

ONE

Power Reimagined

My interest is in power. How power works.

—Robert Caro, *The Power Broker*

This is a book about reimagining power.

For generations, the locus and nature of power seemed settled, reflected in the vertical lines of political authority. National and state governments sat at the apex, writing laws, promulgating rules, distributing resources, and running the country. Cities and metropolitan regions—the places where the overwhelming majority of the population lives and where national wealth is disproportionately generated—resided at the bottom, often acting as administrative arms of higher levels of government more than as agents in charge of their own future.

This picture, hierarchically neat and textbook tidy, is radically changing. The location of power is shifting as a result of profound demographic, economic, and social forces. Power is drifting downward from the nation-state to cities and metropolitan communities, horizontally from government to networks of public, private, and civic actors, and globally along transnational circuits of capital, trade, and innovation.

These changes are shattering traditional notions of where power lies, the people and institutions that wield it, and how transformative change

occurs. New sets of leaders are upending conventional wisdom about who solves problems in an age with too much partisan conflict and not enough common purpose.

Power is not what it used to be. It is less confined to the authority of government alone and more fueled by the market potential that comes from the concentration of economic, physical, and social assets in real places. It is less defined by scales of influence distributed across layers of government and more derived from sources of civic strength that come from collaborating across sectors.

The exercise of power is also not what it used to be. The ability to get things done has shifted from command-and-control systems to the collective efforts of civil society, government, and private institutions. It is vested in and affected by leaders and institutions that convert market and civic power into fiscal, financial, and political power.

In sum, power increasingly belongs to the problem solvers. And these problem solvers now congregate disproportionately at the local level, in cities and metropolitan areas across the globe.

New Localism embodies this new reality of power. It is the twenty-first century's means of solving the problems characteristic of modern life: global economic competition, poverty, the challenges of social diversity, and the imperatives of environmental sustainability. To be clear, local action is not a replacement for the vital roles the federal government plays as a distributional and regulatory platform; rather, it is the ideal complement to an effective federal government and, in times such as the present, an urgently needed remedy for national dysfunction. New Localism also reflects the reality that cities are many things at once: geographic units; regional economies, markets for goods and services, networks of leaders from government, business, and civic groups, and places of shared culture and values.

Today, progress is evident among vanguard cities and metropolitan regions that are inventing new models of growth, governance, and finance. These novel and distinctive models focus intentionally and purposefully on inclusive and sustainable outcomes as measures of market success.

Growth. These vanguard cities are igniting growth by leveraging their distinctive sectors to commercialize research, seed and grow businesses,

and create quality jobs. Local leaders are aligning their educational systems to provide workers with the skills they need to obtain jobs in an advanced economy and are seeking solutions to deep-seated poverty through early childhood education and school-to-career strategies. They are creating the civic and physical spaces that enable the seamless exchange of ideas and the continuous invention and deployment of products and technologies. And they are responding to the urgent environmental imperative to reduce carbon emissions by embracing renewable energies, developing more walkable, bicycle-friendly and transit-accessible cities, cleaning up watersheds through the use of green infrastructure, and converting public buildings to energy-efficient uses.

Governance. These vanguard cities are catalyzing growth through forms of governance that align the distinctive perspectives of government, business, philanthropy, universities, and the broader community. Governance is being driven by collaboration rather than coercion, stewarded by diverse networks rather than by elected decisionmakers alone, and characterized by iterative problem solving rather than by rigid and prescriptive rulemaking. Governance is also being exercised by new institutions that are designed to leverage the public legitimacy of government with the entrepreneurialism of the private and civic sectors.

Finance. These vanguard cities are capitalizing growth by using a vast array of tools to fund investments in innovation, infrastructure, and inclusivity initiatives. Cities are bankrolling the future by converting their market power into tangible, investable resources. In the process, a new field of metro finance is emerging that aggregates and deploys capital from community, national, and global sources to align investments with local economies and priorities. The public sector is embracing both traditional mechanisms such as voter referenda and new mechanisms such as value capture to invest in physical and human capital, infrastructure, and children. At the same time, private and civic capital is spurring innovation by investing in firms and intermediaries that translate research into tangible products. To make progress on these fronts, local governments are beginning to tackle legacy liabilities, to focus tax revenue on what works, and to manage public assets in more productive ways.

