

The background of the slide is a blue-tinted photograph of the Brookings Institution building, a large, multi-story classical-style structure with many windows and a prominent portico. The text is overlaid on this image.

BROOKINGS

The invisible infrastructure of inclusive economic growth

Five civic capabilities every region needs to reach its full potential

June 2025

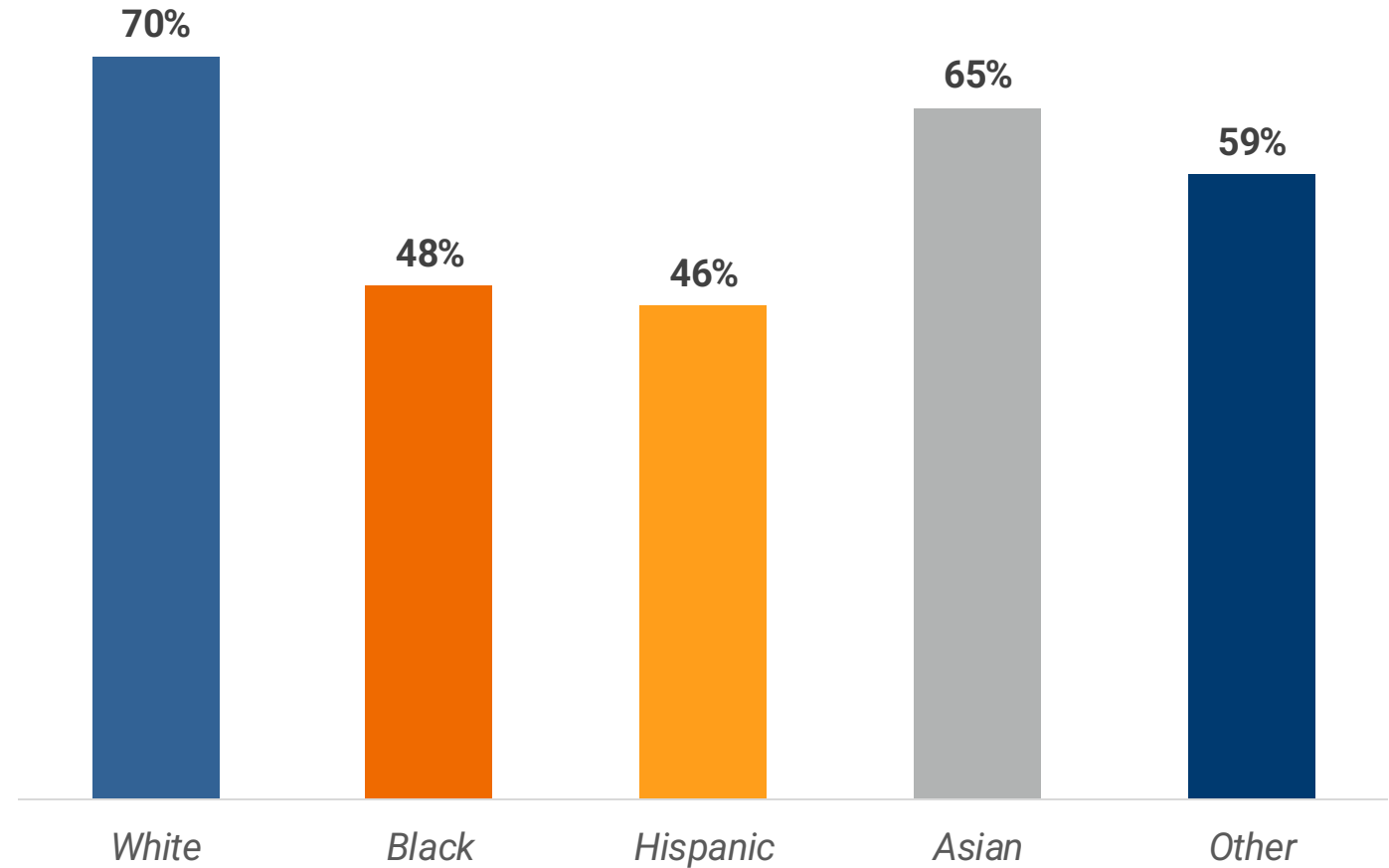
Across the country, Americans are working hard—and still falling behind

