manchester. In fact, some of your colleagues in the Labour Party are now running to be the mayor of Greater Manchester and other cities.

What is happening there? I mean, is there this recognition of that problem-solving has to be both a mix of local-national and how does that apply to this electoral context?

MINISTER HUNT: I mean, I think we're seeing this very interesting political shift, which has always been the case here in the U.S. and on the European continent, of national politicians stepping down from national posts and national legislatures to go and run in their home towns and cities to be mayors because finally, guess what, there's actually some political power to do something, so it attracts the talent. And what we're seeing is a much greater degree of fiscal autonomy given to city regions, which then is attracting political leadership.

And what we've seen recently are a series of so-called city deals, which basically involve the allocation of large areas of government spending at a more local level and crucially breaking down the kind of silos and barriers surrounding that. So you're putting health and social care spending together. You're putting skills training, you're putting transport training on the table. And as a result of which you saw Labour leaders of local authorities do deals with Conservative government ministers about how to manage this. And so I'll say two things.

First of all, from a progressive standpoint, as it were, the traditional kind of Fabian statist approach of challenging inequality from the center, of redistributing aggressively from the center, I think we've now realized this is only going to get you so far. And in other European countries where you have much greater levels of devolution,

you challenge inequality much more effectively.

And the mayor of Manchester knows what he needs or she needs to challenge worklessness and poverty and poor educational attainment. And this idea that you can't trust them or it has to be run from the center is decaying.

Where I think the challenge and the interesting political challenge for Rahm and others in the U.S. is that it will be great in the United States to see those kind of community deals or city deals here in the allocation of federal funding to metropolitan authorities. What we did in the UK was essentially carve out a lot of the county and county council administration, which is, you know, your state governors. And so do you go around the governors to --

MAYOR EMANUEL: Yes. (Laughter)

MINISTER HUNT: -- to the mayors or not?

MAYOR EMANUEL: I can't believe I delayed and thought about that.

(Laughter)

You know, I would just kind of go off of this and you're right that we're devolved in Chicago. Look, any my take is this is politician's kind of reacting the way the public sees these national governments: totally dysfunctional, not being able to get out of this logjam. And in local government, both for people that run for office, but also for the public, it is the most intimate and immediate form of government people feel they can control in a time in which they're feeling they've lost control. And it does affect their lives more than what they think Disneyland on the Potomac's doing. Okay?

And so in my view, both --

MR. KATZ: Tweet. (Laughter)

MAYOR EMANUEL: I mean, I didn't want to insult Disneyland.

(Laughter) So in my view, you know, look, I talked to you about what I'd done on

community colleges. I made kindergarten universal full-day for every child in the city of Chicago that wasn't there. This had an immediate, you know, impact.

And we did a minimum wage, but we've also done, you know, as I talked about community colleges, we also in Chicago, the largest increase in time anywhere by any city ever in an education system. We added two and a half more years to a child's education on K through 12. Two and a half more years. And that was just by adding time to the day and adding time to the year.

Now, end result, our eighth graders lead the country in math gains. Our fourth graders were number three in reading gains. We're one of only three school districts where math and reading for fourth and eighth graders went up. And our graduation rate has grown by a full third in five years. And you can actually impact a policy and have a political system that actually is responsive to people.

And one of the things I'm also proud about is Chicago's had one of the largest drops in the United States in poverty. So we've not only been the number one city for corporate relocations and job creation, we've had the largest drop in poverty. And you can make and do things at a policy level.

Now let me tell you what you can't do independent and there has to be an agreement, and this we don't have. I definitely would go around the states and put the money there with certain boundaries and benchmarks and accountability. But, you know, we've gone on our summer jobs from 14,500 kids to 31,000 kids, so grown by over 100 percent. The federal government in the last 5 years has just come down to fewer than funding 1,000 kids. It almost costs us more to apply for the grant than the amount of kids we employ. It's nuts.

Second, same thing on afterschools. We've doubled the amount and the federal government has walked away. Now we're doing universal mentoring, and I have

no federal money.

So I'm okay with local -- not just local control. We know how better, we're closer on the ground, all that. We can actually do things and just see where problems are, try to get ahead of them. The fact is I can't do it without a federal government.

MR. KATZ: Right.

MAYOR EMANUEL: What I can't afford is a federal government not only to walk away, but to actually become a headwind to a very serious both cultural/social, economic issues. I would love nothing more on the Chicago Star Scholarship, which we figured out how to fund, than to have a federal partner. I would love nothing more to have a federal partner in giving kids activities after school and activities during the summer. But they're not there.

And so I love the city. I love being a mayor. It's the best job I've ever had in public life. But I'd like to have a federal government that would understand what it means to be a partner in achieving these goals. And absent that, it actually makes your economic, cultural, and intellectual engines, their role in the economy, harder not easier.

