Midwest Social Sciences Journal

Volume 26
Issue 2 *Emerging Themes and Perspectives in the Social Sciences*

Article 9

8-1-2024

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Recommended Citation

Reid, Neil; Shetty, Sujata; and Adade, Jane (2024) "Economic Development in Legacy Cities: Current and Emerging Challenges and Opportunities," *Midwest Social Sciences Journal*: Vol. 26: Iss. 2, Article 9.
DOI: https://doi.org/10.22543/2766-0796.1145
Available at: https://scholar.valpo.edu/mssj/vol26/iss2/9

Economic Development in Legacy Cities: Current and Emerging Challenges and Opportunities

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ABSTRACT

As manufacturing employment has declined in the traditional manufacturing regions over the past decades, many communities have experienced population loss and overall economic decline. Local economic development professionals have had to grapple with long-term structural changes in the economy as well as short-term jolts. To gain insights into the changing landscape of economic development, we interviewed economic development practitioners in Indiana, Michigan, Ohio, and Pennsylvania. The interviews focused on their perception of current and emerging challenges and opportunities with respect to economic development in their respective communities. Having identified the major challenges and opportunities, we asked them to articulate the strategies employed to respond to these. We also asked them to comment about whether the COVID-19 pandemic had fundamentally altered their long-term approaches to economic development. While the interviews revealed challenges and opportunities that were unique to each place, some common themes were also identified.

KEY WORDS Legacy Cities; Economic Development; Economic Development Waves; COVID-19

Economic development policy and practice in the United States have evolved and changed over the past one hundred years from an emphasis on attracting investment by offering companies economic incentive packages to a more multifaceted and nuanced approach that

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emphasizes the importance of supporting and nurturing existing companies, developing and operationalizing partnerships and collaborations, and enhancing local quality of life. All communities across the United States engage in the practice of economic development, and arguably, nowhere are the stakes higher than in the traditional manufacturing communities of the American Rust Belt.[1] For a variety of reasons, communities in these regions have seen their manufacturing bases erode, their populations shrink, and their tax bases decline (Shetty and Reid 2014). In addition to the challenges that have been endemic for decades, these communities more recently faced the unforeseen challenges resulting from the COVID-19 pandemic (Chopra and Sobel 2020; Florida, Rodríguez-Pose, and Storper 2021).

Our purpose in this paper is to explore and understand current economic development practices in seven communities in four Rust Belt states—Indiana, Michigan, Ohio, and Pennsylvania. These are states whose communities have been at the forefront of developing economic policies and practices that are relevant to the 21st-century economy. Given their recent (and not so recent) economic challenges, these so-called legacy cities arguably have the most to gain and the most to lose from getting it (or not getting it) right with respect to economic development policies and practices. We are particularly interested in how long-term structural changes as well as short-term challenges, particularly the COVID-19 pandemic, have affected the economic development policies and practices of these communities. Although these communities differ along a number of characteristics such as population size, we were interested in identifying themes common across the communities.

ECONOMIC DEVELOPMENT POLICY AND PRACTICE IN THE UNITED STATES

In June 1926, 22 industrial bureau managers of chambers of commerce from around the country attended a conference in Washington, DC. Organized by the U.S. Chamber of Commerce, this was the first formal meeting of economic development professionals in the United States. Such was the value of the meeting that the group continued to meet and, as attendance gradually increased, the need for a formal organizational structure was recognized. On April 15, 1930, the American Industrial Development Council was established. Topics covered at these early meetings included industrial surveys, community advertising campaigns and their relationship to community development, financing new industry, manufacturing location decision-making, and regional cooperation. With one exception, these early meetings were held in Washington, DC; it was not until 1955, when attendance numbers were sufficiently robust, that the council began rotating the annual meetings between cities. At its 1960 meeting, attended by over 800 people, the council issued *A Handbook on Industrial Development* (Denn and Webb 2000). In 1980, the council changed its name to the American Economic Development Council (Shelton, Birkhead, and Seal 2000), and in 2001, it merged with the Council for Urban Economic Development to form the International Economic Development Council (IEDC; IEDC n.d.). Today, the IEDC has more than 4,300 members and its annual conference serves as a venue where economic development practitioners can share ideas and learn about the latest issues, trends, and practices in economic development. The IEDC also provides training courses and offers certification programs that allow the successful candidate to become either a Certified Economic Developer (CEcD) or an Entrepreneurship Development Professional (EDP).[2]

Over the years, economic development policy and practice have changed and evolved. In the remainder of this section, we describe the evolution of economic development policies and practices from the early 20th century to the present, couching them in terms of *waves* of economic development strategies. The extant literature on economic development practice recognizes four such waves, discussed below and outlined in Table 1.

Table 1. The Four Waves of Economic Development Strategies

Wave	Overarching Theme	Strategies
First Early 20th century–present	Business attraction	Business incentives Tax abatements/credits Tax increment financing Grants Low-cost loans Relocation assistance Infrastructure improvements Free land Subsidized buildings Utility rate reduction Special assessment districts Enterprise zones Employee screening Regulatory flexibility Zoning/permit assistance
Second 1980s–present	Business retention and expansion	Business surveys Business roundtables Local business publicity programs Ombudsman programs Revolving loan funds Worker training support Technical assistance Technology transfer Export-development assistance Buy-local programs
Third 1990s–present	Partnerships and collaborations	Public-Private partnerships Regional collaboration Triple helix Industrial clusters

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Table 1. The Four Waves of Economic Development Strategies, concl.

Wave	Overarching Theme	Strategies
Fourth 2000–present	Quality of life and placemaking	Housing Education (K–12) Childcare Downtown revitalization Neighborhood revitalization Mixed-use developments Historic preservation Public gathering places Streetscapes Multiple transportation options Walkability Broadband-enabled Recreation and green spaces Locally owned businesses

Sources: Bradshaw and Blakely (1999); Chapin (2012); Deller (2021); Loh et al. (2022); Wyckoff (2014); Zheng and Warner (2010).

