

# Manufacturing, Race, and Community

*Innovation in Both Manufacturing and Social Inclusion*

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## Executive Summary

Our approach is tied to a social justice agenda. We believe our future lies in a profound linkage between advanced manufacturing and social inclusion achieved by building an educational infrastructure tied to 21<sup>st</sup> century manufacturing in inner-city communities. A failure to build this infrastructure reflects a policy of 21<sup>st</sup> century segregation and holds back our entire society.

There are 20,000 good jobs in manufacturing going unfilled in our region, due to the disconnect between our education system and the manufacturing sector. This is the “skills gap.” There is also a large number of retiring owners leaving the helm of smaller, privately held companies—placing many at risk due to the absence of new successors— this is the “succession gap.”

Addressing these two challenges can be done in a way that meets both the needs of our regional manufacturing sector and our communities. MR has the programs and partnerships that, if taken to scale, can begin to transform our region and establish its reputation as a global center for innovation in advanced manufacturing and social inclusion. The key programs are:

- **The Chicagoland Manufacturing Renaissance Council:** A growing membership organization representing an effective public/private regional partnership.
- **The Manufacturing Connect (MC) Program:** A program that connects schools to the regional manufacturing sector. MC has been recognized by the US DOL, the Mayor, and the CEO of Chicago Public Schools. Efforts are underway in three Chicago high schools including Austin College and Career Academy, Bowen High School, and Prosser Career Academy. We seek to expand into 10 high schools and 20 middle schools.
- **The Young Manufacturers Association:** Young adults already in the manufacturing sector that are providing mutual support as they engage in outreach to other young adults. The Association is founded by a \$200,000 violence prevention grant from Cook County.
- **The Instructor’s Apprenticeship for Advanced Manufacturing:** There is a critical shortage of teachers who are technically, culturally, and pedagogically competent. The Chicago Teachers Union Foundation, the National Institute for Metalworking Skills, the Technology and Manufacturing Association, and Daley College have established a program to meet this need.
- **The Ownership Conversion Project:** MR, the Safer Foundation, the Chicago Federation of Labor, and the Local Initiative Support Council are in an exploratory stage of establishing a program to promote the acquisition of companies by employees, as well as by African American, Hispanic, and female entrepreneurs.

We are seeking \$125 million over the next 5 years to establish Cook County as a model of a region anchored in advanced manufacturing and social inclusion. These and related programs will create 6,000 qualified applicants for jobs in manufacturing in 5 years and 3,300 applicants each following year. We will begin to close the succession gap and diversify the ownership structure of manufacturing. This initiative will inspire changes in local, regional, state, and federal policy to support the expansion of similar initiatives nationally.

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## Introduction

According to the police superintendent of Chicago, 700 murders in Chicago are essentially the result of illegal guns and 1,400 gang members on a “strategic subject list” of the Chicago Police Department. Manufacturing Renaissance (MR) disagrees. We see these murders as a product of the overall social, economic, and political exclusion of communities of color that has taken place over the last 40 years. This moment of deep insecurity begs for a new development vision that gets at the root of the causes of the epidemic of violence and crime, by offering specific and practical solutions.

Manufacturing’s current crisis is due in part to the dramatic demographic shift called the “grey tsunami” —baby boomers retiring in large numbers. There are 20,000 good jobs in our region going unfilled because of the disconnect between our education system and the manufacturing sector. A shift toward advanced technologies in production is taking place, and it requires higher levels of skill and education. This is the “skills gap.” At the same time, there is a large number of retiring owners that are leaving the helm of smaller, privately held companies—placing many of these companies at risk due to the absence of new successors. This is the “succession gap.”

MR believes that addressing this crisis in manufacturing can go hand in hand with addressing the crisis in our inner-city communities, where education is key. In fact, failure to build an educational infrastructure linked to 21<sup>st</sup> Century manufacturing in our inner cities reflects a policy of 21<sup>st</sup> Century segregation.