According to recent nationwide polling,

39%

of Americans rank the **economy** as their most pressing concern

Share of economically thriving families by race, 2023

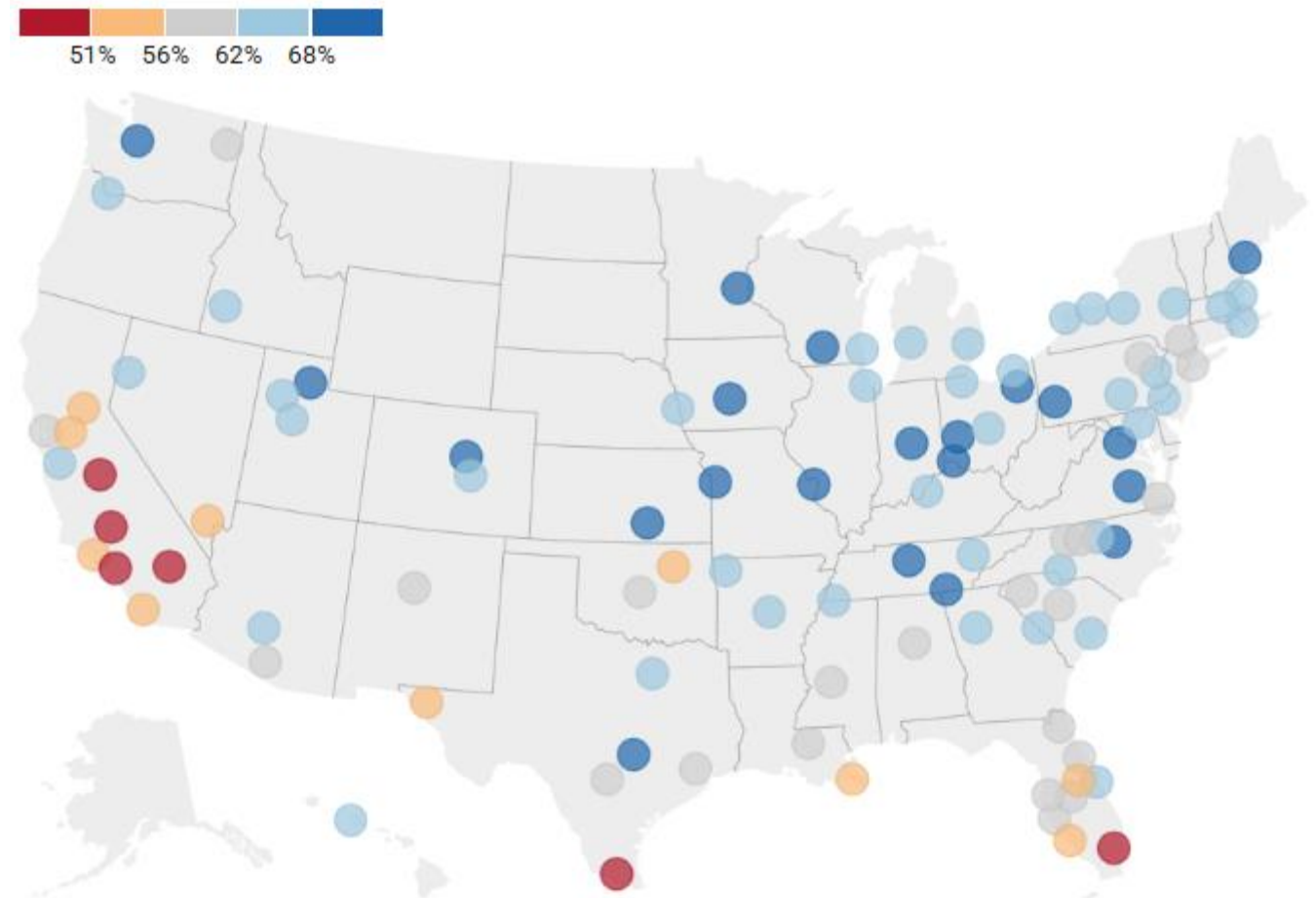


These pressures affect all Americans—but **not everyone has the same access to opportunity.**

Some families face added hurdles to realizing their full potential because of their race or ZIP code. Regional conditions matter in shaping that access to opportunity.

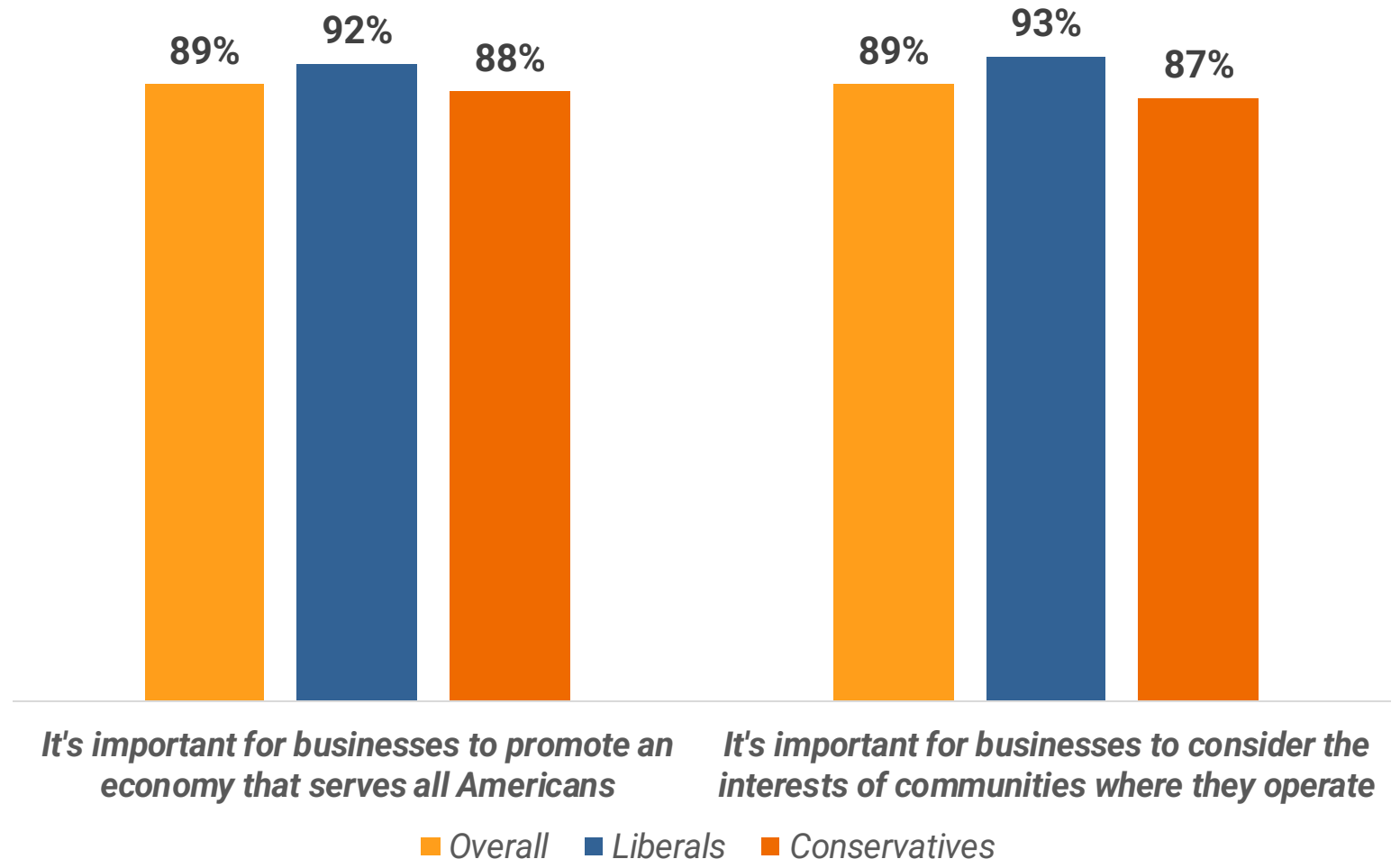
So it's *not* just a personal loss—it's a **regional economic challenge.**