MR. KATZ: Folks, begin to prepare questions --

MAYOR EMANUEL: For our answers. (Laughter)

MR. KATZ: -- and then Christian will take them and we'll begin to respond to some of them.

I want to sort of keep on this point because it strikes me that you're talking about a new partnership with the national government, but at a time where you've invented a bunch of new tools using some federal resources that, frankly, no one in this town is even aware of. I mean, you've rebuilt your riverfront. You're doing the stuff at the airport. You're thinking about a big transit sort of move off of programs, one is called

TIFIA, there's another program around rail. I think 99.9 percent of the policy crowd in this town have never even heard of this stuff.

MAYOR EMANUEL: Right. We were talking about this, I didn't know about this as a chief of staff, so it's not like -- nobody gets an F for not knowing it, I mean, as a mayor. So there's a program in the Department of Transportation called TIFIA. So a way to illustrate what it is, we've built two things, or built one, in the process. We've actually used it I think seven times. We're building at O'Hare a long-distance parking and car rental facility. It's a \$1.2 billion project. The federal government gave us \$120 million. I moved the rates up on car rentals and on long-distance parking to be paid back, a 30-year loan at 2 percent. And so we got \$1.2 billion of economic activity for the federal government of 120 and I raised the rates. And if I can't raise the rates, I shouldn't be in the business of trying to get it. To me, that is -- there's \$14 billion there in TIFIA.

We did our River Walk, which has led to about billions of dollars of economic -- private development, hotels, office buildings, tremendous amount of economic activity, zero local dollars. I raised the rates if you take an architectural bus tour in -- bus architectural river tour, you're paying a little more. You're paying back the River Walk effort and the government loan, 2 percent. They gave us the \$90 million, pay it back.

The 95th Street Station on the South Side, we've done something on the retail inside and built up a new bus and rail intermodal facility. Those are examples.

My view is there's \$14 billion in there, but I've given you a 10-time multiple. Put 30 billion and you get a 300 billion multiple. And allow private money to invest in a garage at O'Hare, but it's junior to the public money. So public gets paid first. If things go south, public gets paid first. So the private money is junior, but you would get more leverage by a multiple of 10. And it exists and Democrats are for and Republicans,

they've already voted for it.

The TIFIA program, we're doing all new railcars and buses in the city. TIFIA loan. So by 2019, all of them will be either totally rebuilt or totally new. TIFIA loan. The 95th Street Station on the South Side, the River Walk, the airport, I've just given you the entire length of the city, and those are examples of how to use it. And I have no idea, now we're like working it because it's a real infrastructure bank and it exists. It just needs to be grown.

RRIF is a rail account and there's \$30 billion. And outside of Denver, nobody can get their hands on it because it's so tight a credit. And that, to me, is another multiple where you get another 300 billion, a multiple of 10, if you allow a more TIFIA-like credit analysis. And it's really merely, I don't like using the term "loosening up," but a more TIFIA-like lending outlook. And there you can get public-private money, invest, create economic -- jobs that can't be outsourced, good-paying middle class jobs, blue collar jobs in building for carpenters, electricians, operating engineers, laborers, plumbers, and pipefitters. And you can expand beyond the actual dollar. And to me those are the obvious economic opportunities in a new infrastructure world.

MR. KATZ: So it sounds like what we're talking about is the art of the deal. (Laughter) But in some respects both the political deal, but just the knowledge of what it takes to have value in a city, public investment, public leadership, public vision, the private capital backed by a smart national government.

MINISTER HUNT: And the tragedy in the UK is that one of those partners historically was very much the European Union, so the rebuilding of many of our post-industrial cities, one of these partners from whom we were very good at leveraging money and bringing in the private support, one of the key sort of financial support systems for our universities was the European Union. So all of these elements actually

that helped economic growth in our urban areas we've now cut ourselves off from.

MAYOR EMANUEL: I know we're going to questions, one observation.

MR. KATZ: Yeah.

MAYOR EMANUEL: You know, you say that and I can make some claims about whether Trump's policies are actually going to help the very people that voted. Not claims, but I would argue no. From clean air to -- so we are sitting here analyzing where basically the assumption is people voted, what you just said, people voted against what should have been their self-interest. Politics, folks, is not always just a rational line of analysis.

MR. KATZ: Right, right, right.

MAYOR EMANUEL: It's an emotional endeavor and there's a lot of emotion running through people's lives right now. And so we should remember while we're trying to analyze and understand what happened it's not what one would have called a self-interested vote, but there's a lot of emotional relationship. And I don't say emotion in a negative way, but in the sense we've got to understand where people are and how they're living their lives. And that's how you've got to talk to them to build political consensus for things we want to do.

MR. KATZ: Right.

MINISTER HUNT: Just briefly, I think, Rahm, you're exactly right. And more than that, in the referendum campaign, those of us who were arguing to remain the European Union, we spelled out the financial cost. We spelled out in very graphic terms this is going to hit every family by 4,000 pounds a year in terms of leaving the European Union and they said, yeah, okay.