First-Wave Economic Development Strategies

First-wave strategies are dominated by what some have termed *smokestack chasing*. Here, the objective is to attract new investment by offering a company an incentive package to entice it to locate a facility in a particular community and/or state (Bradshaw and Blakely 1999). Incentives are typically used to entice a firm to move a facility from one state to another or to entice a firm opening a new facility to locate it in a particular state. Incentives often include tax abatements and significant public investment in infrastructure and public services, such as site development and worker training in support of the investment (Deller 2021; Hickey and Hickey 2021). Early examples of first-wave policies include the Balance Agriculture with Industry program, the 1929 brainchild of the mayor of Columbia, Mississippi, Hugh Lawson White. White employed the services of a Chicago-based industrial relocation firm, which helped him entice Reliance Manufacturing Company, a maker of men's dress shirts and pajamas, to open a plant in Columbia. In exchange for Reliance locating to Columbia, the city guaranteed $85,000 to cover factory construction costs (Lester 2004). Indeed, southern states were early adopters of first-wave strategies and, during the 1950s and 1960s, successfully lured many northern manufacturers to relocate to the South with the promise of cheap nonunion labor, inexpensive land, and low taxes. Northern states fought back, however, and started utilizing first-wave strategies themselves (Ross and Friedman 1990). By the late 1970s and early 1980s, however, the impact of globalization started to be felt and many American manufacturers were lured to make their products in places such as Mexico, Bangladesh, and Taiwan. In 1979, an influential report by David L. Birch of MIT showed that that relocation of manufacturing establishments from one state to another made a negligible contribution to employment growth (Birch 1979). In contrast, start-up businesses and the expansion of existing businesses were responsible for 80%–90% of new jobs created in most states (Ross and Friedman 1990). In addition to the challenge from countries with cheap labor, advanced economies such as Japan and Germany were outpacing the United States in critical areas such as workforce quality, technology, and new product development (Ross and Friedman 1990). These realities led to the emergence of second-wave strategies.

Second-Wave Economic Development Strategies

With the realization that first-wave strategies were insufficient in a changing economy, second-wave strategies started to emerge. Second-wave strategies represented a shift in focus away from attracting outside investment to retaining and expanding existing companies (Bradshaw and Blakely 1999). Business retention and expansion programs became increasingly common. Specific strategies included offering technical assistance and workforce training programs to companies, assisting budding entrepreneurs in their efforts to start businesses, and providing export-development assistance to interested companies (Deller 2021; Ross and Friedman 1990; Zheng and Warner 2010). During the1980s, more than one hundred public investment funds were created "to close the capital gaps discovered in state financial markets" (Ross and Friedman 1990:4). Local economic development officials invested time in conversations with companies, thus gaining a better understanding of the companies' needs (Deller 2021). Collectively, these strategies were designed to create an economic environment where the necessary human, technological, and financial infrastructure that supported the activities of both entrepreneurs and existing companies alike was available (Ross and Friedman 1990). Despite these efforts, many economic development officials came to recognize that although second-wave strategies had resulted in some successes, they were not sufficiently transformational. In other words, outcomes fell short of expectations. The programs at the forefront of second-wave strategies were often insufficiently resourced and were fragmented in their delivery (Ross and Friedman 1990). Although second-wave approaches were distinctly different from first-wave approaches, they had one critical characteristic in common: Both were designed, financed, and operationalized by government agencies.

Third-Wave Economic Development Strategies

Third-wave approaches embrace a considerably more holistic view of regional economic development; the strategic imperative is to enhance the capacity of the entire local economy, thereby creating an economic environment more attractive to local and outside investors alike. A key feature of the shift from second-wave strategies was the "move away from government as sole service provider, instead using limited government finances and authority to engage other public and private institutions in meeting development needs" (Ross and Friedman 1990:7). Establishing a "supportive economic development marketplace" was the goal of third-wave strategies (Bradshaw and Blakely 1999:230).

Partnership and collaboration became a key organizing principle for third-wave approaches. For example, if there were a need for worker training, the second-wave response would be the establishment of a government program to supply this need. In contrast, in a third-wave ecosystem, skill-deficient businesses/industries would work together to identify their training needs and then would work with the appropriate government agency to identify private and/or public education providers who could then bid to provide the training (Ross and Friedman 1990). Under third-wave approaches, the government serves more as a facilitator and broker, rather than as a direct supplier. Although government subsidies might be required to purchase the required training services, this new solution proved more efficient than second-wave approaches.

Some of the most popular third-wave approaches are the numerous cluster-based initiatives that emerged out of the work of Michael Porter at Harvard University. Porter (2000:15) defines clusters as "geographic concentrations of interconnected companies, specialized suppliers, service providers, firms in related industries, and associated institutions (e.g., universities, standards agencies, trade associations) in a particular field that compete but also cooperate." Cluster-based development is based on the premise that a company (and its region) can realize higher levels of competitiveness when it looks beyond its own limited capacity and strategically partners with other companies and support institutions to address challenges and solve problems that it is unable to solve when operating as an isolated entity. This approach encourages companies who compete to come together and identify ways in which they can cooperate to their mutual benefit. Additionally, public-sector entities, such as economic development agencies and universities, make themselves available to assist with collaborative problem-solving and solution identification. Collaboration is essential to the success of clusters and, when combined with external economies of scale, results in what Schmitz and Nadvi (1999) refer to as collective efficiency. According to Bradshaw and Blakely (1999:239), "the key to third-wave economic development programs is the identification and examination of key industry clusters specific to each region." Using a cluster framework resulted in communities/regions building upon their unique strengths and shying away from trying to be like other communities/regions. A cluster-based approach also oriented economic development policy and practice toward "groups of firms and away from individual firms" (Cortright 2006:iv).