Share of economically thriving families, 2023



Americans want businesses to step up and help build more inclusive economies

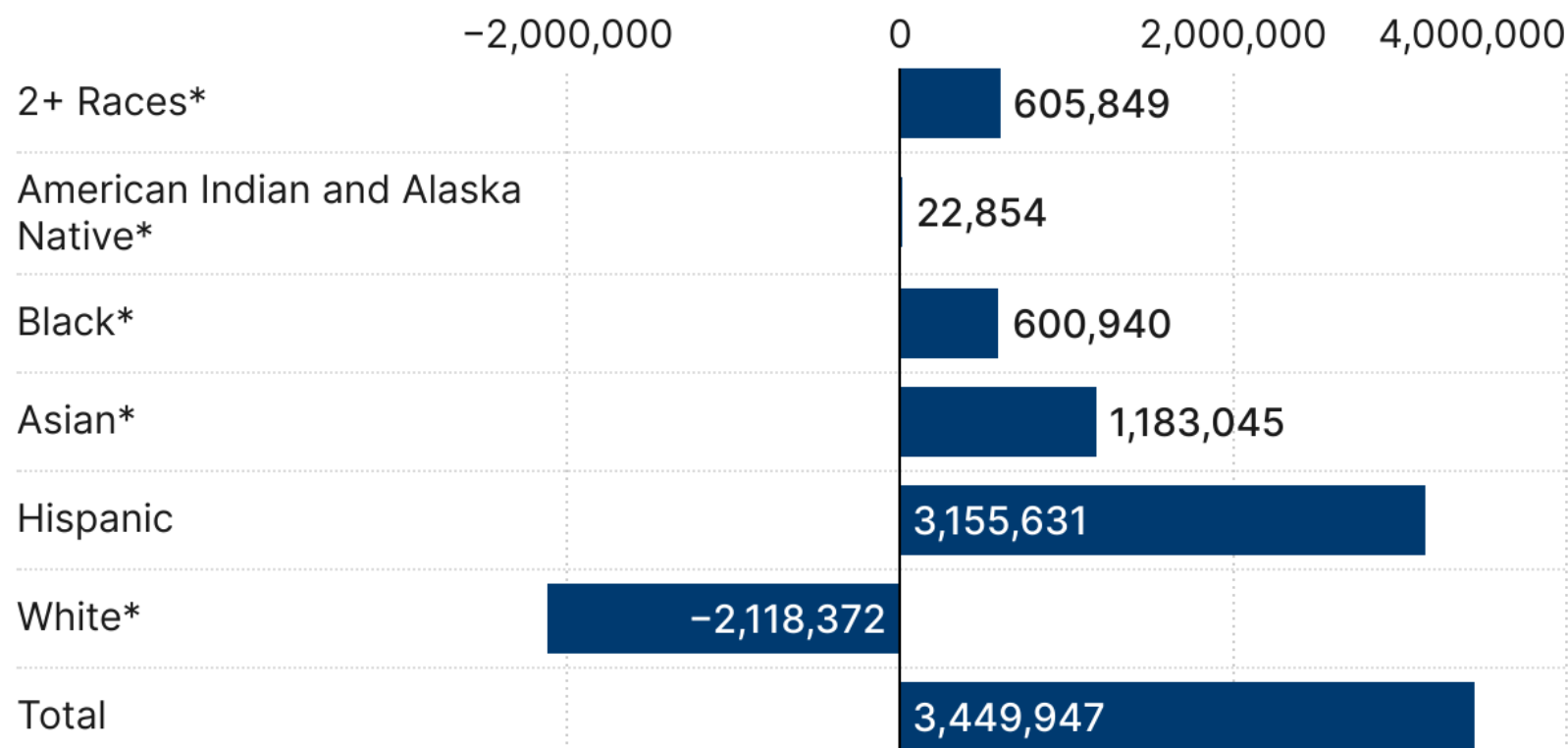
Share of Americans who agree with business involvement in advancing inclusive growth, 2024



Why this matters **now**

Post-2020 U.S. population change by race-ethnicity

2020–2023**



The nation is facing historic **demographic shifts**: Population growth post-2020 was *entirely driven* by Latino or Hispanic, Asian, Black, and other people of color (**see left**)

All this alongside **intensified global competition** and protectionism, new risks to good employment (from **generative artificial intelligence** and more), and historic levels of **political polarization**

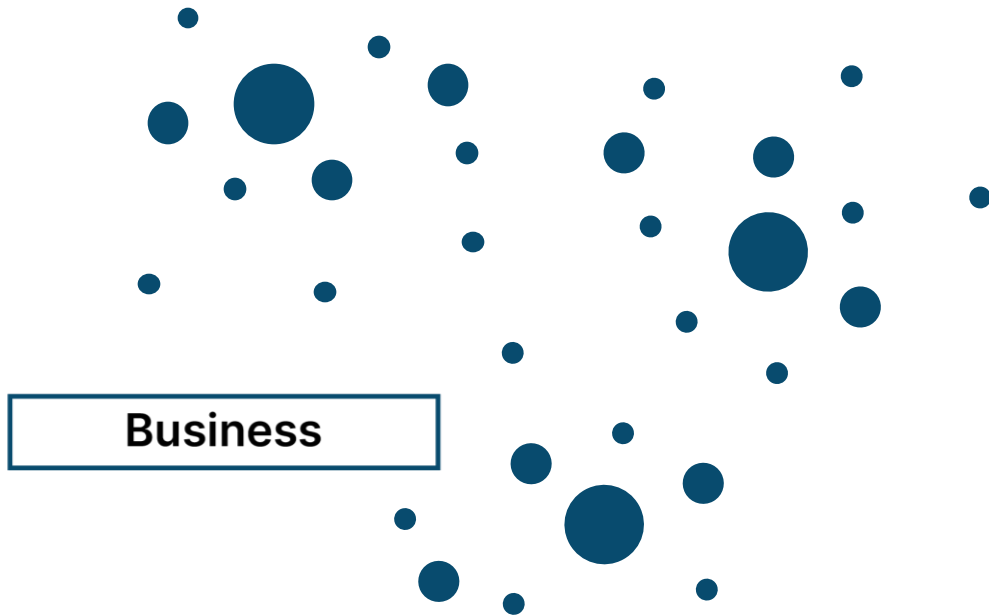
Source: William H. Frey's analysis of U.S. Census Bureau population estimates released June 27, 2024.

