David N. Cicilline, Mayor of Providence, Rhode Island Testimony before the Joint Economic Committee

of the United States Senate and House of Representatives Thursday, September 25th

Dirksen Senate Office Building, Room 562

Thank you Chairman Schumer, Vice-Chair Maloney, and to all members of

this esteemed committee.

I am honored to be here as a representative of mayors and other elected city

officials from all over the nation who are working to address these issues.

Mr. Chairman, for many generations, when America has faced difficult

economic times, some have viewed our cities as our greatest burdens.

In the national imagination, cities, and the people who lived in them, were

described as the ball and chain of the national economy, dragging America

down. Words like devastated, blighted, and ruined were so often associated

with the word "urban" that they effectively became synonymous.

But something remarkable began happening a decade or so ago. American

cities began a stirring comeback. Benefiting from effective federal policy in

the 1990s as well as the transition to a knowledge-based economy, cities are

again the centers of culture, innovation, and, most of all, economic growth.

A slew of recent research underscores the fact that in our shaky economy

cities are not the problem. They are the solution.

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The reality is that the American economy is a metropolitan economy. In fact, the nation's 100 largest metro areas, which make up only 12% of the nation in land area account for 68% of all jobs and 75% of national GDP.

Furthermore, as we expedite the transition of our economy into one that meets the demands of the information age and our need to become dependent from foreign oil, the strategic importance of cities grows even more.

Already, cities have 76% of the knowledge jobs and are poised to grow an even higher proportion.

Additionally, cities house our great scientific research centers that will give birth to the innovations that will power America with new forms of energy. Also, contrary to most people's ideas about urban America, cities are the greenest places we can live based on existing consumption patterns.

Chairman Schumer, you may already know that those living in the New York metropolitan region have on average <u>half</u> the carbon footprint of the average American. The more Americans that continue to move to cities, the less dependent America will be on foreign sources of energy.

Cities are the solution. But, as a nation, we are not tending our metropolitan garden. In recent years, the evolution of cities has continued in spite of national policy, not because of it. As a result, we are severely restraining our metropolitan transformation at a time when we need to accelerate it.

Foremost among these restraints, without a doubt, is poverty. Poverty is to a family and a community what inflation is to an economy. Its consequences spill over into everything else and have a lasting and devastating impact. But, what makes it worse, is that there are measures we know we can take to prevent it from persisting.

Not surprisingly, the headway we made on poverty in the 1990s coincided with the metropolitan comeback. But in recent years that headway has been reversed. In my view, one of the reasons for this is the sharp decline in funding. First Focus, the children's advocacy group on whose advisory board I sit, recently discovered that the share of non-defense spending on kids has declined by a full 10% in just five years. And, as you know, the Community Development Block Grant – one of our country's great domestic programs for cities – has also been significantly cut in recent years. Just to name two examples.

But you are presented with lots of statistics every day and the call for funding is constant. So my job today is to report to you from a Mayor's perspective about what can work and is currently working to lessen poverty in our communities.

I know that many view poverty as a great complex of interrelated problems, but I view it very simply. Poverty is a lack of opportunity. So to me, the fight is not so much a war on poverty as it is a war for opportunity.

The long-term answer does not lie in merely relieving the stresses and pain of poverty. The long-term answer lies in rebuilding upward mobility in America. The war for opportunity means rebuilding the economic ladder. When there is upward mobility there is hope. Families will work harder to make sure their children are educated, stay out of trouble and develop a strong work ethic. But when there is not, it creates the environment for many of the social ills that can ruin lives and drive up the costs of social programs.

Unfortunately, all across the country, the economic ladder has been badly weakened in recent years. It used to be that the American Dream was available to anyone who was willing to work hard enough, but in today's economy too many families are doing everything right and still getting left behind.

At my second inauguration in 2006, I identified this as one of the highest priorities for my city. I signed an executive order creating a task force made up of our foremost experts on workforce development, poverty, and early childhood development and family supports.

I asked them to offer me their best recommendations for what we can do at the city level – as a government and as a community – to reestablish upward mobility for our working poor, and to help re-build the middle class in our city.

They developed a set of action steps called *Pathways to Opportunity* to move people into the workforce, keep them in the workforce, and open up more opportunity to get ahead once they're in.

With the report in hand, I formed a partnership with the Annie E. Casey foundation, to open an office that is charged with overseeing the implementation of these recommendations in coordination with the city and the agencies that helped to develop them. It also serves as a community-based site for residents to connect to new opportunities.

We have launched a number of ambitious projects as part of this initiative.

We initiated a major long-term effort to rebuild many of our old and decaying school facilities and replace them with 21st-century learning environments. As part of this, we launched a large-scale apprenticeship program in the construction trades. We have young people from across the city who are integral parts of these major construction efforts that involve cutting edge green technology and learning how to build to LEED standard.

We have partnered with our hospitals that are facing a serious nursing shortage to get young people access to the skills they need to begin a good career in the health care field.

Taking the lead from Brookings' work on "the high cost of being poor," we are working with local banks in an organization called Bank on Providence. It is developing financial instruments specifically designed for low-wage families and individuals. I am also working with the state legislature to regulate the ability of predatory lenders and check cashers to extract usurious rates and charges from their customers – most of whom haven't been able to access mainstream banking services.

We are aggressively engaging with ex-offenders who come back to their communities to make absolutely sure they meet all of their re-entry obligations or else face consequences. But at the same time ensuring that the support necessary for their success is in place.

These are a few examples of the kinds of meaningful, measurable, and effective strategies being undertaken by this office. It is all about creating more opportunities and removing any barriers to existing opportunities.

Mr. Chairman and honorable members of the committee, if I had more time I would love to also describe to you the incredible effect that city-wide after school is having in Providence. I'd like to describe the success we've had with integrating our police force with the communities they serve. There is so much that has an effect on opportunity and poverty that we know will be effective.

But instead I will quickly conclude with a general comment. Our cities represent tremendous opportunities for our 21st-century economy. We can unleash that potential by making opportunity for every American a national priority again. After all, the other name for a robust economic ladder and upward mobility is the American Dream. That is what made our economy the envy of the world, and it is the only way we can preserve its position in our global economy.

Thank you.