Closely related to industrial clusters is the triple helix model, which emphasizes the importance of university–industry–government interactions as a key to innovation in economies that are increasingly knowledge-based. Conceptually, Henry Etzkowitz and Loet Leydesdorff (1995) developed the triple helix model. While the traditional roles of universities (education), industry (producing and selling products), and government (regulating markets) were fairly rigid, the triple helix model suggests that the economy of a region benefits when these three areas collaborate and even take on some of the functions of the others. For example, an organizing principle of the triple helix model is that universities "will play a greater role in society as an entrepreneur" (Etzkowitz 2008:300). The emergence of business incubators and technology transfer offices on many university campuses is an indication that universities are engaging in activities beyond their core mission of education and are contributing to local economic development efforts (Calzonetti, Miller, and Reid 2012).

Collaboration between local municipalities is another example of a third-wave approach. Collaborations allow municipalities to overcome limited resource capacities while using those resources they do have more efficiently and effectively (Lee, Feiock, and Lee 2011). St. Louis, Missouri, is a good example of a metropolitan area that was an early leader in overcoming the inefficiencies resulting from fragmented approaches to regional economic development (Fleming and Leonard 2004).

Fourth-Wave Economic Development Strategies

In his 2021 presidential address to the Southern Regional Science Association, Steven Deller of the University of Wisconsin-Madison asked the question "Are we in the fourth wave of economic development?" In the conclusion to his address, Deller (2021:223) suggested that "improving the quality of life through investing in schools, parks, and recreation, and certain types of businesses (e.g., gathering places that offer live entertainment) and quality and affordable housing will see people desiring to move into the community." A key part of improving quality of life in a community is referred to as placemaking, and cities across the United States have incorporated placemaking into their economic strategies. Placemaking has been defined as "the process of creating quality places that people want to live, work, play and learn in" (Wyckoff 2014:2). For example, in announcing a new economic development strategy (Louisville Forward) for Louisville, Kentucky, in 2014, Mayor Greg Fischer stated, "[T]he old economic model said people move to where the jobs are. Now jobs locate where talented people are—and people are moving to cities where the quality of life is high" (Fischer 2014). Two fundamental concepts drive placemaking: the visual aesthetic and the social usage. The focus of the former is visual forms, while the emphasis of the latter is how people use and experience place and space (Ghavampour and Vale 2019). As noted by Loh et al. (2022), "the ultimate goal of placemaking is to create thriving, active places that people want to visit and live and work in, without pricing out current residents or making them feel unwelcome, and without losing the individuality of the place." Although placemaking is not a new idea, its contemporary usage in the United States dates to the mid-1990s (Ghavampour and Vale 2019).

The creative class ideas of Richard Florida can also be linked to placemaking. Florida (2002, 2014) argues that the creative class is instrumental in propelling urban economies to higher levels of economic growth and prosperity. The best-performing urban areas are home to large concentrations of creative occupations such as scientists, university faculty, artists, and entertainers. High levels of demographic diversity (e.g., above-average shares of gays and lesbians) and high degrees of tolerance (e.g., as manifest in high levels of ethnic and racial integration at the neighborhood level) are also important to urban and regional economic success. Creating an environment (placemaking) that attracts and retains the creative class is beneficial to local and regional economies. Although the work of Florida has influenced public policy in many American cities, his ideas have been criticized by a number of scholars. For example, Glaeser (2004) suggests that Florida has overemphasized the importance of his bohemian and gay indexes and that, in reality, years of schooling outperforms both of these as drivers of successful cities. Others, such as Peck (2005) and Graham (2023), suggest that creative class policies contribute to gentrification and the displacement of incumbent residents (Graham 2023; McCann 2007; Peck 2005;). Indeed, Florida himself in his 2017 book, *The New Urban Crisis*, recognizes some of the negative consequences of his creative class ideas, including gentrification, segregation, and growing socioeconomic inequalities.

This section has described the evolution of economic development thinking and practice from the early 20th century until the present day. Although thinking of this evolution in terms of different waves of economic development practice is useful, it is important to note that the appearance of a "new" wave has not signaled the end of a previous set of strategies (Osgood, Opp, and Bernotsky 2012). Rather, it has indicated a shift in emphasis. Interviews with economic development officials across 16 states conducted in the early 1990s revealed that states were scaling back on (not jettisoning) first-wave programs and increasing their emphasis on second- and third-wave programs. In other words, communities typically utilize strategies associated with all four waves. For example, with regard to first-wave strategies, practitioners noted that they continue to use incentives to compete for a major investment when an appropriate opportunity presents itself (Bradshaw and Blakely 1999).

DEINDUSTRIALIZATION AND STRUCTURAL CHANGE

Deindustrialization and *structural change* are terms that have become synonymous with the economic realignments that have occurred in a large number of communities, both large and small, in the American Rust Belt, a region comprising a handful of states bordering the Great Lakes (Alder, Lagakos, and Ohanian 2014). Between 1980 and 2014, the number of manufacturing jobs in the United States fell from 18.9 million to 12.2 million, a reduction of more than 35% (Muro and Kulkarni 2016). Most of the jobs lost were in Rust Belt states. Manufacturing's relative share of American jobs also declined. Between 1955 and 2019, the manufacturing sector's share of jobs decreased from 32% to 9% (Rose 2021). The absolute and relative decline in the number of manufacturing jobs has been accompanied by a concomitant rise in service-sector jobs. Today, four of five private-sector jobs are in services (Barnes, Bauer, and Edelberg 2022).