Note: *Non-Hispanic members of race; Asian includes Native Hawaiian and Other Pacific Islanders

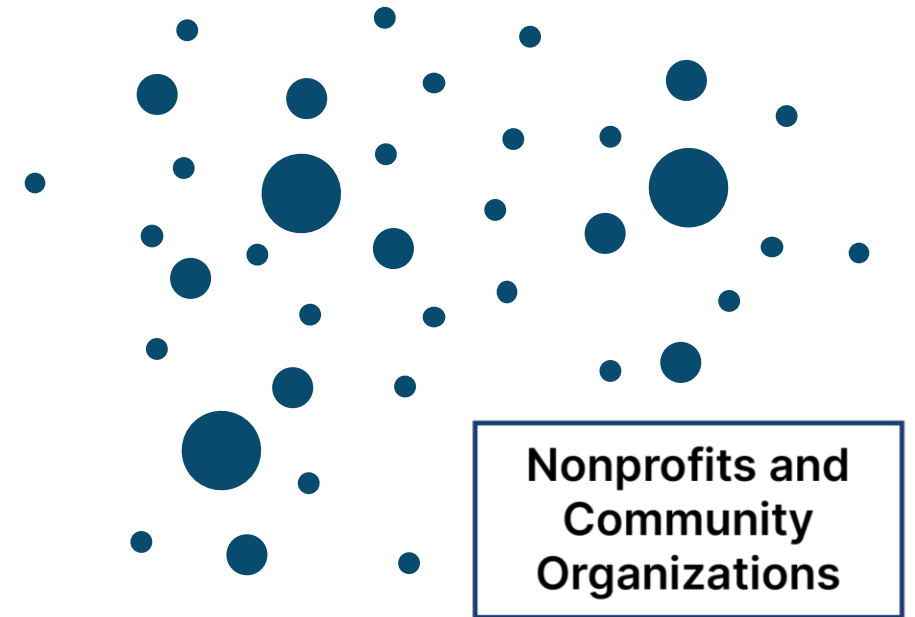
**Change from 2020 census date April 1, 2020 to July 1, 2023

The **problem**: Strategies to build more inclusive economies are too often **disconnected** from key sources of growth and opportunity

Firms overlook diverse talent and other key drivers of competitiveness



Nonprofits and broader civic ecosystems lack crucial demand signals from industry



What's driving the disconnect

Fragmented local economies, with:

Minimal coordination (e.g., between labor supply and demand)

Limited experience implementing “strategic sector” strategies focused on key industries

Decreasing civic engagement from CEOs due to:

Globalization, with business HQs leaving for larger cities

Decreasing CEO tenures, so they have less time to get civically engaged

Increasingly **limited time** and attention

Shifting sociopolitical conditions, including:

Growing social and political **polarization**

An increasingly saturated nonprofit ecosystem, fueling **scarcity mindsets**

**WE NEED A MORE
AMBITIOUS VISION
FOR INCLUSIVE
ECONOMIC GROWTH**

**In an inclusive economy,
growth is **driven**—not just
shared—by people of **all**
backgrounds and identities**

***They are owners, innovators, and leaders in the growth
industries shaping the future of regional economies***

There are promising emerging approaches building **real connections** between people, firms, and **opportunities** in key industries



Boost | North Carolina

Building on a model in New York City that doubled graduation rates, North Carolina Community Colleges received \$35 million from Arnold Ventures to provide intensive advising, free tuition, stipends, and other supports to students in programs related to priority sectors.

Ascend Network | Nationwide

Based on a program at the University of Washington in Seattle and now operating in several regions, this initiative is focused on helping minority- and women-owned business surpass \$1 million in revenue by becoming strategic supply chain partners of leading national and global firms.



**THIS REQUIRES A NEW
FORM OF BUSINESS
LEADERSHIP—AND A
NEW ROLE FOR
BUSINESS LEADERSHIP
ORGANIZATIONS**

What is a **business leadership organization**?

Business leadership organization

noun

a regional nonprofit entity primarily funded and led by the region's business leaders

Common examples of business leadership organizations include:

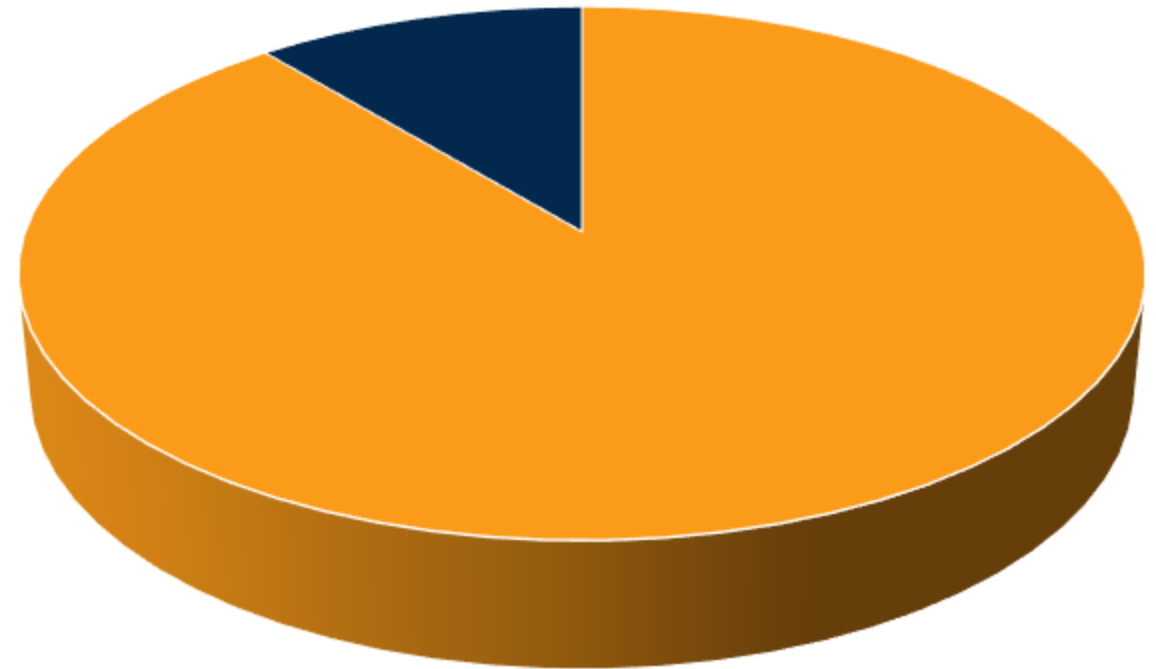
- ❖ *Regional chambers of commerce*
- ❖ *Regional economic partnerships*
- ❖ *Regional CEO membership orgs*