New Localism is a nascent phenomenon, a work in progress. The harsh reality is that the dramatic devolution of responsibility has not been met with a concomitant delegation of capacity or resources. Twenty-first-century problem solving is essentially taking place amid twentieth-century financial and institutional arrangements that are antiquated and inadequate. If cities, in short, are to be the world's problem solvers, municipalities must grow new sets of leaders and invent new intermediaries and institutions that align with this disruptive era and its heightened importance. Cities and their partners must think anew about everything from the fine print of financial instruments to the vehicles for cross-sectoral collaboration to the management and disposition of public assets.

There is no doubt that a growing number of cities are stepping up to this challenge with newfound confidence. A restructuring economy has placed a premium on high-skill and high-productivity industries clustered in more dense, urban environments. Together with changing demographic preferences, these economic dynamics have increased the market value and market power of such communities. New technologies that enable driverless cars and personalized medicine are not just being invented in cities; they are being tested and deployed there. Cities are on the front line of the next economy.

This shift in where and how America solves problems represents the formative stage of New Localism. While deeply rooted in American civil society, today's New Localism emerged out of crises in local economies and in response to the vacuum left by higher levels of government. Action had to be taken to rescue communities and cities from decline. New Localism exists as much because of need as by design, reflecting both the limited capacity of the local public sector and the narrow reach and vision of conventional private sector investors. The convergence of economic crises, the absence of solutions at higher levels of government, and the American inclination for subsidiarity makes New Localism urgent and inevitable.

New Localism has the potential to outlive this moment of crisis and change, to capitalize on the profound economic and demographic shifts of the past four decades, which have favored an urban resurgence in the

United States. Markets are revaluing cities and New Localism is the vehicle through which leaders can translate market power into the resources that can finance the future. This is how communities will survive and thrive in our current age.

POPULISM AND NEW LOCALISM

While the rise of a very vocal populism has received significantly more attention than the quiet problem-solving efforts of New Localism, both are the products of structural dynamics that have resulted in widespread fiscal distress, job insecurity, and cultural anxiety.

It is tempting to view New Localism as a mere side product of the angry populism that has swept the United States and Europe. At its core, populism is a revolt against elites, whether economic or political. And as populists have altered the national discourse, they have—sometimes intentionally, sometimes not—attacked and weakened the nation-state as well as supranational institutions, and empowered local forces. The stated aspiration of the Trump administration to “deconstruct the administrative state” is ironically elevating the city-state as the locus of problem-solving activity.¹

The collaborative networks of New Localism, we believe, act as a countervailing force and cultural antidote to the rise of right-wing populism. Populism has reenergized a politics—most prominently represented by Donald Trump in America and the Brexit coalition in the United Kingdom—that is nostalgic in focus, nationalistic in tone, and nativist in orientation. The rhetoric of this populist politics seeks to create walls, literal and figurative, that inhibit the flow of people, goods, capital, and ideas across borders; the essence of the modern economy.

The populism on the left, while devoid of national and ethnic chauvinism, often is characterized by a similar nostalgia for a world that no longer exists. Many of their positions take a far too simple view of multinational trade agreements and global economic institutions. Neither Bernie Sanders’s view of the federal government as the realm of most solutions nor Donald Trump’s notion of economic nationalism fits the new global or local reality.

Still, the populism that defined the 2016 U.S. presidential election shares much of its origins with New Localism. It is rooted in the long economic restructuring and social transition that has exacerbated national income inequality and rattled the meaning of national identity. The core difference is that while populism has evolved into a national political strategy to exploit these grievances, New Localism is a problem-solving philosophy geared toward alleviating them.

In contrast to right-wing populism, New Localism embraces diversity rather than ethnocentrism and is curious rather than closed. In contrast to the political extremes of both the left and the right, New Localism is guided by pragmatism rather than by ideological fervor. New Localism governs with a long-term view toward the future; much of populism campaigns on a shortsighted return to the past.

The problems of the new global age are significant. But the real solutions to these challenges will disproportionately come from the ground up. The more progressive variants of populism that seek to strengthen the safety net, reinforce investments in infrastructure and education, and protect consumers and the democratic franchise at large from the undue influence of money in politics are important complements to New Localism.

But, as this book explores, the practical solutions to economic growth, economic inclusion, and environmental sustainability are more within the local domain than the national. Modern national and state governments seem unable to mount sufficient or sustained responses to modern challenges. Excessive partisanship has poisoned Congress and state legislatures and put representative democracy itself in a seemingly intractable state of gridlock and polarization.