In their seminal work on deindustrialization in America, Barry Bluestone and Bennett Harrison (1982:6) define deindustrialization as the "widespread, systematic disinvestment in the nation's productive capacity." According to Child Hill and Negrey (1987), for deindustrialization to have occurred in a place or region, three conditions must be met: The place or region must (1) have experienced a structural decline in its manufacturing employment, (2) have a shrinking share of national industrial employment, and (3) experience industrial job decline that is not compensated for by employment growth in other sectors of its economy. Based upon their analysis of the economies of Great Lakes states between 1960 and 1985, Child Hill and Negrey conclude that these states undoubtedly experienced deindustrialization. Indeed, Alder et al. (2014:1) suggest, "No region of the United States fared worse over the postwar period than the 'Rust Belt.' " Norton and Reese (1979:142) refer to the region as undergoing a "virtual industrial collapse," and Russo and Linkon (2009) refer to the 1970 and 1980s as "cataclysmic" for workers in the American Rust Belt. Studies after 1985 suggest that cities in the Great Lakes states have continued to experience significant economic challenges (see, for example, Glazer and Grimes 2013, 2015; Muro, Maxim, and Whiton 2021). For example, a report by the Greater Ohio Policy Center (2016:1) noted, “Analysis of economic health, population, and housing-related data from 2000 to 2014 paints a sobering picture of the condition of all of Ohio’s older industrial cities, with particular challenges for small and mid-sized places.”

Deindustrialization has been attributed to a variety of factors. Alder et al. (2014) suggest that a lack of competition in labor and output markets in the region’s major industries such as automotive, steel, and rubber has been a significant driver. Lack of labor-market competition is closely tied to the existence of powerful labor unions who, among other things, exerted upward pressure on manufacturing wages. With respect to output markets, the oligopolistic nature of the region’s major industries meant that they were able to stifle competition in the post-World War II period. As a result, large corporations such as General Motors, Bethlehem Steel, Goodyear, and their peers engaged in price-fixing, thus keeping competition in check and maintaining high prices for their products. These practices both discouraged investment and depressed productivity growth. The net result was the “movement of economic activity out of the Rust Belt and into other parts of the country (notably the ‘Sun Belt’ in the U.S. South)” (Alder et al. 2014:1).

Invoking the concept of the product life cycle, Norton and Reese (1979) agree with Alder et al. (2014). They suggest that “once certain conditions crystalized in a fabricating industry within the core, considerations of both cost and labor control encouraged the migration of the industry to less developed (i.e. low-wage, non-union) sites in the periphery” (Norton and Rees 1979:144). The periphery initially comprised southern states but later expanded to less-expensive labor locations overseas (Elesh 2017).

The number of manufacturing jobs has also declined as the use of industrial robots has increased (Acemoglu and Restrepo 2017). Utilization of industrial robots is unevenly spread, both by sector and by geography. The main adopter of industrial robots is the automotive industry (39% of all industrial robots in the United States), followed by the electronics industry (19%), metal products (9%), and the plastic and chemicals industries (9%; Acemoglu and Restrepo 2017). Geographically, industrial robots are concentrated in Upper Midwest and southern states. In 2015, the four states in our study had 31.9% of the industrial robots in America. In terms of state ranking, Michigan occupied the number one spot, with Indiana, Ohio, and Pennsylvania occupying the second, fifth, and twenty-seventh spots (Muro 2017). Acemoglu and Restrepo (2017) estimate that in industries most exposed to robots, each robot replaces three workers. Overall, they estimate that the total number of U.S. jobs eliminated by the use of robots to be between 360,000 and 670,000.

Another contributor to job losses in the United States is its trade deficit with China (Mishel and Bivens 2017). As noted by Autor, Dorn, and Hanson (2013:2121), “rising imports cause higher unemployment, lower labor force participation, and reduce wages in local labor markets that house import competing manufacturing industries.” Scott and Mokhiber (2020) estimate that America’s trade deficit with China was responsible for the loss of 3.7 million American jobs between 2001 and 2018; 75.4% of these jobs were in the manufacturing sector. In terms of net jobs displaced because of the trade deficit, Pennsylvania ranks seventh, with Ohio, Michigan, and Indiana ranking eighth, tenth, and fifteenth, respectively. The sectors experiencing the largest job displacement were computers and electronic parts (1,340,600 jobs displaced); apparel and leather products

(205,700 jobs); electrical equipment, appliances, and components (165,200 jobs); fabricated metal products (193,800 jobs); and furniture and related products (146,400 jobs).

Discussing the impacts of these factors on Indiana's economy, for example, Muro et al. (2021:9) observe,

> Indiana's heavy specialization in manufacturing ensured that major changes in that sector—ranging from globalization and import competition to automation—brought significant firm and worker shifts in the last two recessions. For example, between 2001 and 2019—and especially in the recessions of 2000 to 2001 and 2007 to 2009—the state lost over 72,000 jobs in the manufacturing sector, which has long been a source of above-average wages for workers without a four-year college degree.

In another study, examining the impact of manufacturing decline in Lake County, Indiana, Brady and Wallace (2001) note that the growth of service-sector jobs was insufficient to offset the decline in manufacturing jobs. New service jobs were generally low-paying, had little in the way of benefits, and offered low levels of job security. The inability of service-sector jobs to adequately replace lost manufacturing jobs has been observed across the entirety of Great Lakes states (Child Hill and Negrey 1987).

Analyzing the collapse of manufacturing employment in Michigan between 1990 and 2011, Glazer and Grimes (2013:12), note, "One of the reasons for Michigan's so-called lost decade is that the domestic auto industry was hit by the gale force of globalization and technology later than most of the nation's manufacturers."

With respect to Rust Belt cities, deindustrialization has resulted in what is termed the "hollowing-out" of local economies (Hewings et al. 1998; Jackson, Hewings, and Sonis 1989; Kotabe 1989). This occurs as an economy matures and manufacturers shift from using local suppliers to suppliers located in other regions, including overseas. This process of hollowing out sees "parts or all of some sectors disappear from the [local] economy" (Jackson et al. 1989:218), including jobs in the service sector (Child Hill and Negrey 1987). As hollowing-out gathers momentum, long-term systemic population decline occurs, resulting in the emergence of so-called shrinking cities (Beauregard 2007; Shetty and Reid 2013, 2014).