MAYOR EMANUEL: Let's go.

MINISTER HUNT: Yeah.

MR. KATZ: There's some really great questions here and I want to raise a question about an issue that hasn't been talked about, which is climate. So this is from Paul Annerban both to the mayor, talk about the sustainable initiative you launched a few years ago, whether that is now under threat; and then talk about what's the impacts of Brexit on CO2 emissions and what had been sort of fits and starts of a climate policy in Britain. So big issue.

MINISTER HUNT: I mean, I think on climate change, and it's certainly there in urban policymaking, you know, we like the U.S. are reaching tipping point on renewables, on some of the initiatives surrounding smart cities, some of the public transport infrastructure, particularly actually on some of the small house-building programs. Again, a lot of that was support from the European Union and they were very progressive partners in a lot of that policymaking.

But I think it's kind of -- I don't think it's going to have a huge impact because it's now in the culture of British politics, it's in the culture of urban leadership, and I think our universities remain pretty cutting-edge on most of this.

MAYOR EMANUEL: I just came back from a conference in Mexico, 40 mayors, it was actually 80 cities, on global climate change and an agreement. So on a couple things.

In 2012, Chicago was the only city left that had two coal operating plants. And I told the CEO, I said I really think you should shut these down and if you don't, natural gas will. So if I were you, unsolicited political advice, get in front of the parade. They ended up shutting them down. It was a 20-year debate; we ended it. Which were right on the river, et cetera, so we've done that.

Second, while we always talk about nuclear, coal, gas, renewables, the other fifth energy source is actually doing retrofits. So we now have 54 million square



feet in the city of Chicago in major buildings under retrofit, which is one of the biggest emitters. And we have public, our resources that we put in, are our buildings. We have private. We've done the first element through the infrastructure trust. And, you know, millennials, which is one of the driving economic engines of urban centers, they want to go to a building that's environmentally and energy positive, in a positive, affirmative way.

We've also driven that now on the residential. A lot harder to do. People think it's the panacea. It is very hard on the window, the caulking, the insulation. Very difficult, unlike an office building where you can kind of move faster.

The city is never going back from this. It's in our self-interest. Obviously, this is a classic case where if the federal government, if he pulls out of these international agreements, I don't see the city reversing what it's going to do. But it's, again, the government working against your economic engine rather than with it.

And the other thing, and I want to echo this, we have more universities than any other city in the United States but Boston. The amount of work that's going on, intellectual work, that will lead to companies, if you didn't believe it, just a pure driver of economic activity, you would be -- you know, with the University of Chicago, IIT, University of Illinois, with Northwestern, with the two national labs, we're crazy to walk away where we can see the R&D capacity that comes from this, let alone the spinoffs that will eventually emerge.

MR. KATZ: Great response. Just one thing about all the questions that have come forward. This is like the worst handwriting I've ever seen in my life.

(Laughter) So I'll be like your first grade teacher, this is a nightmare. I'm talking to your parents tonight.

So we're going to take a question from Twittersphere.

SPEAKER: So this question is on behalf of Katrina Salome. She's a

research fellow at Georgetown Qatar. And her question is how tenable is the cosmopolitan dream? Aren't Brexit and Trump indications that it is no more than a dream?

MINISTER HUNT: No. (Laughter) I mean, but it has to be thoughtful. And also, Rahm's point about culture and identity is really important. And we were talking earlier in terms of the politics of the United States, thinking that, you know, demography was destiny when it came to the future of the Democrats or the nature of urban life would necessarily push politics in a majoritarian, cosmopolitan way.

I think that when you have these populist moments that we're seeing in Britain, that we're seeing in the United States, that we're seeing on the European continent, what you also tend to have in the aftermath are great progressive moments; that some of the anger after a while runs itself out; that there is frustration at those who promised so much who failed to deliver. And that's the kind of exciting pivot point for progressives to step in and have the political leadership and the policy solutions to say, well, actually this is how we can work our way out of it.

So I remain optimistic, but I do also think that there needs to be a richer appreciation and understanding of the urges and frustrations behind some of these votes. And dismissing the politics of this simply as either racism or not understanding what your best interests were is the dead end for politics of the left.

MAYOR EMANUEL: You know, I don't know what the person that wrote that thinks the metropolitan dream is, so there's almost a definitional piece you have to do, but put that aside. I would just say, you know, in Chicago, we have 140 languages spoken in our public schools. You have the fifth, by Mexican population, the fifth largest city in Mexico is in Chicago. (Laughter) It's a fact. In Poland, we have the largest city outside of Warsaw of Polish, not just Polish-Americans, Polish, bigger than Kraków. So

that diversity is a tremendous strength.

And I wouldn't just do it on ethnicity, but I'll also tell you that on strength, you know, I believe in a culturally inclusive nature. You know, Amy and I teach our children about that differences should be something that you look to, learn from, et cetera. I believe when Chicago both had civil unions and now we have gay marriage, I have now a state and a city that's actually supporting what Amy and I are trying to teach our children from a value perspective. And I think that's very important.