MR and its partners have developed several prototypes, such as the Chicago Manufacturing Renaissance Council, the Manufacturing Connect program, the Ownership Conversion project, and other similar initiatives that fuse education and community development with manufacturing. Our programs could lead to 6,000 qualified applicants for manufacturing jobs in the next 5 years and would have an educational infrastructure that will generate 3,300 applicants annually going forward. Each manufacturing job has a multiplier affect resulting in 5 additional jobs in other sectors of the economy. MR’s approach is informed by best international practices, and, if brought to the right scale, it could result in close to 50,000 jobs in 10 years. We also address the challenge of the “succession gap” and propose an ecosystem that has all the key elements that are required for success.

In this paper, we first provide an overview of Chicago’s current situation by drawing a link between the increasing violence we see on the street and the challenges facing the manufacturing sector. Second, we summarize our programs. Third, we advance our plan to scale this effort in Cook County as a means to inspire replication elsewhere and to influence changes in local, state, and national policy—particularly policies that would determine the funding available for this approach. Our programs and projects are briefly summarized. Detailed concept papers are available for each initiative.

## Poverty Drives Violence

On December 2nd, the *Chicago Tribune's*<sup>1</sup> headlines announced a sobering milestone—700 murders in Chicago this year alone. The Austin community has had 54 murders—double the count of a year ago. Three members of Manufacturing Connect community at the Austin College and Career Academy are included in this grim statistic—all murdered in the last two months. One was a student, one was a graduate, and one was an alumnus of Austin High School—a tool and die maker who wanted to volunteer for the Manufacturing Connect program. He was killed two days before he was to meet with our staff. In the newspaper's article, the Police Superintendent, Eddie Johnson, blames 1,400 gang members who are on a police "strategic subject list" to be held accountable. The Police Superintendent also blamed the flow of illegal firearms.

We view the explosive growth of crime, including murder, as a product of deep poverty, unemployment, underemployment, and segregation. The flow of illegal guns and the growth of gangs is a symptom and an important factor but not a cause of the crisis. As reported in the *New York Times*,<sup>2</sup>

"In places like this, cycles reinforce themselves: Poverty and joblessness breed an underground economy that leads to jail and makes it harder to get jobs. Struggling, emptying schools result in the closings of the very institutions that hold communities together. Segregation throws up obstacles to economic investment. And people and programs with good intentions come and go, thwarting hopes, reinforcing frustrations while never quite addressing the underlying problems, anyway."

"Into all of it comes a lethal mix of readily available guns, a growing number of splintering gangs and groups, and a sense among some here that the punishment for carrying a weapon on these streets will never be larger than the risk of not carrying one."

Seven hundred murders and increasing violence are not a challenge that is easily penned on 1,400 young men of color. And if we were to really develop a "strategic subject list" of those responsible for the causes of crime, it would need to include also those figures in the business and political community, who played leading roles in the dismantling of the industrial base on the West and South Sides and in the city in general. The same issue of the *New York Times* that featured the article on Chicago violence included an article on the role of private equity companies destroying companies like Hostess resulting in 8,000 jobs lost in exchange for enormous personal wealth<sup>3</sup> including hundreds of jobs at their facility in Shiller Park—a Chicago suburb. Hence, it appears that financiers like Leon Black and Dean Metropoulos should be near the top of a "strategic subject list."

Our mainstream economic and political leaders continue to remain passive in stopping the on-going destruction of the educational and development structure in inner city communities on the West and South sides—satisfied to support small scale and marginal programs that barely touch the surface of the root causes of poverty.

**De-industrialization Drives Poverty:** MR has always been focused on community development and social justice, particularly in the Austin community. Our approach focuses on manufacturing because, like Harvard Professor William Julius Wilson—an early advisor of MR—argued, the growth of extreme poverty particularly in the African American community is a direct product of deindustrialization.<sup>4</sup> Communities of color have

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<sup>1</sup> *Chicago Tribune*, December 2, 2016, page 1.

<sup>2</sup> "In Chicago Bodies Pile Up at Intersection of Depression and Rage," *New York Times*, December 9, 2016.