The stalemate is compounded by structural fiscal challenges. In *Dead Men Ruling*, the Urban Institute's Gene Steuerle shows how growth in the nonchild portions of Social Security, Medicare, and Medicaid programs and payment on the national debt are fueled by decisions made by prior Congresses; hence the title of his book.² He bases his assumptions on Congressional Budget Office forecasts that by 2026, the federal government will be spending \$4.1 trillion a year on entitlement programs such as Social Security, squeezing investments in housing, infrastructure, education, and research and development.³ In short, Congress has little "fiscal freedom" to shift investments to new challenges.

Thus, even prior to the onset of a divided Congress and the accession of the Trump administration, the federal government had diminishing ability to invest at scale in the future through research that would spur innovation, new infrastructure better aligned with the twenty-first-century economy, and the educational and other investments needed to support higher levels of economic inclusion. That responsibility had already devolved to society itself, to American cities and localities.

As politics has become nationalized, problem solving has become localized.

THE LOCAL ADVANTAGE

Cities and counties are solving problems because they can. The knowledge-intensive industries that increasingly dominate the U.S. economy seek the convergence of assets that many U.S. cities and metropolitan areas naturally possess: anchor research institutions and collaborative ecosystems of firms, entrepreneurs, investors, and intermediaries. The emerging economy is revaluing proximity, density, authenticity, and the solid bones—historical buildings, traditional street grids, access to waterfronts, cultural institutions—that can be found in the traditional downtowns and midtowns of communities large, medium, and small.

Increased technological innovation has also enhanced the role of cities. As the basic science and applied research conducted in universities, hospitals, and companies reach commercial markets, cities have accelerated the invention of new technologies. Such progress in recent years is giving cities new ways to grow firms, value, and jobs. Some examples are Chattanooga’s efforts to create the smartest energy grid, Pittsburgh’s decision to be a living laboratory for testing driverless cars, and Chicago’s decision to open up public data for use by entrepreneurs and technology firms. The role of cities as markets enables them to also be market makers, in granular and novel ways.

Technological advances, more broadly, have sped up a city’s ability to change and evolve, sharpening the contrast with sluggish legislative processes. As national and state governments have grown more sclerotic, the ability of traditional governments to act with agility and discretion has been

lost. Cities, however, can accumulate public, private, and civic wealth to create alternative paths for the design, financing, and delivery of solutions rapidly. Localities are the test bed for a dizzying array of innovations—charter schools, smart meters, mobility apps, social enterprises—based on the simple premise, hubristic in some cases, that “I can do that better.”

The nature of problem solving is also changing, further reinforcing the growing preference for local responses. Tackling complex issues such as climate change or social mobility or the deployment and employment impact of disruptive technologies should work toward solutions that are integrated and innovative rather than dictatorial and prescriptive. As the political analyst Yuval Levin has written, “The absence of easy answers is precisely a reason to empower a multiplicity of problem-solvers throughout our society, rather than hoping that one problem-solver in Washington gets it right.”⁴

Cities that are characterized by multidisciplinary and multisectoral networks rather than by the narrow, specialized silos of federal or state bureaucracies can think outside the box. A national transportation agency tends to address transportation challenges—say, traffic congestion—with transportation solutions, often widening a road. To a person with a hammer, everything looks like a nail. A city is more likely to bring other solutions to bear—based in, say, housing or land use or technology—to solve the same problem.

Cities and other localities can craft and deliver better solutions to hard challenges since they match problem solving to the way the world works—integrated, holistic, and entrepreneurial rather than compartmentalized and bureaucratic. They can also put more players on the problem-solving field in ways that are quintessentially modern and imbued with new technological potential. Such mayors as Greg Fischer of Louisville and Rahm Emanuel of Chicago, for example, have successfully tasked entrepreneurs to take on social challenges and apply the ethos of the startup world to the urban arena.

A cultural affinity for public purpose and volunteerism is deeply rooted in localities. Cities are home to tens of thousands of mediating institutions—churches, community organizations, business associations, philanthropies—that play a critical role in addressing the most difficult challenges faced by families and neighborhoods.