And if we teach our kids that people come from all walks of life and that shouldn't be shunned upon but embraced, to then be a city that embraces gay marriage and there's no longer gay marriage or straight marriage, there's marriage, and we have a value system that reinforces, I think, a very important value system that we're trying to teach our kids, I think that's important not only cosmopolitan politics, but it's right for the future because it's only more diverse, not less.

Now back to what does that mean to those who voted for Trump? I don't think we should lose sight that those of us who come from metropolitan areas have been not only economically I wouldn't say dismissive, we haven't talked to people where they live their lives. It's not just on economics, on culture, and their values, their lives, their children's lives are as valuable as the lives of other children from other ethnicities, other backgrounds, other family structures. And we haven't done that. We've actually talked about it and communicated it in which we think one is superior to the other, and it's not. It's just another lifestyle and we should be inclusive if we're really going to be inclusive.

MR. KATZ: Great. Tough question. Both of you talked a lot about education. We're going through a technological phase where automation is a reality. There was a piece on NPR yesterday. They interviewed an Uber driver, so Uber's already been disruptive, right, of the taxi industry and others and changed mobility in our

cities. And this driver basically says I'm a little worried about going to autonomous vehicles with Uber on the forefront because in about five years, I'm out of a job.

So how do we think about education and skills in the face of robotics, in the face of this shift to automation? Are you guys technological optimists? Pessimists? Somewhere in between? And how do we adjust and align?

MINISTER HUNT: I think, I mean, there's always this tension between the growth of technology, the loss of jobs, and the degree to which new technology's going to create new jobs. And the question is whether, as it were, history teaches you that or history's come to an end at this point. And actually the step change is such that the kind of growth we're going to see is simply not going to provide those levels of employment that we've seen in the past. And then you get to a conversation around universal basic income and you get to a conversation that President Obama was leading recently about the kind of society and the kind of wealth creation and the distribution of that wealth. Well, what happens with what? And in that I think cities will be leaders because this is where it's going to take place first.

But I think I would say as a progressive, both in terms of globalization and in terms of technology, these are not value-free or politically free processes. Choices can be made and decisions taken.

o in London, when it comes to Uber, there's a very -- we're in a period of flux with Uber in London because three Uber drivers have taken Uber to court to say, well, actually we're not just loggers-on to your web platform. Actually we are employees of Uber and as such require holiday pay and sickness pay. And, you know, the first judgment has gone in their favor.

Now, is that Luddite technological resistance against the future or is that, as it were, labor standing up to capital? And in an era when wages have been driven

down, when in-work poverty is so high, actually is this a different way of thinking about technology and progress and growth? And where as progressives should we stand on the side of that?

So what I would say is I think we are going to see incredible challenges to levels of employment. I'm not wholly pessimistic that actually new areas of work will not come into being. But I also think politicians have to make decisions around this.

And this is part of the problem with globalization in a sense. We've all said, well, this is this thing just happening and it's unfortunate to those who are left behind, but, you know, you can't resist it. Well, actually you can make political and public policy decisions which affect how new systems of wealth and new systems of productivity are distributed.

MAYOR EMANUEL: I'm like, look, it's a fact. Now the question is, are we going to make more winners or are we going to have more losers? And that's what I - and I think through education we can create more winners.

I don't want to do this just to tout the city, but you can't stop technology. You can't stop the revolution of technology. The question is, are you going to put in place policies where people see technology and the changes in technology as friend rather than foe?

So my whole thing, I should have done the tape like you wanted originally, is what we've done in additional hours on math and science in our elementary, by 2018, we're on schedule, you can't graduate from high school without taking a course in computer code-writing. We're about to do something in our community colleges around cyber security and a six-month boot camp.

So the question is, and the obviously there's all the research that goes on at universities, but can you through education create, I don't want to say a platform, it

sounds so analytical, but an equalizer where technology and the changes coming is people look at it as more that they have the capacity to adapt to? Not only adapt to it, but to make it work for them. And right now people feel, obviously, that they and their children, more importantly, are losing out in that race. And we could actually make more winners and more qualifying winners by adapting.

Again, we keep coming back, whether it's on politics, cultural, economics, where education's the nexus of division and the nexus of where we think we can bring things together. And those are things that we're doing and I continue to believe that technology is an opportunity, but we shouldn't dismiss right now the threat people feel from it.

MINISTER HUNT: But I think within that, though, at an urban policy level, and I think the U.S. is better than the UK in this, we've got to get our universities, which have had such a global outlook and done incredibly successfully, the level of disengagement and uninterest with their hinterlands is remarkable. And you can have world-beating universities with the most terrible schooling systems around them. And the traditional academic response to this is, well, we run universities, we can't run schools. It's all very difficult and different. But I think you can do more.