From a social perspective, the impacts of deindustrialization in Rust Belt states are wide-ranging. These include increased poverty (Brady and Wallace 2001), higher homicide rates (Matthews, Maume, and Miller 2001), and deteriorating health (Bluestone 1988). Against the backdrop of evolving economic development policies, described above as four historic waves, and the context of old industrial cities facing deindustrialization and structural change, we focus on cities in the U.S. Midwest that are relatively understudied. Much of the work on economic development policies in this region has focused mostly on large cities (e.g., Dewar and Thomas 2013; Mallach and Brachman 2013). When the focus is on individual cities, it is still usually on these large cities (e.g., Tighe and Ryberg-Webster 2019).

The case for studying small and medium-sized cities in this region rests on several characteristics that distinguish them from their larger counterparts. For example, many small and medium-sized cities in this region lack large anchor institutions, such as corporate headquarters, research universities, and research hospitals, that generate significant spillover effects and that have been the catalyst for revitalization projects in many big cities. Few have strong philanthropic sectors that can support big initiatives. Smaller cities have fewer government officials, who are already stretched thin, and are therefore less able to respond quickly to economic development opportunities that may arise. The lack of capacity can specifically limit the ability to garner grant money, especially federal funds, while the lack of experience with grants can be a disadvantage at a time when grantors are increasingly looking for prospective grantees to have a track record. This disadvantages underresourced places that may not be able to raise matching funds and yet still experience many of the challenges of larger cities such as poverty, unemployment, and vacancy while national policy largely focuses on large cities or rural areas (Barkin 2022; Hollingsworth and Goebel 2017). As a result, it is a challenge for smaller cities to apply lessons from the experience of large cities that have been able to leverage their structural advantages. As Hollingsworth and Goebel (2017:3) note, "While many smaller legacy cities struggle with severe problems, they frequently fall under the shadow of larger cities like Detroit or Cleveland in national discussions about the future of these places."

Our paper fills this gap in the research by focusing on small and mid-sized legacy cities in the Midwest's old industrial belt. Specifically, our overarching research question asks, "What approaches to local economic development are small towns in the U.S. Midwest taking, especially in the context of shrinking populations and evolving economic structures?" This is an opportune time to ask this question in small and mid-sized cities, as recent analysis shows that, at least with respect to manufacturing, large firms are locating at the periphery of metropolitan areas, and as the footprint of these facilities and their suppliers expands, the dispersal of jobs could benefit smaller cities (Katz et al. 2023). At the same time, many of these older industrial cities have the infrastructure, though unused and undervalued for decades, available to be leveraged to meet the demands of the new postpandemic economy and related federal programs (Katz 2023).

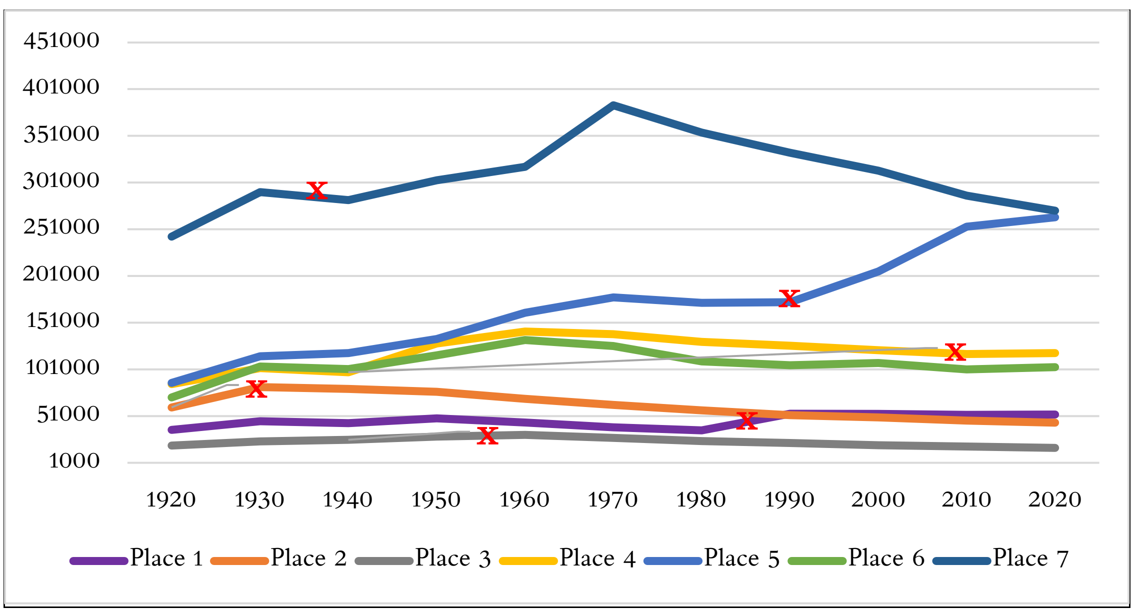
RESEARCH METHODOLOGY

Community Selection and Community Profiles

To glean insights into current economic development policies and practices, we conducted eight in-depth interviews with eleven economic development professionals in seven communities in Indiana, Michigan, Ohio, and Pennsylvania.[3] The first three interviews (two in Ohio and one in Pennsylvania) were conducted with individuals whom two of the authors knew from prior interactions. Upon completion of interviews, the interviewees were asked to suggest additional individuals in other communities whom they thought might be appropriate candidates to interview. This method of choosing interviewees is termed *snowball sampling* and is widely used in social science research

(Biernacki and Waldorf 1981). As our interviewees were not randomly selected, we do not present our findings as being representative of economic development policies and practices in the United States. Rather, this was an exploratory study with the goal of gaining some insights into contemporary economic development policies and practices in older industrial communities in four states. The jurisdictions for which the economic development professionals were responsible ranged from single cities to multi-county regions. Similar to most communities in the Midwest and Northeast, each of these communities has at least one agency that oversees locally based economic development and planning, focused on creating communities that are economically vibrant, have the ability to attract and retain talent and enhance the quality of life of current and future residents. The 11 professionals interviewed all work in some capacity in planning and economic development at either a single city or multi-county level. The mission statement for each of these agencies includes two or more of the following key words or phrases: "driving economic growth," "promoting quality of life," "vitality," "attracting and retaining workers," "high-skilled workers," "creating employment opportunities," "high-wage jobs," "business growth," "competitive community," "supporting local businesses," and "public service provision."