As former New York senator Daniel Patrick Moynihan made clear throughout his long career, the federal government should set a strong platform for family and community success but cannot substitute for or take the place of community institutions. As he noted in a speech to the National League of Cities in 1985, “Federalism is not a managerial arrangement that the framers hit upon because the country was big and there were no telephones. . . . Federalism was a fundamental expression of the American idea of covenant.”⁵

To be sure, the issues that many cities face—from deep-seated poverty and aging infrastructure to legacy liabilities that crowd out needed items from public budgets—are difficult to overcome. But the most creative solutions will come from local initiatives in the places where schools are managed, jobs are created, budgets are designed, contracts are negotiated, and infrastructure choices are made.

Cities share another advantage over the nation-state in their ability to respond nimbly and flexibly to challenges and opportunities. The federal government has very little discretion to make investments that respond to non-natural crises such as the Detroit bankruptcy or the Ferguson and Baltimore disturbances, or to adjust to broader demographic transformations or technological disruptions. The uninterrupted growth of entitlement programs and the proliferation of highly rigid programs have created a government that, like a fossil, is inflexible and stiff. Incredibly, a small city or regional philanthropy has more discretion to make smart, aligned investments than distant federal agencies do.

Problem solving close to the ground rather than policymaking from a remote national or state capital has the tangible benefit of customization. A local solution can be a more efficient use of resources since it is more aligned with the distinctive needs of a particular place. A weak-market city such as Detroit needs to demolish blighted housing in order to boost value; a hot-market city such as Boston needs to build and preserve more housing to meet demand. National and state legislatures, by contrast, tend to enact one-size-fits-all solutions and, for political reasons, prefer spreading public resources evenly, like peanut butter across a slice of bread.

New Localism is thus a brake on national uniformity. It allows places to focus on the challenges they actually have rather than on the issues du

jour favored by national governments or national constituency groups more broadly. It recognizes and celebrates the differences between regions. The country draws its strength not only from being “one nation” politically but also from having multiple nodes of energy, innovation, and experimentation.

Finally, cities reflect a new circuitry of civic innovation, the ability to adapt, tailor, or replicate an innovative practice invented in one city in other cities. All cities, whether developing or developed, new or old, large or small, face similar challenges. The fact that multiple cities in radically different circumstances are simultaneously trying to solve challenges makes them more likely to innovate than hyperspecialized national agencies. And when cities join together to commit to common quantifiable outcomes, as is now happening with the response to climate change, the drive toward new replicable solutions and routinized financial mechanisms is accelerated.⁶ The commitment of hundreds of cities to the climate goals of the 2015 Paris Agreement illustrates the growing power of New Localism. Collective accords and campaigns will inevitably engage such societal (and urban) challenges as early childhood education, crime reduction, and transportation choice.

WHAT FOLLOWS: OUR FRAMEWORK

This book chronicles the rise of New Localism. But it is as much about what must happen as it is about what has happened, reflecting our strong conviction that much work remains to be done if New Localism is to successfully fill the vacuum left by higher levels of government.

Five key points about New Localism provide the frame for this book.

First, *New Localism is not the same as local government*. New Localism refers to multisectoral networks that work together to solve problems, as well as the institutional vehicles they invent to get things done. Local governmental leaders increasingly understand the horizontal nature of power and how to involve and catalyze civic and private sector partners.

Second, *the devolution of power and problem solving to local levels is not an argument against the vital importance of federal and state governments*. Emerging changes at the ground level do make a strong case for

reengineering aspects of federalism, including clarifying the strengths of different levels of government and considering how New Localism might provide a more agile approach to social equity challenges.

The federal government must do things that only it can do, including safeguarding national security, providing a stronger social safety net than it presently does, providing guarantees of constitutional protections and civil rights, making smart national infrastructure investments, protecting natural resources, protecting the integrity of markets, and funding scientific research, innovation, and postsecondary education to keep the nation competitive.

States also play a fundamental role, imbuing cities and communities with the ability to maximize the strength of their economies and use it to raise and attract new resources for change. States must also invest in public institutions of higher education and address the inequities that come about when local governments do not have the taxing capacity to fulfill basic education obligations or other services.

Third, *New Localism is the locus of problem solving that must by necessity be open to new ideas and a diversity of constituencies*. That the term “localism” often conjures up insularity and narrowmindedness is misleading in this context. New Localism occurs at the intersection of local capacity and global change, where innovation is primary and the status quo is no longer sufficient.