MAYOR EMANUEL: I'm a champion, in Chicago, our universities are incredibly invested in the success of the city and I can't say enough. I meet with each of the presidents. They all have a relationship with a specific high school. IIT, Illinois Institute of Technology, with Von Steuben. Northwestern and DePaul have a relationship with Lake View High School. They're invested in -- Columbia, I can give you. You could go through, every one of them have a high school. They're not just kind of like a volunteer program. It's part of their education. Loyola's with Senn on the international baccalaureate.

I don't know what's going on in England, but I'm going to tell you give me -- you know, we're the number one city, as I've said, in corporate relocation. I would take two corporations out, give me another university. They're unbelievable economic engines and great neighbors in the city of Chicago, and we would not be the city we are at every level without them. And I would say not just from an academic, we want to study urban America. I mean, integrated -- like they're Margaret Mead walking around. (Laughter) You know, integrated into the lifeblood of the city and the neighborhoods. And they're cultural engines, they're economic engines, they're all across the city, and they are anchors in our neighborhoods.

And so I can't say enough good things about our universities, even though I'm about to go hit them up to do more. (Laughter)

MR. KATZ: The American way.

MAYOR EMANUEL: Yeah.

MR. KATZ: There's a series of questions in here about the juxtaposition of, on one hand, fake news and a campaign where a large portion was conducted without any reference to substantiation of fact, and science and innovation. Because when we think about our economy, and you need to educate us about Britain, so much of the U.S. economy is basically driven by constant flows of advance research and development into Rahm's universities and then the research gets commercialized and there's products. And also, all the conversation about automation and robotics and so forth sort of stem from the fact that this is a country, though we've had fits and starts, that has continuously invested since the end of World War II in innovation.

MAYOR EMANUEL: Can I just say one thing?

MR. KATZ: Yeah.

MAYOR EMANUEL: Let my good colleague from England go first, but

this is a classic, to me, way of the difference between the Washington-New York Beltway looks at things and the way they are. You say there's fake news. Well, to the rest of the world they think the mainstream news is fake and the other ones they're looking at is real. And it's, again, like two ships passing in the dark. They don't think the fake news is fake and we talk about what they're looking at as if it's fake and they think what the mainstream elite media produces is fake, which is why they're driving to alternatives. And the whole conversation is in polar opposite worlds.

So that's all I will -- as one observation on that. You go ahead and answer the rest of the question. I feel a lot better about myself now. (Laughter)

MR. KATZ: Has fake news become an issue in Britain?

MINISTER HUNT: Well, I mean, the places of transmission for news, particularly in the new -- I mean, the cultural and political implications of the smartphone revolution are phenomenal. And I think actually in terms of urban culture it's really dramatic because what we've seen, and I know you've been under pressure here, as well, is just the stripping out of local news and local newspapers and how that removes space which elected civic leaders don't always enjoy, but how that removes a space for political conversation and debate.

And we've seen massive amalgamations and job losses as they try to -- and certainly within the last I'd say five years the degree to which Facebook can pinpoint advertising now has just eaten the heart out of the economics of local news production. It's actually made in the UK our state broadcaster, the BBC, more powerful and more influential in an era of multiplicity of platforms because it is the one kind of trusted brand, as well as *The Guardian* -- (Laughter) -- which remains a very powerful influence in news.

But I was saying earlier, my community, in Stoke-on-Trent, during the lead-up to the referendum I asked kids in high school about the referendum, the



European Union, David Cameron, sort of vague idea of what was going on. I asked them who the Republican nominee to the American President was, all their hands went up about Donald Trump. And I said what do you know about Donald Trump? And they said, oh, he's going to build a wall and he got a loan of a million dollars from his father to start a business, just a small amount of money. And they produced this extraordinary litany of information from Facebook.

And I actually think then the editorial decisions, Mark Zuckerberg and all of those, are thinking about in terms of Twitter and Facebook are enormously important and how they begin to manage that and think about themselves. It's like, in a sense, Uber can't just think of itself as web platform. Can Facebook just think of itself as social networking? Actually it's involved in extraordinary editorial and news decisions.

MAYOR EMANUEL: You know, when we were talking earlier I obviously gave you this anecdote, but, you know, I take the train to work twice a week and I read four papers, but one day I'm looking up and grandpa is the only guy reading the paper, you know. Like I remember the McKinley presidency. (Laughter)

And so I now -- and I read on my iPad so I don't look like a nerd. But everybody's on their smartphone and they are going through information or, you know, et cetera. And as I said, I read four papers a day and I come home and I have dinner with my kids and they know stuff like where was that? I didn't see that. And they say, see, Dad, you're stupid. But, I mean, it's an amazing amount of what they surf across.

And you're saying it's hollowing out and there's this race between kind of alternative -- and I think we're in such an early stage to even guess at what this means. It would be exactly that, a guess. But it's radically changed who is the gatekeeper, which I think makes mainstream press/media very nervous. And it's also, as you said, Facebook is more than a platform. They're making editorial comment in the name of not

making an editorial comment. And that ain't going to hold.