...and **why** do business leadership orgs matter?

Business leadership organizations have the **unique potential to shape business behaviors** in ways that drive inclusive growth because they:

- ➔ Have **unique credibility** with and access to business leaders
- ➔ Can be **first movers** or activate business leaders behind the scenes
- ➔ Are often **key civic players**, helping set the formal policy and informal local “rules of the road” that shape the regional economy*
- ➔ Have an **influential board**, C-suite, and skilled staff, each playing uniquely important roles

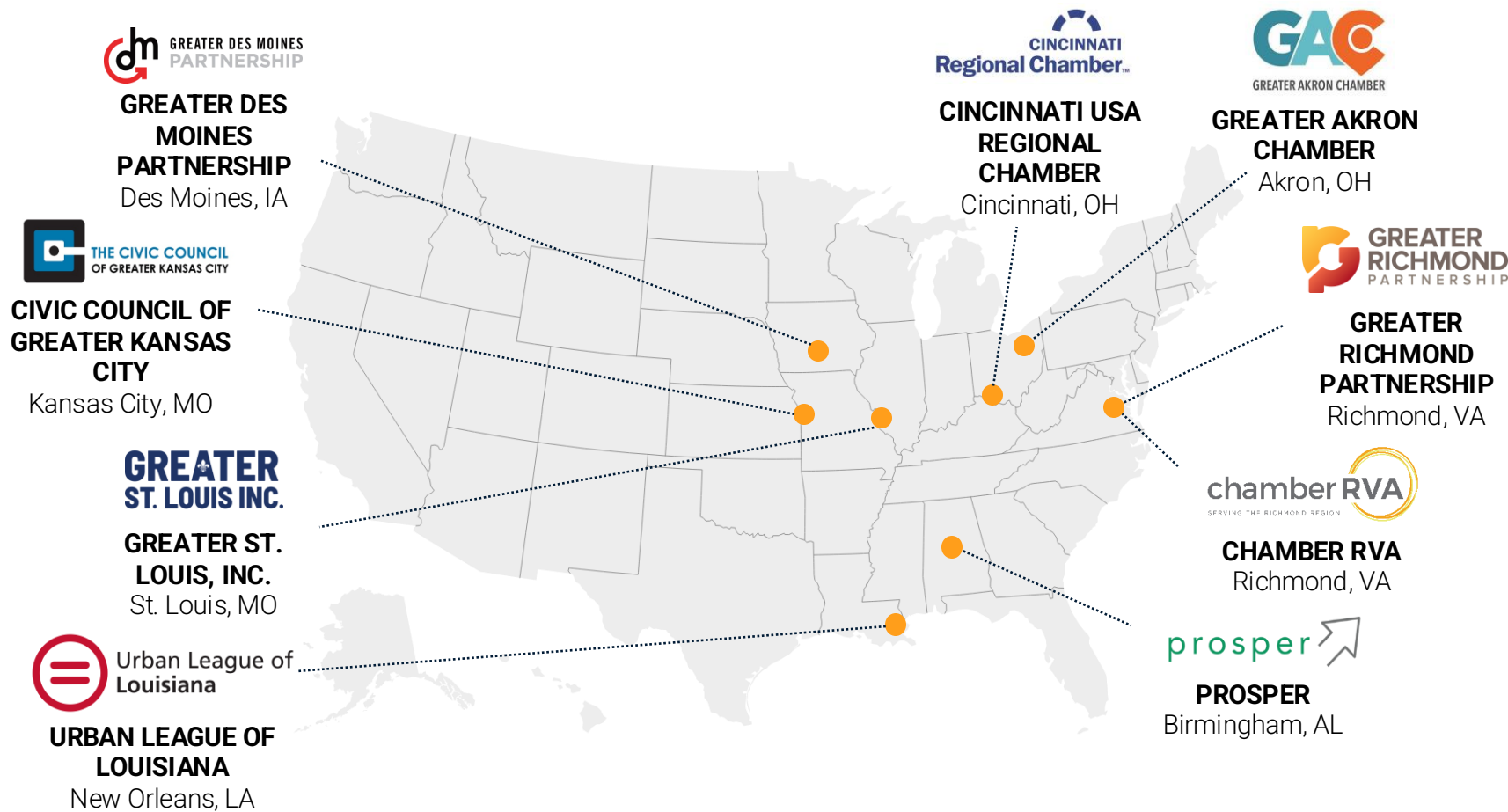
**Having businesses
step up is not a
controversial idea:
9 in 10 Americans
want businesses to
promote an economy
that works for all
Americans**



■ Agree ■ Do not agree

Small and midsize cities are **ground zero** for this new approach to inclusive growth

Regions and organizations in the Regional Inclusive Growth Network



The Regional Inclusive Growth Network (RIGN):