Figure 1. Core City Population Change, 1920–2020



Note: X indicates an annexation of surrounding areas by community.

Sources: United States Census, 1920–2020.

The seven communities included in this study were a mix of small and medium-sized cities, ranging in size from approximately 15,000 to 275,000 people.[4] Each of the seven core cities experienced population decline at some point, with five (Places 1, 2, 4, 6, and 7) experiencing their first decline during the 1930s, as shown in Figure 1. The red X in the figure indicates an annexation, whereby a city expanded its boundaries by annexing adjacent unincorporated areas. Cities that annexed surrounding areas gained population in the short run; however, in the long run, they lost the population again (usually after a decade or two). For example, Place 2 undertook annexation in the late 1920s. As a result, its 1930 population peaked and was 35% higher than it had been in 1920, but by the 1960 census, Place 2 had lost 15% of the population recorded in 1930, with population decline continuing to this day. Between 1930 and 2020, Place 2's population fell by 46.4%. Places 3, 4, and 7 experienced similar fates. Following annexation in the 1950s, Place 3 reached its peak population in 1960. By 2020, Place 3's population was 46.4% below its peak. Places 4 and 7 reached their peak population in 1960 and 1970, respectively, and then recorded declines, with their 2020 populations being 16.3% and 29.4% below their peak populations. Place 1 hit its all-time high in 1990 following an annexation but has seen a slight population decrease (1.5%) since then. Place 6 undertook annexations in the mid-1800s (not shown in chart), and population increased until 1930. It then recorded its first population decline in 1940. Its population has since fluctuated, with the 1950 and 1960 censuses recording increases and the 1970–1990 censuses recording a reduction in population. In summary, these communities have struggled to maintain or grow their populations in the long term, even after engaging in annexation.

Interviews and Analysis

In-depth virtual interviews were conducted with 11 economic development professionals from the selected communities. The interviews were conducted virtually via Microsoft Teams, with interviews lasting 54 minutes on average (between 46 and 65 minutes). Interviewees were asked the same set of questions, including the following:

- What are the emerging challenges for local economic development in your community?
- What are the emerging opportunities for local economic development in your community?
- What are your key strategies to address those challenges and take advantage of those opportunities?
- Has/will the COVID-19 pandemic have any lasting impact on how you think about and implement local economic development strategies? Has it made you fundamentally rethink existing approaches or develop any new projects?

The interviews were video-recorded and transcribed verbatim by Microsoft Teams. The transcripts were edited in Microsoft Word and then fed into the MAXQDA 2022 program to identify and code themes. MAXQDA is a qualitative data analysis software designed to work with an array of data types such as text, interviews, audios and videos, and Twitter, and it offers numerous analytical tools for data organization, exploration, codification, and visualization of patterns and themes (Marjaei, Ahmadian Yazdi, and Chandrashekara 2019). It allows researchers to analyze data, especially qualitative data, more systematically and efficiently. To generate themes, relevant segments that express specific concepts or thoughts were highlighted and assigned specific elements (codes) in MAXQDA. The codes were then evaluated and collapsed into key themes. For each interview, the study identified how often a theme was mentioned and ranked the themes. The five most frequently raised themes are discussed extensively in the following section.

FINDINGS

Emerging Themes: Challenges, Opportunities

Our overarching goal for this paper was to understand changes in local economic development policies and practices in small to mid-sized Rust Belt cities resulting from long-term structural changes as well as short-term challenges, particularly the COVID-19 pandemic.

Although the seven places we focus on differ in significant ways—such as physical footprint, current population size, scale of population loss, decade of peak population, size of metropolitan area, access to infrastructure, the presence (or not) of large local academic institutions, the state in which they are located (the state-level policies under which they operate), their individual histories, and their individual experience of manufacturing decline, among many other factors—the narratives we gathered from economic development professionals working in these places revealed several common themes. We focus on the five that were most frequently raised/discussed:

- Workforce
- Housing and community development
- Downtown investment
- Sense of place/quality of place/placemaking/amenities
- Links to local educational institutions

In the following discussion of the five themes, direct quotations from interviewees are provided.

Workforce

> *It's the number 1 question we get asked, right? I mean, before it was, what incentives do you have? And then it was do you have a site? Right. They're asking workforce availability, and that's the first question, and that's really dictating where these companies are going. The site is secondary almost to whether or not you can actually fill the amount of jobs that we need to fill in that market.*
>
> —Respondent

The attraction and retention of firms continues to be a focus of economic development efforts in this region, but post-pandemic, the attraction and retention of workers has become critical. Cities are finding that they do not have enough skilled workers to take the jobs that are available and that they are unable to guarantee prospective employers that they will have access to a pool of skilled workers from which to hire. One respondent stated, "Managing the change in talent availability and talent alignment with the needs of what's going on, particularly in the manufacturing space, given our community is so heavy in manufacturing. I would say that's the single biggest change in the 40 years I've been in economic development."

Several reasons were suggested for this shortage, including population loss, low levels of educational attainment, and, more recently, a change in workers' sensibilities as a result of the pandemic. Population decline has a direct impact in that there is a smaller pool of workers compared to previous decades, but the job-preparedness of these workers matters as well. This challenge is both immediate and long-term, but there is a tension between two, as one respondent explained:

> We all know that long term, the kind of educational services that our workforce needs, need to be a whole different set of capabilities. We need more people earning college degrees, developing coding and technical skills for the long term, while the immediate needs are much different. . . . And so, the balance between how we advocate for economic development support of our educational institutions is kind of bifurcated right now.