MR. KATZ: How many people are Tweeting in the audience today?

Okay, so it's a little smattering. It's very interesting to go around the United States and then go to other countries. There are some places that have become a social media culture across all generations, across all walks of life, and there's other places that are still waking up and reading whatever is left of the local paper. I mean, it's quite interesting to see how this plays out in place, you know.

MINISTER HUNT: You know, the UK is usually advanced on this. I suppose the flip side element of this which we also haven't discussed in terms of social media and then Internet provision and urban policy is then driving so much of that traffic is obviously the retail and the online retail and what that is doing to our Main Streets and High Streets and the hollowing those out. The two are not unconnected.

MR. KATZ: Tristram, you gave a talk earlier this year on a topic you called or an idea you called radical localism. And I thought it would be interesting if you could sort of describe that to an American audience. Obviously it occurs within a very centralized state where you're beginning to loosen up the reins and you look to a place like Germany and you see the benefits of distribution and devolution and all the rest of that. But, you know, to what extent do you think that idea plays out in our republic?

MINISTER HUNT: I think it does. I mean, you are more advanced because of federalism and the culture than the UK. And Britain still sits in the shadow of the Second World War and the Clement Attlee administration, the extraordinary centralization and nationalization of so much in those eras. And myself, as a background, as a historian I was always struck by the degree to which Britain had this extraordinary urban civilization of great self-governing cities, like Manchester and Liverpool and Birmingham, and how we allowed that to be lost.

And part of what I was arguing in terms of radical localism is exactly what Rahm has been talking about today, which is about the fiscal autonomy and the ability to raise finances locally; the ability to make decisions about the government spending on local priorities, the ability to attract the kind of political talent which is only going to come with fiscal and civic autonomy; and then the ability to become, in a sense, traders, the ability to become innovators and entrepreneurs. The great period of British cities in the 19th century was when they were great trading enterprises in utilities, in retail, in development.

And this is an exciting moment because all the work you've done, Bruce and others, about the opportunities surrounding urban policy, and we have great world cities in the UK, but we have a political system and a political structure, which I think is holding them back still.

MR. KATZ: Yeah, very interesting.

MAYOR EMANUEL: You know, look, this gets to the climate change question, as well. I don't see the mayors that went to Mexico City and the mayors that went to Paris, even if somehow the international agreements fell apart, walking away from their agreement because they see it as in their economic self-interest.

I signed an agreement. It was a gateway agreement. It's the only city in the United States, Chicago and the eight biggest cities in China. I can't wait for a major trade agreement in the area or whatever, so we're moving.

Now, I'm also aware that there's limitations of what Chicago and Beijing and Shanghai or Mexico City can do on their own. Okay? There's not like -- we can't have world peace break out, et cetera. I mean, in March, the mayor of Paris and I have agreed to have a conference in Chicago on cities and their waterways, kind of what we were doing with Lake Michigan, as well as what we're doing on our river. She's done

incredible things on the Seine with, you know, the auto traffic stopped. It's now going to be a River Walk, et cetera.

Cities can do things in collaboration, learn from each other, and then not just study it, implement it. But there are limitations on forces like globalization, technology. There are limitations of what you can do without a federal partner. We can't push back certain forces that are bigger, but we can do certain things where we can put a flag down and we're not moving.

Like this. On DACA students, it's in our self-interest. They're to the values of who we are and identify with that regardless of where the national government goes, we are going to be clear about what we think we can do. And so, you know, it's not an accident. I bet you no city, if the federal government now reverses course on the minimum wage, I don't see a city rolling back what they've done on the minimum wage.

MR. KATZ: Right, absolutely.

MAYOR EMANUEL: So there are great opportunities, but don't underestimate there are limitations as to how far you can take this, where if the federal government decides to work against you, you can't really on your own fight the currents.

MR. KATZ: Right. A few last questions and maybe start with the mayor. We've begun to examine the need for urban reform in the face of --

MAYOR EMANUEL: You're asking the one where we coined the phrase "We're not ready for reform?" Go ahead.

MR. KATZ: But, you know, in the face of federal drift, dysfunction, and state complete hostility and stupidity. That's not a partisan remark.

MAYOR EMANUEL: Say that again.

MR. KATZ: So when we look at a group of cities in the United States, and we haven't taken a hard look at Chicago, what we see is a proliferation going back

100 years ago, it'd be interesting to see the British analog to this, but 100 years ago in the progressive era, what we began to do was take power away from political machines. And we began to take a lot of power and put it into authorities, school districts, housing authorities, redevelopment authorities after the war, water/sewer authorities. I mean, you just go on and on and on and on. And then when you go into a lot of our cities, most people think you're in control, but actually -- and you may actually be in control of many of these different authorities, but each one has grown up as almost a specialized culture to protect from political interference.