<sup>3</sup> "How Twinkies Made the Superrich Even Richer," *New York Times*, December 11, 2016.

<sup>4</sup> *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*, William Julius Wilson, 1987

unevenly been affected by the loss of manufacturing jobs, and with it the opportunity to sustain their communities' vitality. As described in the *New York Times*,<sup>5</sup> on Chicago's West Side:

"Industry once flourished here. The original headquarters and distribution center for Sears, Roebuck & Company provided thousands of jobs. But the area changed in the 1950s, 1960s, and 1970s, as whites moved away and blacks moved in. In 2014, almost a quarter of the housing units in the neighborhoods in the district were vacant, census data shows."

During the past three decades, MR witnessed the destruction of the industrial base in the Austin community and broader West Side. We were directly involved in a number of efforts to retain companies and jobs at Brach Candy Company and Leaf Confectionary. These Austin companies together employed over 4,000 people. They were viable companies that finally closed due to short term profit maximization financial strategies by their owners who were well aware of the enormous damage their decisions would have on the Austin community.

'The steel mills, the factories, those big economic engines aren't there,' said Eric Washington, a deputy chief for the Chicago Police Department and a former commander of the 11<sup>th</sup> District, 'and we need to see what can be the new engines in this district. It can't be the drug trade.'<sup>6</sup>

We saw firsthand how communities like Austin were disproportionally damaged. Once there were 20,000 manufacturing jobs in the Austin community. Now there are 2,000. The City lost 57% of its industrial base. Austin lost 90%. Unemployment in the city is 6.4%. In Austin, it's 30%. On the West Side, jobless rates for African-Americans ages 20-24 hovers between 53-73%<sup>7</sup>, with those living in poverty and extreme poverty at 51.3% of all residents.<sup>8</sup> In Illinois, only 1% of manufacturing companies are owned by people of color, while 99% are owned by whites<sup>9</sup>—a striking indicator of a persistent pattern of exclusion—that is also visibly present in the Austin community.

## Manufacturing is Central to our Future

From our extensive experience in industrial retention, we know that manufacturing remains viable in Chicago and essential for creating a truly inclusive and healthy city. While all sectors are important, manufacturing significantly multiplies economic growth for other sectors<sup>10</sup>. For every \$1.00 of domestic manufacturing value-added, another \$3.60 of value-added is generated elsewhere.<sup>11</sup> Each manufacturing job creates 5 other jobs in the economy—far greater than the service and retail sectors. Manufacturing has to be at the center of any "blueprint" for community development. Our emphasis on manufacturing is not because we love manufacturing *per se*, but because we think of rebuilding the connection of communities to our manufacturing sector as the most effective way to overcome poverty and social exclusion. If we thought free beer would be as important in building communities, we would be advocating for free beer instead of manufacturing.

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<sup>5</sup> *New York Times*, "In Chicago Bodies Pile Up at intersection of Depression and Rage," December 9, 2016.

<sup>6</sup> *Ibid.*

<sup>7</sup> *Lost: The Crisis of Jobless and Out of School Teens and Young Adults In Chicago*, January 2016

<sup>8</sup> *West Side Forward*, Bethel New Life, p. 15.

<sup>9</sup> <http://www.mbda.gov/sites/default/files/ManufacturingFactSheet2014.pdf>

<sup>10</sup> <https://www.mapi.net/blog/2016/04/infographic-new-model-manufacturings-multiplier-effect>

<sup>11</sup> <https://www.mapi.net/blog/2016/04/infographic-new-model-manufacturings-multiplier-effect>

**Threats to our Manufacturing Sector—the Skills Gap:** Production in manufacturing has changed in that low skilled work has gone off shore and American companies have moved toward more advanced production, requiring a more skilled and educated workforce. There is a powerful demographic shift taking place with the baby boomer generation leaving production and ownership positions in thousands of companies--placing them at risk of closing. Combined with the complete dismantlement of the vocational education system, urgency in such matter is crucial to Chicago's sustainability. Today, thousands of manufacturing jobs are unfilled.<sup>12</sup> *Crain's Chicago Business* estimated in 2012 that Illinois has 30,000 jobs in manufacturing going unfilled.<sup>13</sup> Typically, the Chicago region constitutes 2/3 of the state industrial base meaning we have 20,000 jobs in manufacturing going unfilled. It's key that we address this challenge at an appropriate scale. If we don't fill these jobs, we will lose them.

