

# Regional Leadership and Governance for the National Capital Region

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*In a global economy, trying to compete based on cost alone will have limited success. Rather than emphasizing incentives, subsidies, low-cost, and low-skill labor, the new race is won by regions with the capacity to innovate and with the brainpower - education and skills - needed to create and sustain a competitive advantage over the long run. Successful regions build on their own unique qualities and advantages.*

Source: *Crossing the New Regional Frontier*, U.S. Econ. Dev. Admin., October 2009

# Conclusion of the Research and Interviews to Date

The dramatically altered nature and scope of the National Capital Region, over the course of the 20<sup>th</sup> century, simply outpaced the efforts of regional leaders to update the region's existing, limited governance structures and fashion them into something more suitable to the new regional reality. The overriding problem is that there is no effective regional governance structure, or dedicated region-wide revenue, for comprehensive governance in the National Capital Region.

# The Strengths of the National Capital Region include:

- **Strong Economic Base** -- 4<sup>th</sup> largest regional economy in U.S. and 11<sup>th</sup> in world
- Seeing **Growth** in high-tech, finance, biotech, and Federal - - estimate of **1.6 million new jobs** in twenty years (plus 2 million jobs that must be filled from retirements)
- Recent **moves of major corporations to region**
- **Federal Presence** -- a significant attraction
- **Highly-Educated workforce** and **well-paying jobs**
- Large number of **quality public and private universities**
- Outstanding **cultural resources** (museums, 2<sup>nd</sup> leading theatre area in country, etc)

# The Weaknesses of the National Capital Region include:

- Transportation improvements have not kept up with the region's growth (commuting time is 2<sup>nd</sup> longest in nation)
- Prosperity is not evenly distributed throughout the region
- In many areas, the public schools have not kept up to the 21<sup>st</sup> Century needs (there is an education mismatch between many of the region's available jobs and local labor)
- Lack of affordable housing is a constraint to anticipated and desired growth
- Regional Leadership from all sectors has been limited and intermittent
- Competition (especially among 3 "states") and/or indifference to regional integration - - vs. incentives for mutual benefits

These problems (of today, and particularly of the future) will only get worse, if not directly addressed on a regional basis.

# Why a Regional Approach

- Economic and social forces transcend political boundaries ( $\approx 22$  separate jurisdictions; including 3 “states” and the federal government)
- The success of our regional economy increasingly depends on regional collaboration to address challenges and maximize opportunities in ways that foster long-term prosperity (studies have shown the beneficial interrelationships)
- Potential for economies of scale, greater efficiencies
- A strategic regional development effort will enable the National Capital Region to more effectively anticipate and respond to evolving conditions
- An effective regional planning and governance (implementation) process can provide a mechanism for continuously assessing opportunities in light of changing economic conditions and leadership priorities

We need a regional approach to foster collaboration and sustainability (from vision through implementation).

# Innovation, for Example, Does Not Respect Political Boundaries

Washington's regional innovation base is built on:

- Large companies
- Small companies & entrepreneurs
- Universities
- Federal R&D labs
- State R&D labs
- Community colleges

These are located throughout the region, and would benefit from a strong regional governance network that can complement public and private investment with public services, infrastructure, and timely regulation.

# Critical Requirements for Regional Success

- Widespread recognition of the benefits of change (to a “regional model”)
- A regional governance (vs. government) “structure”, with authority, resources, and accountability
  - Recognition that “governance” is a process (addressing needs and implementations)
  - Combined involvement and commitment of Public (Federal, State, District, County), Private (major sectors), and non-profit/civic
- Sustained Leadership; with a vision, a strategy, a set of actions, metrics, etc.
- Continuous visibility into actions and results (to maintain focus and support)
- Take full advantage of the many, existing, regionally-focused organizations (perhaps in a “network model” - - with the existing groups as foci for various functions)
- Must engage corporate and academic leaders, as well as grass roots and community organizations (people must think regionally).



# Applying the “Lessons Learned” to the National Capital Region

- Potential benefits of the “regional model” must be widely recognized, by all sectors (public, private and non-profit existing organizations) and regional citizens
- Sustained regional Leadership and regional Citizenship must be developed and supported
- Success (except at the project level) has been rarely defined (much less accepted); so success criteria must be defined
- The role of the Federal Government (especially regarding funding) has been a key to most of the regional successes – so they must play a significant role, along with public, private, non-profit and civic players)
- Resources must be committed and sustained to the region’s needs

# Conclusions

- There are large, potential, synergistic benefits (economic and quality-of-life) to be gained (and a clear need - - based on Fuller's study, the Frederick polls, and our interviews) from a proactive and successful regional governance "structure"
- However, there is **no effective regional governance "structure" or dedicated resources for general, comprehensive governance for the National Capital Region** (with boundaries flexibly defined)
- And there is a significant risk of not taking action

Regional Challenges need a regional response

# Next Steps

- Continue interviews of key partners (Federal, State, County, City, private, non-profit/civic)
- Study “cases” of potential regional governance “structures”
- Gather a “planning/leadership team” (from the public, private, academic and non-profit/civic sectors) to evolve the desired governance “structure”.

Please send me your ideas:  
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