In certain cities, like New York, the Port Authority, for example, well, we all saw Bridgegate or whatever with Governor Christie, political interference continues. But we're beginning to think that we might need a 21st century reset of this fragmentation and balkanization of power within cities and, frankly, within metropolitan areas.

Does that ring true? Because if you say it doesn't ring true, then, shit, I better -- oh, sorry, I better start figuring out another research.

MAYOR EMANUEL: Let the record show that I did not swear.

(Laughter)

MR. KATZ: I know, I know. Between --

MAYOR EMANUEL: No, no. I may have an influence on your language, but I did not do -- I've not said a thing.

MR. KATZ: No, between the two of us it was going to be this silent competition. But my gut sense --

MAYOR EMANUEL: You can win that race.

MR. KATZ: Yeah, right. My gut sense, and I think this will affect how British cities evolve, there is a curse of specialization that we've, I think, experienced in the United States, and compartmentalized decisions. And at the end of the day, no one's

in charge. And we have to begin to rethink how we govern our cities in more radical ways, building on your radical localism.

MINISTER HUNT: I think in the UK context we are in this moment of pushing power down to city region levels, you know, with exciting consequences, but you've got to have transparency and accountability around the process. And actually, I look to the United States, particularly I think in terms of education policy, in terms of, for example, school's commissioners. You know, the level of openness, for example, that the New York Schools commissioner has to have about opening a school or closing a school and the decisions surrounding that is really refreshing from a UK perspective where these decisions are made by civil servants in Westminster about where funding can and cannot be allocated.

But I think we've sort of lost -- I think you're absolutely right, I think we've lost some of those. We used to -- there was an organization called the London Residuary Board, which used to run London, which had no democratic accountability before we introduced mayoralties. And we had metropolitan boards of works and things. I mean, we've stripped a lot of that out, but I think there's still some residual elements, more residual elements of those in the U.S.

MAYOR EMANUEL: Well, you know, I think about what you said, so let me try to take -- you know, Chicago has a strong mayor system.

MR. KATZ: Right.

MAYOR EMANUEL: Boston has it, Philly, New York. Eric in L.A. has a different type of -- the supervisor system is a little more -- is obviously stronger in L.A. in what you have influence on, et cetera. So there's no doubt -- I mean, I'm rethinking government now from you're saying from a governance, but from, you know, of what makes sense and we're doing it in education. So the mayor in Chicago has kindergarten

to 12th and then also then the community college system. That's not true every city. So we're trying to go from a kindergarten to 12th to a pre-K to college model. And you need somebody that's willing to have responsibility and accountability to drive that and towards the effort.

But I give you this kind of thinking anew. What is smart cities? It's not just data collection. At the end of the day, it's about that reform effort that tries to makes government more responsive, an integral part of people's lives in a responsive way.

You know, we were building a high school in what's called Back of the Yards. It's right behind the stockyards in Chicago. That's why it's called Back of the Yards, a mainly Hispanic community. And it's an incredible facility. It's now open, it's been open for four years. But after it was being constructed the neighborhood came to me and said that we haven't had a neighborhood library, ours burned down, et cetera, or closed, et cetera. I swim in the morning, so one day I was swimming and I said we'll put a neighborhood library in the public high school. What do you mean? Libraries are over here and schools are over here. No, no, I don't have a different capital fund for the libraries.

So the library went from the third floor to the first floor, one entrance for people of the neighborhood, and one entrance for high school students. We now have a library in a public high school, a neighborhood library, which I also think have huge social benefits for multiple generations all together in the same place. We're now embarking in three or four neighborhoods of building veterans housing and senior housing with a neighborhood library on the first floor.

And so collapsing, you know, housing used to be over here, libraries over here, schools over here, and using capital dollars in a more efficient way with a social impact. I can't think of anything better than the kids on the North Side, on Western

Avenue, are going to be in a senior or veterans housing and downstairs is a neighborhood library that serves all that neighborhood. And you'll have people of multiple generations interacting in a public space and from an inclusive policy.

And so to me, that's how you kind of rethink the way government -- and the truth is, why are office spaces, to take this a little farther -- you know, McDonald's just broke ground, left its corporate campus in Oakbrook; is now building a Google-like platform where everybody has open space because they're bringing different divisions into a collaborative model. That's exactly what we should be doing at a city level, which is how to figure out how to bring people -- one other example, the 606. Poor neighborhoods, rail track divide them, they're now from Humboldt Park, which is mainly Puerto Rican, to Puptown, which is upscale, all share one linear park three miles together. It's been a tremendous economic success residentially for the foreign communities, but it has brought people that never would have been in the same vicinity, same city on one space.

Housing-library, public schools-library, collaborating, which is exactly where corporate America, the best companies in the future are going right now physically, we should be doing the same in city government.

MR. KATZ: Yeah. Last question. That was really, really interesting.