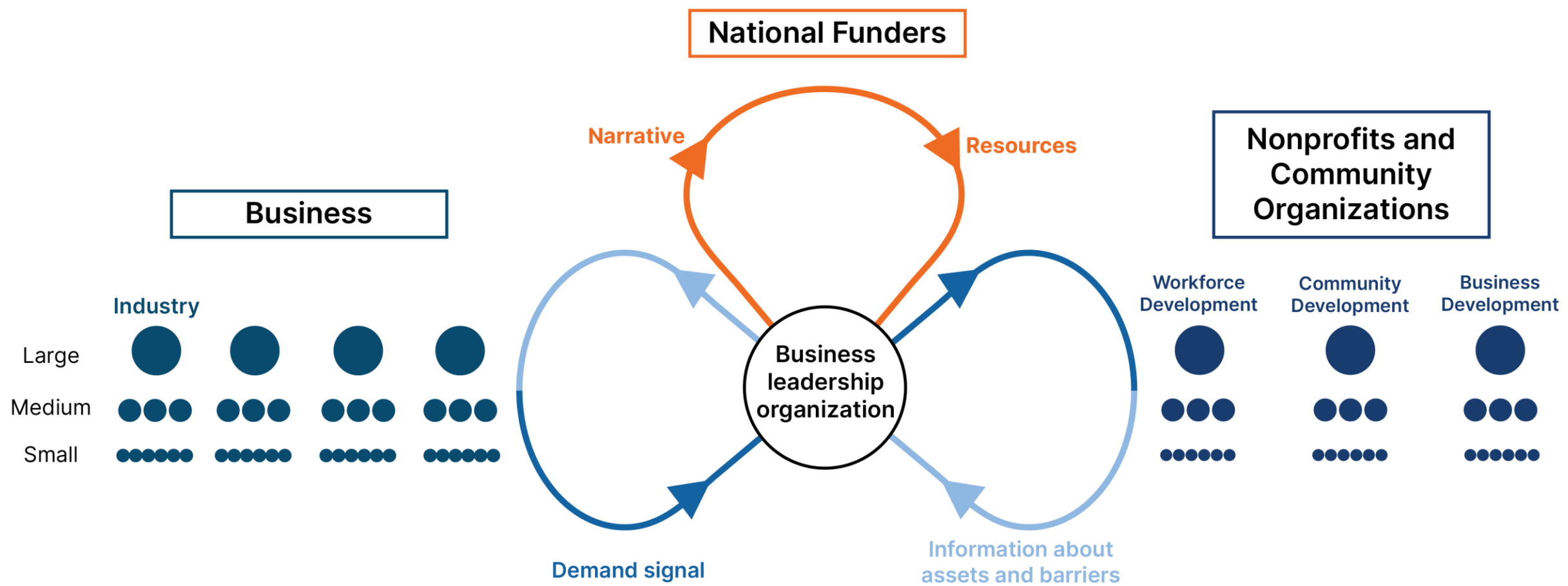
For the past two years, with support from the Robert Wood Johnson Foundation, Brookings Metro has been working with and gathering insights from leaders across eight regions anchored by small and midsize cities—all focused on catalyzing regional, cross-sector action to advance business norms and practices that unlock more racially inclusive growth.

Key assets common in small and midsize cities and regions include:

- Relatively affordable costs of living
- Legacy industry assets
- Strong existing infrastructure
- Diverse populations

**WHAT WE'VE LEARNED: THE
FIVE CIVIC CAPABILITIES
THAT ALL REGIONS NEED
TO ADVANCE INCLUSIVE
ECONOMIC GROWTH**

Business leadership orgs are uniquely positioned to advance inclusive economic growth **by realigning market demand** and incentives **with community needs** and regional civic goals



**But to unlock those changes,
regional action requires a paradigm
shift: from **siloes** inclusion and
growth efforts...**

...to **integrated
inclusive growth**

**Achieving that shift
requires deploying five
key regional civic
capabilities.**

FROM CONVENING 'USUAL SUSPECTS'

**to share information
and build consensus
within bounded
groups (e.g., only
businesses or large
regional civic
organizations)**



TO CONNECTING DIVERSE NETWORKS

**across industries and
socioeconomic groups
to build trust, reveal
shared interests, and
develop a richer
understanding of the
regional economy's
potential**

1. Connecting diverse networks

Local spotlight

Leaders in **New Orleans** have launched and sustained the SEE CHANGE Collective as a **broader table to guide the region's economic strategy**, with the Urban League of Louisiana as backbone. SEE CHANGE **bridges community, civic, and business leaders** to co-inform, co-develop, and collectively advance inclusive wealth-building strategies through targeted initiatives in income and wages, homeownership, and business ownership and entrepreneurship.



Clarifying roles and responsibilities

Business leaders: show up to meetings, share POV, and learn from other firms and the regional ecosystem

Business leadership orgs: identify the orgs and people that need to be at the table, then sustain that table for authentic connection