The pandemic has also had an impact. Our respondents have noticed a change in worker sensibilities:

> There's a lot of cultural shift that can help explain why we would be experiencing [a shortage of workers], I think COVID-19 had an enormous impact on workforce availability. . . . People have taken a step back and said, "I want to spend more time with my kids." . . . On the opposite side of the spectrum, a lot of baby boomers and a lot of older individuals have decided to retire, right? So that they've left the workforce. So, there's just things that we're seeing here locally that I think have played a huge role in workforce availability for our existing companies and that's a challenge for us here locally.

Managing the shortage of a skilled workforce has become a very big challenge with no easy answers.

The pandemic has also opened up some opportunities for these cities, however, particularly with respect to attracting white-collar workers who can work remotely. Several cities recognize this opportunity and feel they can be competitive in the race to bring in new residents. The worker shortage existed "prior to the pandemic and, and it's been, you know, it's been amplified since. It's also the opportunity . . . you could raise your hand up in desperation and say, 'Oh my God, we're never going to bring people in,' but the opportunity is, now everyone is more mobile."

This has led to several creative strategies to draw new residents. One town advertises and does happy-hour events in the big cities to which many of their former residents have moved, in an effort to lure them back. With the worker shortages, post-pandemic pay scales at home have risen from about 85% of the national average to about 100%–102%, which, in conjunction with lower cost of living, they believe could make the hometown an attractive destination.

Other places are looking for workers who can live in their cities while working remotely for firms in cities like Chicago. At the start of the pandemic, one town promised to pay $10,000 to the first 25 people who had a remote job in a different state but would move into town and stay for a minimum of two years. If they had a child, enrolling that child in a public school could get them an additional $5,000. For those 25 spots, the town got 200 applications in the first 24 hours and 4,000 applications in the first month. Those behind this scheme were clear that 25 people would not make a big difference, but they were successful in their attempt to raise their city's profile.

As one interviewee said, "In most cases, they're not moving for jobs anymore. They're moving for a lifestyle."

Housing and Community Development

> *I mean, we can attract the jobs, but you basically hit a ceiling if you can't house people.*
>
> —Respondent

Despite the fact that our respondents all focus on economic development, the idea that surfaced most frequently was the importance of housing and a broadly defined conception of community development. A lot of the housing stock in these cities is old and in poor condition, so housing affordability is high but the homes are not attractive to higher-wage buyers. As one of our respondents said, "For years and years, it's like a lot of these smaller communities like ours, I think housing, they took it for granted to such a degree that we took our eye off the ball of what was going on in housing in small communities." One of the primary reasons for the decline in housing quality is related to long-term homeownership, the passing of the homeowners, and with younger generations having left town, the sale of these houses to landlords who rent out cheaply and do not maintain the homes, leading to a drop in value. As one interviewee noted, "You can buy a house for $35,000, but it is not one that you would want to live in. . . . So, even though we generally come up high on the affordability of housing list, the affordability does not equal marketability."

As these places try to attract new residents, particularly those in relatively high-wage jobs, the need for market-rate housing is increasing and economic development professionals find that the market is not responding, or not responding quickly enough. They see the availability of housing as critical to the economic success of their city, as two respondents noted:

> Yeah, I think it's something that a lot of communities are experiencing. It's not just the affordable, subsidized low-income housing. That's the challenge. It's the market-rate side, which we always thought that would take care of itself. Right? The market would take care of itself. Well, especially now with the cost of construction and interest rates, it's not taking care of itself. It's actually going the other way and so we are having to be more intentional about that, especially inside the city where we want to bring more market-rate housing online.

> It's just that we did industrial economic development really well for a long time, and I think we rested on our laurels there and we're playing catch-up on the community-development piece . . . getting people to want to live here, stay here, all of those types of things.

Closely tied to housing is a broader set of factors that our respondents saw as outside traditional economic development but critical to their cities' success. They referred to these collectively as community development, and our respondents noticed a direct connection between the lack of these community development elements and the workforce. Public transportation was an example:

> So, we do have a bus system here, but, you know, if you're somebody that maybe has had a situation in your life, and you fell down on your times and you're trying to better yourself, there is a way to get to work, but it may be an hour ride on the bus. . . . Ideally, we wouldn't have to worry about transportation because wages would be high enough and that people could afford their own quality transportation. But in the environment that we're in, manufacturing, they are brought in at a lower level. There is a path for advancement to get to a higher wage within about a year, but they don't make it that full year.

Other community development concerns included K–12 education and childcare. The high cost and limited availability of childcare are keeping one parent or sometimes a grandparent at home with the children when they could be in the workforce. Challenges with transportation, childcare, and housing are causing high rates of turnover, which have been further exacerbated post-pandemic.

An unexpected example of community development was free public Wi-Fi. As one respondent said,

> We went out and got a federal grant through the stimulus package for $200,000. And now we're putting free public Wi-Fi in eight public spaces throughout the neighborhoods in [our city], right? So, we get asked a lot what are we doing for the citizens? What are we doing for the neighbors? Getting a federal grant to put in Wi-Fi. It's certainly not business attraction, right? It is not traditional economic development . . . it's community development, physical development, placemaking.

Downtown Investment

> *So, yeah, we had a lot of empty buildings downtown. We still have some. We acquired them from the land bank, basically, for a buck. We put RFPs out for a dollar. Hey, you want a free building?*
>
> —Respondent

The exodus of businesses and people from downtowns over the past several decades has been a shared experience for many cities in this region. Part of the effort to bring residents and visitors back has been to make large investments downtown, and although this is not a new strategy, it is one that many of the cities in our sample have undertaken. In doing this, economic development professionals are hoping for two linked outcomes: leveraging additional private investment and drawing people back.