Fourth, *New Localism is occurring at multiple geographic levels—district, city, county, and metropolitan*. In theory, certain interventions should be designed and delivered at different geographic scales. In practice, U.S. cities and metropolitan areas, like others across the world, are highly fragmented and do not respect market, social, or environmental realities. Problem solving, therefore, occurs at different scales when the mutual interests of disparate stakeholders are recognized and organized. We are, at heart, urban realists: interested in the practical application of problem solving that makes a difference rather than the perfect identification of structural reforms that make a point and rarely happen. We also believe in natural sequencing: local solutions today often become metropolitan solutions tomorrow as the infectious allure of problem solving moves across artificial borders.

While this book is primarily about cities and suburbs, the material has clear relevance for rural areas. The lessons and principles that are extracted from successful urban initiatives, particularly regarding quality placemaking and inventive education, can be directly applied to the rural sphere. And many rural areas, despite conventional wisdom, are not out of sight and out of mind. In fact, as a result of the extreme decentralization of the population, half of the people who live in rural communities actually live in metropolitan areas and potentially benefit from smart and strategic metro solutions and heightened intra-metro linkages.⁷

Fifth, *New Localism has emerged in its most dramatic form in the United States as a result of the exceptional level of partisanship and the consequent withdrawal of the federal and state governments as reliable partners.* While most of our discussion, therefore, centers on U.S. cities, the book draws from important global examples, particularly in the governance and finance arenas. And, as with rural areas, the book has clear global implications because of the replicability of urban solutions and the interconnectedness of urban financing tools in the world today.

With these markers in mind, the book proceeds on the following plan:

Chapter 2 provides a more in-depth analysis of New Localism, its emergence and the transition from the early emphasis on placemaking and urban restoration to the wholesale repositioning of communities for the growth sectors of the global economy. The evolution of New Localism reveals qualitative differences from the top-down interventions of earlier eras, when problem solving was concentrated in higher levels of government. It is fueled by networks of institutions and leaders rather than reliant on the public sector alone. It is horizontal rather than vertical in organization, focused on replication of solutions across places. And it is simultaneously local and global, since smart solutions can be invented both at home and abroad, in large and small cities alike.

Chapter 3 begins with a simple statement: *Everything has changed.* Globalization, dizzying technological advances, demographic transformation, and financial restructuring have created a world of enormous dynamism and possibility but also one of economic insecurity and cultural anxiety. The confluence of forces has simultaneously driven political instability at the national level and transformative change at the local level. It has, on the one hand, created the conditions for the reemergence of populism and

neonationalism, as people and places left behind have lashed out at what they perceive as ineffectual national leaders and inadequate protections. On the other hand, these forces have simultaneously enabled the rise of an affirmative localism. A nimble and networked economy rewards communities that are similarly nimble and networked while dramatically expanding the range of available solutions.

The next three chapters provide detailed stories of New Localism in action in three cities: Pittsburgh, Indianapolis, and Copenhagen, Denmark. Each story captures a new norm of practice that can be codified and ultimately replicated in other cities that are grappling with the same kinds of issues.

The Pittsburgh story, presented in chapter 4, focuses on new models of growth in a city that was one of America's quintessential old manufacturing centers. Today it is a global leader in advanced robotics and autonomous vehicles and the place to be for some of the world's most important companies, such as Google and Amazon.

In chapter 5, the story of Indianapolis represents the dynamism of that city as it reinvented itself over the past several decades, and more specifically on what can be learned from the deep system of networked governance that has emerged. Those networks function at multiple scales and with different levels of formality and focus.

Pittsburgh and Indianapolis matter because they demonstrate that organized leadership can elevate the distinctive assets of a place in ways that transcend the confines of the past, building linkages throughout the national and global economy. They represent the triumph of the public, private, and civic sectors working consistently in tandem, of communities recognizing and leveraging their own special assets, and of places perfecting a culture of collaborative action. They also reflect stories of quiet leadership exercised by individuals in private and civic institutions working behind the scenes over decades who combined the ability to collaborate, a demand for strategic intelligence, and a clear sense of public purpose.

Pittsburgh and Indianapolis also matter because both are industrial and heartland cities, and their stories are not another retelling of Silicon Valley's or New York City's story. There is no flyover country in America. Other parts of the book draw examples from the coasts but also note some of the extraordinary things happening in Chattanooga, Cincinnati, Kansas City,

Oklahoma City, and St. Louis as well. These stories reinforce what Steve Case has labeled “the rise of the rest” and reflect the strength of a national economy that is varied and distributed.⁸

New Localism will need to step up the pace of innovation and structural reform if it is to meet the extraordinary challenges of our times and address the fiscal pressures that accompany the decline in federal discretionary spending and the rise in local pension and other liabilities. For that reason, the Copenhagen experience described in chapter 6 is of vital importance. It is the story of how that city utilizes a publicly owned corporation with a private, profit-making mandate to manage public assets in smarter ways and generate capital for public infrastructure. It was natural to use a European example in this instance because the United States is well behind many European and Asian nations in using market mechanisms to achieve public ends. American public finance leaves far too much capital on the table. It is one thing to catalyze markets, something the public sector ought to do, but it is another thing to miss the opportunity to extract public value from the value the public creates.