FROM SETTING ABSTRACT VISIONS

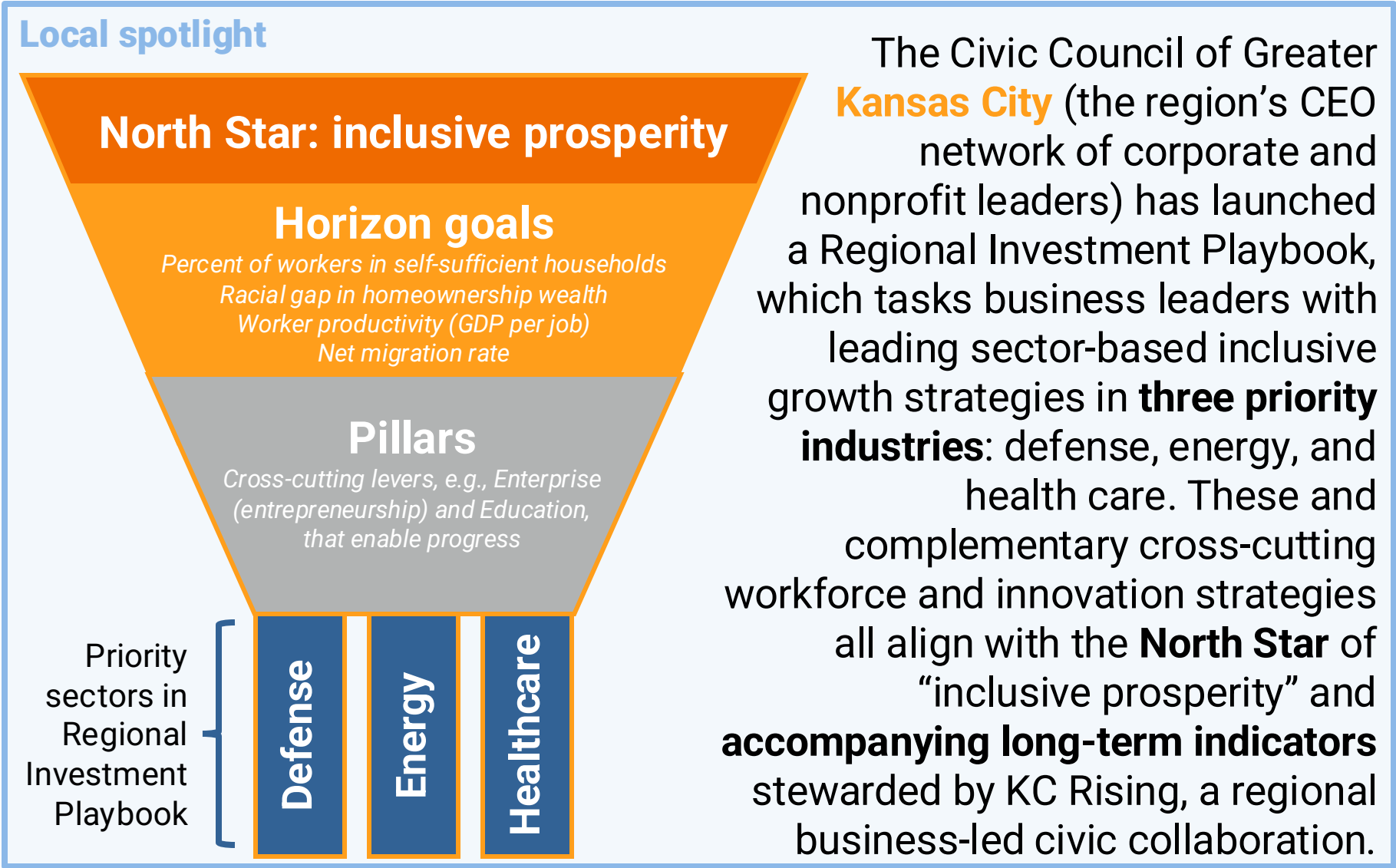
about how much to grow, with a few big goals (“create 50,000 jobs”) and vague references to racial inclusion (“opportunity for all”)



TO ORIENTING TO A SHARED AGENDA

—including why growth matters and how it will happen—with racial inclusion embedded and articulated as a key driver of growth

2. Orienting to a shared agenda



Clarifying roles and responsibilities

Business leaders: share data, needs, priorities, and insights

Business leadership orgs: understand and aggregate business needs; align incentives and priorities across business, community, and other regional stakeholders; and articulate and maintain fidelity to a shared agenda over time

**FROM SOLICITING
ONE-OFF
BUSINESS INPUT**

(as advice and funding) for regional workforce, business, and community development programs and initiatives

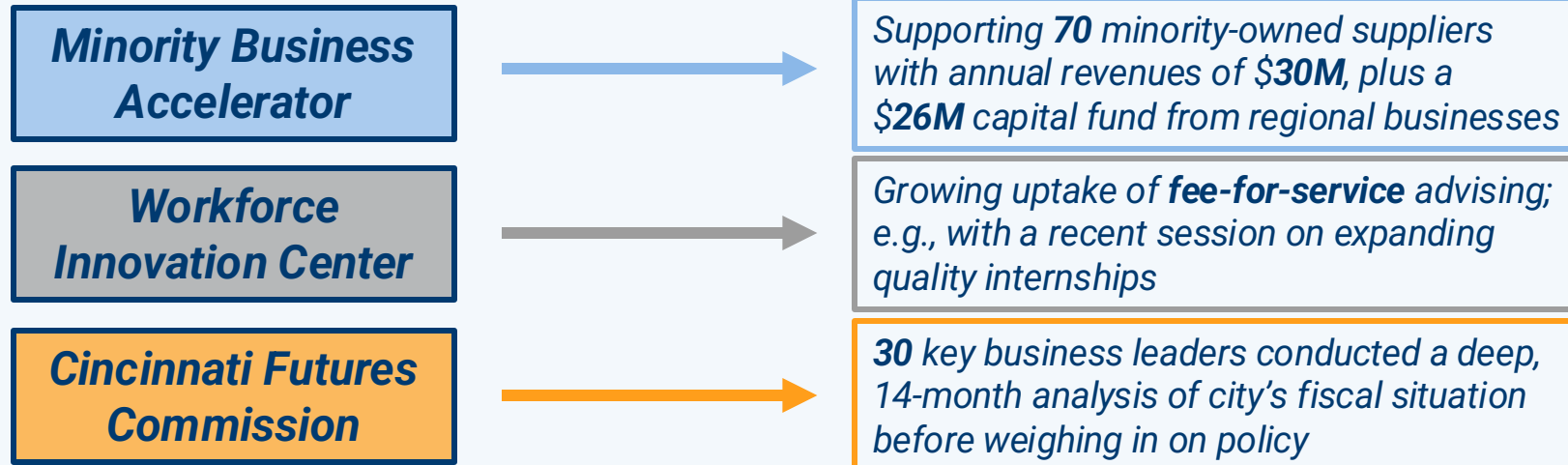


**TO ACTIVATING
BUSINESSES AS
PARTNERS** to inform and engage in strategic, collective regional inclusive economic growth efforts across workforce, business, and community development

3. Activating businesses as partners

Local spotlight

Leaders across teams within the **Cincinnati** Regional Chamber strategically and regularly activate business leaders to **engage at key moments** in inclusive growth initiatives **designed to advance their own economic competitiveness**. All engagement is informed by Chamber staff's deep understanding of business needs. For example:



Clarifying roles and responsibilities

Business leaders: show up and participate in relevant regional inclusive growth initiatives as *solutions to their own business problems*, shifting policies and practices to align with inclusive growth