World Economic Forum founder, Klaus Schwab, recently commented on the potential for advanced manufacturing and technologies to widen the gap between rich and poor. He said, "...my biggest concern (is that) the fourth industrial revolution will...increase the inequality which we have."<sup>14</sup> Reading such quote, we realize that, if we fail to build an educational infrastructure geared to the realities of 21<sup>st</sup> century manufacturing, inner city communities will not participate in the growth and development of our manufacturing sector. Whereas hundreds of millions of dollars in Chicago have been invested in projects like the Digital Manufacturing and Design Innovation Institute, very little has been spent in education linked to 21<sup>st</sup> century manufacturing, particularly within the inner city. This is not to undermine the importance of such projects like the DMDII, but to be reminded that the failure to build an appropriate educational infrastructure in the inner city linked to 21<sup>st</sup> Century manufacturing reflects policies that actually promote 21<sup>st</sup> century segregation.

**Threats to our Manufacturing Sector—the Succession Gap:** Another threat to the manufacturing sector is the less-discussed, but equally serious challenge that small companies with a retiring owner and no apparent successor are facing. Absent from the pool of potential owners of companies are employees, women, African-American and Hispanic entrepreneurs. This pattern, in which race plays as a determining variable, resonates throughout the entire country. In a Chicago study that examined 800 small, privately held manufacturing companies with the owner being 55 years or older, 40% were found to be at risk of closing merely due to the issue of succession.<sup>15</sup> Today, the conditions are the same. Recently, *Crain's Chicago Business* described succession challenges and opportunities for millennials.<sup>16</sup> In a report by the Ohio Employee Ownership, it was noted that, "The failure to plan for business succession in small and medium-sized companies is the leading preventable cause of job loss in the United States."<sup>17</sup> As stated in a report issued just this month by the Budget and Tax Center, "Estimates vary, but it is likely that upwards of 4 million companies owned by baby boomers will be sold or dissolved by 2030 leading to the transfer of roughly \$10 trillion in business assets. While the Great Recession forced many baby boomers to delay their plans to sell and retire, we are on pace to see more small businesses change hands in 2016 than any year since the start of the Great Recession."<sup>18</sup> All of these studies illustrates that the "succession gap" is as serious as the "skills gap".

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<sup>12</sup> <http://www.wsj.com/articles/as-skill-requirements-increase-more-manufacturing-jobs-go-unfilled-1472733676>

<sup>13</sup> *Crain's Chicago Business*, "Skilled Labor Shortage Hobbles Illinois Manufacturers," S. A. Swanson, October 27, 2012.

<sup>14</sup> *Chicago Tribune*, "Davos elite urged to pay heed to global inequality" by Pan Pilas, January 19, 2015, Section 2 page 1.

<sup>15</sup> <http://mfgren.org/wp-content/uploads/2015/10/Succession-and-Aging-Mfg-Owners-1989.pdf>.

<sup>16</sup> "When Suddenly the Kids are in Charge," *Crain's Chicago Business*, November 28, 2016, p. 3.

<sup>17</sup> Ohio Employee Ownership Center. "Exit Planning." <http://www.oeokent.org/exit-planning/>.

<sup>18</sup> "Down Home Capital: How Converting Businesses into Employee-Owned Enterprises Can Save Jobs and Empower Communities" by Patrick McHugh, Budget and Tax Center.

## Let's Not Waste the Crisis

As Mayor Emanuel says, we should never waste a crisis. Both the skills and succession gap, if addressed with effective programs and at an appropriate scale, represent an enormous opportunity to bring in a diverse group of young people and entrepreneurs into highly skilled production and management positions. This implies also altering the ownership “white only” tradition to benefit other entrepreneurs, companies and the sector itself.