MAYOR EMANUEL: I got an A, you got an F on the handwriting.

(Laughter)

MR. KATZ: No, no, no, that was real interesting. And I will try not to curse in public anymore.

MAYOR EMANUEL: I'd just like to say, I was in -- my words were never taken down and stripped from the public record. (Laughter) In six years, I got out just in time.



MR. KATZ: Just in time.

MAYOR EMANUEL: I was right that close.

MR. KATZ: Last question, building on something that Tristram said.

Because if we do go back in history, our history, your history, we see the rise of populism and xenophobia and a whole bunch of ugliness at times, right, followed by periods of progressivism. And your response initially or your comment initially was that there's a reaction to inaction at times or there's a reaction to pulling things back.

The question is for our cities, you know, and large, medium, and small, is whether they can -- and by "cities" I also mean urban counties and in some parts of the United States it really would be the whole metropolis given the sort of unity between the city and the suburban areas and rural environs. Can our cities basically drive or accelerate a different kind of future? And what are the kinds of actions that they need to take in an incredibly polarized moment to basically show a more inclusive future to a very broad segment of our citizenry?

MINISTER HUNT: Bruce, I think that's a very powerful question to end on. I think, as Rahm said, there are redlines on some of these issues about the politics that the cities embody around education and immigration and there are values issues and those will be fought for. But there's also this leadership moment about what the cities can do in an era when national politics is distrusted, when Washington is not trusted. And so the response to what we're seeing certainly in the United States and some of the language we're seeing in the UK, much of that will come from civic leaders, but I think it will also come from our great institutions in urban areas.

And I think what I would say when we think about this relationship, we've had a very strong language around global cities and world cities and the interconnection between Chicago and Mumbai and London and Melbourne, and that's been hugely

rewarding for those cities. But we also need those cities to talk to their hinterlands and the provinces to which they are connected. And that means, as we've discussed, the universities, but it also means our great cultural institutions, our museums, our galleries. We see in the UK a stripping out of cultural provision outside of our great metropolitan center. It means our businesses and the language we speak about apprenticeships and training, all of that, where is that being taken from.

So it seems to me that there is political leadership. A part of that is civic leaders talking to the other great institutions in urban areas which have such capital cultural and social financial capital invested and embedded in them relative to those other parts of the country which are feeling left behind by globalization. So if some of that richness of globalization, if some of that advantage that has come to urban areas is then spread more effectively not just by political leaders, but by cultural and economic leaders, then I think we've got a pathway forward.

MAYOR EMANUEL: You know, a lot of this conversation obviously was urban-suburban-rural, what's happening in that kind of economic and political veins and what is in the reaction. And I gave some examples of what we're trying to do in Chicago around transportation, training, or education. And we talk about trying to not have a xenophobic moment, but as a mayor -- and I don't want to speak for other mayors, but we all have this given the diversity of our cities -- is to make sure that when you see Chicago in your kind of mind's eye, you have this incredible natural beauty of the lake with this incredible manmade beauty of our skyline, which represents both this strength, this optimism, this courage, this vibrancy and vitality.

And my goal, as I see it as a mayor -- and Chicago is a global city in the heartland of America; it is the most American of American cities and it's quintessential -- is that if you're a child from the Back of the Yards or you're child from Englewood or

you're a child from Rogers Park or a child from Sauganash or a child from Roseland or from Humboldt Park, that if you walk out of your home, walk out of your school, walk out of your place of worship and you look at this incredible city and this energy and this optimism and this strength, if you think that city and you are in the same city, there's nothing that's going to stop Chicago. But for a child out of the Back of the Yards or a child out of Woodlawn, just to use two neighborhoods, looks at this and thinks that city has nothing to do with them or their future, we will never be what we can be.

And so when you talk about reactions, my first test and primary test is I think Chicago, it's rated consistently as one of the top 10 most economically competitive cities in the world, ninth, eighth, or seventh. And we talk about this urban dynamism. Can I create a city where that dynamism isn't in part of the city, but in every city? And can every child regardless of where they go to school see that future of that city embracing their future?

And if I can bridge that divide, there's nothing that's going to hold us back. And that's my more primary divide than the divide between Chicago and McHenry County. No insult, McHenry County. But, you know, that to me is a -- and then I do believe cities have the primary, but need help, resources and tools to bridge that divide for one future. And then we are all that stronger because there's 20 metropolitan areas in the United States that drive the economic, cultural, intellectual energy of the United States economy.

MR. KATZ: So I just want to end where I began. I think these were the two right people, sort of an accident, that Tristram said, hey, I want to come over to the United States.

MAYOR EMANUEL: I want out. (Laughter) Help.

MR. KATZ: This is a sanctuary think tank for Labour MPs. And then the

mayor basically called and said it's time to really have a smart conversation about the election and what comes. So I think these were the two best people to have this conversation. Thank you very much. Please work on your handwriting. (Applause)

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

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