Business leadership orgs: identify best-fit initiatives and encourage and empower key business leaders to engage

**FROM
SUPPORTING
DISCRETE
PROGRAMS**

that support
inclusion or growth—
but in different parts
of the economy
without incentivizing
coordination



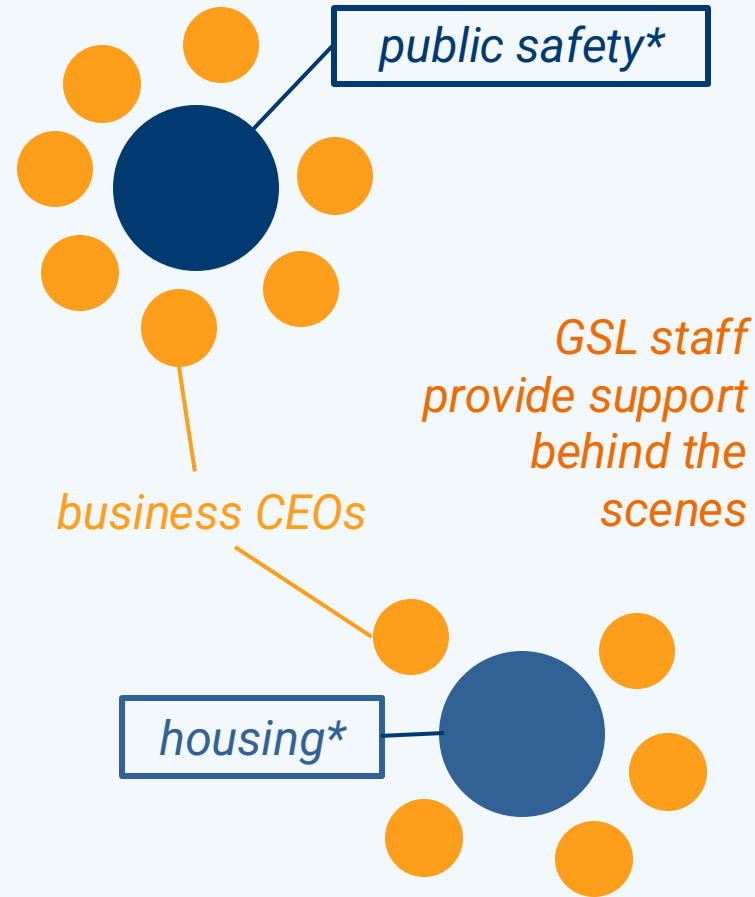
**TO INTEGRATING
OUTCOME-
DRIVEN TEAMS**

of diverse
organizations,
each playing a
complementary role
in solving specific
high-priority
challenges

4. Integrating outcome-driven teams

Local spotlight

Leaders at Greater **St. Louis**, Inc. (GSL, the region's economic development org) coordinate and support what they call **"strikeforces": time-bound, outcome-driven teams**—each with five to seven CEOs—tasked with executing a specific strategic initiative **to achieve a clear target outcome**. For each, GSL staff identify CEOs who might want to lead, pair them with complementary partners, refine scope, and support execution. GSL staff also ensure all strategic initiatives remain aligned with the broader regional inclusive growth strategy, as outlined in the STL 2030 Jobs Plan.



**Example topics are for illustrative purposes only*

Clarifying roles and responsibilities

Business leaders: bring business acumen and partner to solve specific regional challenges

Business leadership orgs: articulate specific challenges and align the work of key businesses, nonprofits, and other players from the region that need to be involved

FROM RAISING PROGRAM- SPECIFIC FUNDS

from business
leaders to support
initiatives and
strategic planning in
economic and
workforce
development



TO MOBILIZING MULTI-SOURCE CAPITAL, aligning it with strategy, and using performance management tools to attract more resources and reallocate them to high-priority areas over time

5. Mobilizing multi-source capital

Local spotlight

Leaders at business leadership organizations across these regions are beginning to identify, pursue, and **braid multiple types of capital** to support and sustain the region’s inclusive growth strategy, including:

Types and sources		Example
Philanthropy	Endowments, mission-aligned donors	Birmingham’s national fundraising for job creation/access/preparation strategy
Government	Appropriations, fees, grants	Akron and St. Louis receiving federal industrial strategy grants
Corporate	Member contributions	Kansas City Civic Council for its Investment Playbook
Program Income	Sponsored research, training, facilities	Cincinnati Workforce Innovation Center

Clarifying roles and responsibilities

Business leaders: contribute flexible resources to support strategic backbone functions of business leadership orgs

Business leadership orgs: track performance and outcomes using short-, medium-, and long-term metrics, and blend and braid capital (from within and outside the region) to support regional strategy

**ALL TOGETHER, THESE FIVE
CAPABILITIES COMPRISE
THE INVISIBLE CIVIC
INFRASTRUCTURE REGIONS
NEED TO ADVANCE
INCLUSIVE GROWTH**

The **invisible civic infrastructure** of the five capabilities regions can use to advance inclusive economic growth:

FROM siloed inclusion and growth

From convening “usual suspects”
From setting abstract visions
From soliciting one-off business input
From supporting discrete programs
From raising program-specific funds



TO integrated inclusive growth

To connecting diverse networks
To orienting to a shared agenda
To activating businesses as partners
To integrating outcome-driven teams
To mobilizing multi-source capital

What regional leaders can do tomorrow

Decisionmakers at regional business leadership organizations—particularly **board members** and other funders and supporters—can take a step toward **unlocking their economies' full potential** by:

- ✓ **Adopting** these five capabilities to shape strategic planning
- ✓ **Identifying** where they need to partner
- ✓ **Dedicating** funding and staff time to building this invisible civic infrastructure

It takes a team: How partners can catalyze change



Business and industry:

Evolve your region's business leadership organization(s) to mobilize the region around a shared inclusive growth strategy

Local and state elected officials:

Use the "invisible infrastructure" framework to assess the effectiveness of your regional economic development system in advancing inclusive economic growth

Philanthropic leaders and other funders:

Design incentives, including flexible resources, for greater regional coordination toward inclusive economic growth strategies

Learn more and get involved

Read the full report here:



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