At this moment, we have all the ingredients needed to bring about the fundamental changes that are required to reverse the horrifying trends captured in our daily papers. More leaders are motivated to become engaged in looking for solutions and open to new approaches. We have a way forward—prototypes for programs that successfully address the challenges faced by the manufacturing sector that are based on social inclusion and new types of partnerships that go beyond traditional private and public models. Tackling these challenges in an effective way creates a real opportunity for all our residents to have access to long-term and secure careers. Chicagoland has the potential to emerge as a model of regional economy similar to Mondragon, Spain, and Emilia Romagna, Italy, that is anchored in advanced manufacturing and social inclusion.

**Our Approach:** According to the authors of the recent *New York Times* exposure of violence in Chicago,

“Missing, though, community leaders say, is a single overarching blueprint. Mentoring programs come and go with shifting grants. Job programs last a few months.”<sup>19</sup>

Our approach toward tackling these inter-related challenges and opportunities is anchored in relying on “best international practices.” In our focus on education, we looked at the European countries of Germany, Denmark, and Switzerland and their superior vocational education systems. In our focus on entrepreneurship, we looked at the regional economies of Mondragon, in the Basque Region of Spain, and Emilia Romagna, in Italy. These two regions have indeed combined a focus on advanced manufacturing anchored in social inclusion that has had the effect to produce a large and internationally competitive cooperative and private manufacturing sectors. Our approaches involve the development of an educational infrastructure beginning in middle school and extending through secondary, post-secondary education, and into the firm. We have designed a framework to identify firms facing a succession challenge and assist in the timely acquisition of those firms by employees as well as entrepreneurs of color. The underlying vision is to nurture an entrepreneurial culture that merges creative thinking on product development and design with effective business skills. This will ultimately lead to the start-up of new companies as well as the attraction of companies into the area.

## The Manufacturing Renaissance Program

**Scale and Urgency:** The reality is that, in the next few years, thousands of employees as well as owners of small firms will be retiring. This will cause a loss of talent throughout all levels of our local companies, creating profound economic repercussions. The skills and succession gap are challenges that require an urgent, large scale effort. If we fail to address such problem, we will permanently lose thousands of jobs and companies, as well as our leadership position in the global economy. We no longer have the luxury to operate at a small, under-resourced level.

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<sup>19</sup> *New York Times*, “In Chicago Bodies Pile Up at intersection of Depression and Rage,” December 9, 2016.

Our current programs and prototypes are very modest in size, but they are replicable and scalable. For example, our Manufacturing Connect program was awarded a \$2.7 million grant in competition with 400 school districts precisely because of its potential for duplication. We recently took advantage of the MacArthur Foundation's 100&Change program and submitted a \$100 million proposal over the next 5 years that would take our model to scale. We have realistically low expectations regarding our chances for success in this competition--although we made it through the first cut and were one of the 800 out of 1,900 who made it. We used this exercise as an opportunity to develop a program at scale in Cook County. As resources and partnerships allow, we are now pursuing each of the components of this larger plan, as well as actively exploring the interest of support for this plan by government and policy makers at the local, regional, state, and national level.

We will focus our programmatic efforts in Cook County, by taking advantage of its political, economic, social, industrial infrastructure, public/private partnerships and our long history in the region. Specifically, we will develop a fully articulated educational infrastructure starting in middle schools and extended to secondary and post-secondary institutions, and finally into the firms that will meet and exceed the talent needs of the regional manufacturing sector. We will also fully engage residents and youth, particularly from communities of color, in the opportunities available in 21<sup>st</sup> century manufacturing with careers in production, management, product development, engineering, research, and ownership. We are driven by the goal of filling the 20,000 jobs in manufacturing that are currently unfilled. If our plan were to be fully implemented, we would have 6,000 qualified applicants for these positions in the next 5 years, and 3,300 new candidates each following year. Similarly, we expect to convert 10% of the existing firms in manufacturing from a traditional ownership into ownership by African American and Hispanic entrepreneurs, women, and/or employees in the next 10 years. The impact of our programs will be measured by the increasingly competitive character of our regional manufacturing sector, the number and quality of jobs; the diversity of employees at all levels in these firms; the increasing stability and development particularly in communities of color; and the breadth of engagement in all aspects of the firm by its employees.