Chapter 7 addresses the importance of economic inclusion as an integral part of urban growth, governance, and finance. Communities must be intentional about connecting residents to growth and opportunity, and this chapter highlights a series of strategies based on anchor-driven growth, reform of the educational system, youth programs, and social capital. Governance must also include broad networks of stakeholders from diverse communities; in many instances diversity is more aspiration than reality. There is no single path for advancing inclusion, but a lack of intentionality limits long-term economic success and ultimately degrades democracy.

Chapter 8 discusses finance and the challenges of building financial products and intermediaries at the local and regional level that have market discipline and public purpose. Philanthropy, impact investors, civic intermediaries, universities, and the public sector are all working to catalyze and maximize private investment. Their financial innovations are taking place at the boundaries of civic, public, and private investment and, in the process, creating a new field of metro finance.

Chapter 9 specifically addresses several big ideas that follow from the chapters on inclusion and metro finance, but also reflects the lessons of

the three case studies. To drive the future, cities must find new ways to invest in innovation, infrastructure, and inclusion, both by harnessing local capital and by connecting to global instruments and institutions. The ideas presented in this chapter not only are doable, they should be done. Innovation districts, generally located near universities and medical campuses, can be their own investment sector, attracting capital from pension funds and university endowments. Public asset corporations can regenerate industrial areas and finance large-scale infrastructure by increasing the commercial yield of publicly owned land and buildings without raising taxes. Cities can be part of a national, locally resourced campaign to invest in children, based on objective research and proven models, so that every child gets a shot to be middle class by middle age.

These ideas show that cities, far from being broke, have the means to raise enormous amounts of public, private, and civic capital and dedicate these resources to advanced problem solving. The ideas are bold and designed to provoke debate. But that is the purpose of this book, to describe what is already happening that accelerates growth and inclusion and to imagine what is possible and necessary moving forward.

The final chapter is a call to action. If cities are where the local and global converge, the right leadership and civic culture are the engines of a productive convergence. Whether it's in Erie, Pennsylvania, or Abilene, Texas, the ways to move forward engage leaders from all walks of life and several layers deep. To this end, theories of network intelligence that have been created to enhance the performance of corporations can also be applied to multiply the number of city leaders and improve their problem-solving capacity.

Leadership and civic culture have maximum impact when they are expressed through effective institutions. The institutions that urban leaders inherit, both within and across cities, were built to serve a different market and a different political economy. At a time when so much is changing, it is important that local leaders not only act but also take on the difficult task of renewing institutions or building new ones to meet hard challenges.

Organizing for success, of course, is not a job for city leaders alone. If national and state governments, global corporations, financial institutions,

and multilateral institutions are to be city-savvy in a city-driven century, then they too need to reform their practices and engage cities as true partners. A burst in the establishment of city-oriented capacity-building and knowledge-sharing intermediaries, as well as investment funds, is clearly on the horizon. Just as earlier eras of political instability and economic insecurity led to the creation of such national institutions as the Federal Reserve Bank and the Social Security Administration, New Localism will find its hard expression in new institutions built by and for cities. History is repeating itself, but in urban form.

With so much uncertainty and vitriol at the federal level, New Localism offers a pathway to national renewal and a more competitive, sustainable, and inclusive society. It can unlock and leverage trillions in private and civic capital as markets are created and individuals and institutions find ways to invest in social outcomes. It is a path toward liberating and galvanizing energy and capital across the nation to invest in the future. It can make the United States more democratic since it places decisionmaking closer to the ground, with greater opportunities for participatory engagement on a regular basis rather than limited to periodic voting.

Finally, and most important, as citizens see solutions to pressing challenges actually implemented rather than simply debated by polarized parties and ideologies, New Localism can restore political comity and sanity to the American system and thus restore faith in government.

This is how to rebuild nations and repair the world: from the ground up.