Such type of investment in the talent pool available to our manufacturing sector will provide a ROI to the region superior to the equivalent investment in the talent pool of other sectors including retail, services, and health. In fact, this investment will strengthen these other sectors because of its superior multiplier effect. In addition, it will create a strong and permanent linkage between low-income communities of color and the manufacturing sector through the development of the educational infrastructure. This will set the stage for the development and recruitment of new companies to these communities.

**Key Prototypes and Partners:** Over the last 20 years, MR and its partners have developed important prototypes that provide a programmatic approach to the problems described. These prototypes have the potential to be replicated in other communities across the country. Combined, they represent an ecosystem of programs that are interrelated and that not only retain our manufacturing base, but also increase our competitiveness in the global economy. Our programs and projects are briefly summarized. Detailed concept papers are available for each initiative. These prototypes include:

1. **Chicagoland Manufacturing Renaissance Council (CMRC):** The creation of the CMRC in 2005 was informed by the study, *Creating a Manufacturing Career Path System in Cook County*.<sup>20</sup> 30 plus organizational members form the CMRC and an Executive Committee including Jorge Ramirez, CFL; Craig Freedman, Freedman Seating; Kathy Dudek, Dudek and Bock; Mike Jasso, Cook County; Rita Athas, World Business Chicago; Mollie Dowling, OAI, Inc.; and Reggie Greenwood, Chicago Southland Economic Development Corporation. The CMRC membership meets quarterly. The CMRC has provided the

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<sup>20</sup> *Creating a Manufacturing Career Path System in Cook County*, Manufacturing Renaissance and the Chicago Federation of Labor, 2001, <http://mfngren.org/wp-content/uploads/2015/10/final-MWDP-report030802.pdf>



political weight needed for our prototypes and programs to survive and grow despite the strong culture of institutional resistance in Chicago. We are formalizing our structures and expanding our membership. We are designing a year-long Leadership Fellows Program that will include a study tour of Mondragon and Emilia Romagna in the coming year for the CMRC leadership.

2. **Manufacturing Connect (MC):** The Manufacturing Connect program connects elementary, secondary, and post-secondary education programs to the manufacturing sector. MC evolved out of our experience at Austin Polytechnical Academy—a public school initiated by the CMRC that opened in 2007. MC is currently supported by a \$2.7 million grant with the DOL and will be under contract with CPS at Prosser Career Academy on the Northwest Side and Bowen High School on the South Side. CEO of Chicago Public Schools, Forrest Claypool, recently wrote: “I want to extend my full support for further MC expansion at Prosser Career Academy, (with further expansion at other high school and middle schools). CPS will be working diligently to remove every obstacle and pursue opportunities to scale this vital initiative.”

At the Austin College and Career Academy (the new name for what was Austin Polytech and two other small schools), this year 130 students who have enrolled in the MC program out of 330 on the ACCA campus. Our expansion program calls for the development of 10 Manufacturing Connect high school programs in Cook County. MC highlights of just this last year at the Austin Campus:

3. **Middle School Enrichment:** MC worked with 200 8<sup>th</sup> graders at NW Middle School introducing them to the world of engineering and manufacturing. 60 students expressed interest in continuing their study of manufacturing and engineering in high school. We will develop similar programs at the feeder schools for Prosser, Bowen, and Austin. Our expansion design calls for the launch of MC programs in 20 middle schools.
4. **Adult Machining Program:** We launched an adult training program on week-day evenings at the Austin Campus so as to fully utilize the machine shop and to increase the number of skilled applicants for employment with manufacturing companies. Participants earn NIMS credentials and assistance in being placed. Our program at the Austin Campus is now being run in partnership with the Jane Addams Resource Corporation. We developed a prototype for a similar program working with men returning to the community from prison in partnership with the Chicago Community Trust, NIMS, the Safer Foundation, the Manufacturing Works program at Instituto del Progreso Latino, and Daley College. The pilot project was very successful and the work has been sustained by the Safer Foundation—now into its 8<sup>th</sup> cohort. We will work with our partners to expand these programs throughout the County.
5. **Instructors Apprenticeship for Advanced Manufacturing:** This program is designed to prepare a pool of educators who are technically, culturally, and pedagogically competent. Currently there is literally a handful of machining instructors in the region—an absolute obstacle to going to scale. This is also a national issue. This is a joint project of MR, NIMS, the Chicago Teachers Union Foundation and Quest Center with support from JARC, Daley College, and the Technology & Manufacturing Association. If fully funded, this program can start as early as March and certify 10 instructors by July 2017.
6. **The Company Career Pathways Project:** This is the creation of formal apprenticeship and advancement programs in manufacturing companies to ensure retention and advancement of new employees. It is a joint effort of the CFL, NIMS, and MR. The Chicago Federation of Labor is currently working under a grant from the US DOL in support of this effort.

7. **Manufacturer’s Advisory Council:** This will be a council consisting only of manufacturers. It will provide oversight to all the CMRC related programs to ensure quality and engagement. We currently have 36 companies supporting the Manufacturing Connect program at Austin College and Career Academy. These companies will be recruited to the larger council as well as other companies in the region.
8. **The Young Manufacturers Association:** This is an organization of young adults now working in manufacturing who meet to provide peer support, continue their education and professional development, and engage in outreach to other young adults, introducing them to opportunities to secure careers in manufacturing. It is currently supported with a grant of \$200,000 from Cook County under their violence prevention program. As County Commissioner Boykin said in reference to the County Board’s support for the YMA, “The best way to stop a bullet is a job.”
9. **Succession Conversion Project:** There are hundreds of small family-owned manufacturing companies in danger of closing because of the lack of a successor. MR, the CFL, the Safer Foundation, and others are in early discussions to join forces in developing a project to turn this crisis into an opportunity for employees, women, and Black and Latino entrepreneurs to become qualified buyers of these companies.
10. **Austin Manufacturing Innovation Park:** Informed by the Dortman Project in the Ruhr Valley of Germany, MR and its partners developed a plan for the use of what was the Brach Candy Company site (30 acres). It would recruit manufacturing companies to return to the West Side and formally contribute to community objectives as well as rely on the talent generated by the educational infrastructure created by Manufacturing Connect. This is a site that should be a foundation for the resurgence of manufacturing on Chicago’s West Side. The project is currently on hold.

## Finances

Currently, Manufacturing Renaissance operates with an annual budget of \$1.4 million. Our programs will cost \$125 million over the next 5 years. We will be taking this proposal to philanthropic and government leaders at the local, regional, state, and national level seeking their support.

## Conclusion

We face a social, economic, and political crisis in this country reflected most sharply in our inner-city communities. This crisis is due, in large part, to the de-industrialization of these communities that happened in the 1980s and 1990s. Thousands of companies closed in the Chicago area and hundreds of thousands of jobs were lost. This didn’t need to happen.

Today, inner-city communities are still in desperate shape and a new set of challenges are emerging in the manufacturing sector—the skills gap and the succession gap. What’s exciting is the fact that both of these situations can be successfully addressed in conjunction with and reflecting the shared interests of manufacturers and communities.

Manufacturing Renaissance and its partner organizations, including the members of the Chicago Manufacturing Renaissance Council, have developed the key prototypes of the ecosystem needed to address these challenges. These approaches are proven and scalable, and they meet the interests of manufacturers, labor, community and education leaders, and government. They appeal to Democrats, Republicans, and independents. The parts are in place. Now is the time to move with urgency to gain the support of policy makers at the local, regional, state, and federal level to secure the funding and other forms of support essential to taking this approach to a national scale. Chicagoland has the potential to emerge as an international model of regional economy similar to Mondragon, Spain, and Emilia Romagna, Italy, that is anchored in advanced manufacturing and social inclusion. It's our job to make this happen.