In one example, a respondent explained,

> We made a conscious decision as a community and said downtown is vitally important to the growth of the city and of the region, and we spent the last 20 years really focusing on some significant downtown development. . . . Before that we've got a couple of decades with literally a few million dollars invested in downtown. We've now seen over the last 13 years, $1.3 billion invested downtown, major housing developments, commercial developments, new office space. People coming back in from the suburbs and back in from other communities and creating a very vibrant downtown that's attracting investment, and that coincides with a complete change in the domestic migration patterns . . . we've had five straight years of positive domestic migrations, so investing in ourselves, investing in

> quality of place and urban development has changed the growth pattern of the community. . . . That's affected some of the job growth. We're getting jobs now that we were losing 15 years ago, 10 years ago. They were saying we weren't competitive for these jobs and now we're gaining these types of higher-wage jobs.

This belief in downtown investment was reflected in a county-wide survey of businesses commissioned by the local business-development alliance (akin to a Chamber of Commerce), in which 90% of respondents said that downtown's revitalization had a strong impact on their ability to attract and retain the talent they need, rating this higher than other factors such as public safety and quality public schools.

Other traditional efforts, such as façade programs or attraction/retention of downtown businesses, continue to be a focus. Over the pandemic, a number of businesses, such as restaurants, closed while others became more efficient, with reduced hours and fewer staff. Cities also see a thriving downtown as an amenity that will draw and keep residents:

> They already feel like you've told them the right story and now they're coming in and they're trying to give it a shot, you know, they're going to say, "Okay, I'm going to bring my family." . . . But once they're here it becomes more of the "Uh, okay, so what are you doing to keep me here?" and that's where you get more into the traditional economic-development stuff. . . . You've got to have the amenities, and we've been working on that for years . . . these third places where people, you know, experience each other in the place, and they come together to tell stories. And so, we've been very purposeful about reaching out to food and beverage operators, breweries. We went from zero microbreweries eight years ago to nine, so we added one a year, but we've actually added more than one a year in the nine years. And, and that's important because those are the places the next generation are looking for. They're asking for that, you know, so it's like, "Hey, how are your K–12, and how many breweries do you have?" And so, if you can offer up nine that, you know they can go to and socialize and take their kids and sort of get into the rhythm of the community. It's really important. So that was a strategy, and it's working.

Other communities are finding ways to subsidize businesses willing to move downtown—for example, a real estate investment fund—as one respondent explained: "We worked with local entrepreneurs, anybody that wanted to come in and basically, geographically downtown. If you want to start up a business, you want to move your business there, we have up to a quarter million dollars to help fill that gap."

Sense of Place/Quality of Place/Placemaking/Amenities

> *In most cases, they're not moving for jobs anymore. They're moving for a lifestyle.*
> —Respondent

Cities are finding that it is not just the job but the character of a place and what it offers that draws workers in: "There's this fear that we won't be able to attract the jobs that we want if we don't have the population growth to help support it, so we better incent quality of place, and so we've spent as much time here locally even on quality-place kind of projects in recent years, sort of a little bit away from your traditional economic development but equally important in terms of just setting the right tone for the community." Reflecting this and using a range of words such as *sense of place*, *quality of place*, *quality of life*, and *placemaking*, respondents referred to creating communities where people—especially younger workers—want to live. One of our respondents said that, in addition to direct recruiting, "the other thing that we think is critical for population growth is tangible investment in those quality-of-place amenities that matter to our target audience, which is really 18- to 35-year-olds. We love older people, but we're not targeting them . . . (and) we remind everyone that we older folks like the same things that younger folks like, for the most part. So, it's going to be fine."

One important aspect of quality of life in a community is a vibrant downtown with events and activities. It includes physical spaces—so-called *third places*—that are neither home nor work but where people can gather informally and build community (as noted in the section above). One example was a city council's willingness to raise taxes and dedicate half of this revenue to a $100 million riverfront project. Cities are trying to bring restaurants, bars, and, increasingly, brewpubs into their downtowns. A respondent from another city said,

> Not only do people want to have a good job and stable housing, they also want to like where they live, or love where they live, and so stronger focus on placemaking and differentiating our market from others is really important. So, you look at everything that we've done downtown, that has certainly met that criteria. The riverwalk is an absolute game changer for this region and our ability to sell it and attract talent. We also have a brand-new 80-acre metro park . . . (with) high-quality amenities, like an ice-skating ribbon, interactive water plays, sliding hills, I mean, just so much to do in it. It was something that we looked at other cities like Grand Rapids, Chicago, Columbus, as ways that they have successfully activated their riverfronts, and so we've learned lessons from them, and when you look at those types of cities, those cities are growing in population for the most part. People are locating there for . . . quality of life, as opposed to just, you know, job creation. And so, I would say we have a

> stronger focus on creating a sense of place within the city and focusing on downtown, these amenities, our neighborhood development, it's all very important.

Cities are also viewing infrastructure investments as related to quality of life and therefore related to economic development. For example, one city invested half of its revenues from a tax increase on sidewalk infrastructure—connecting schools to sidewalks, connecting neighborhoods with sidewalk improvements, and fixing alleys that hadn't been touched in more than a century. In this case, infrastructure improvements were seen as contributing to quality of place and as just-as-valuable direct investments in traditional economic development activities such as business development or worker training.

Quality of place, however, goes beyond the physical. It certainly means a walkable or bikeable community as fewer younger workers want to buy cars. In addition to having high walk scores, however, "there's plenty of data that says that a young workforce is not going to look at a region that's not clearly welcoming and inclusive, that does not show sensitivity to climate issues and the environment, and does not have a forward-leaning focus." Economic development planners are beginning to think about these things as well.

All these communities have a very clear view of what they can offer in terms of quality of place and how they compare to the big cities in their region, as one respondent noted:

> I mean, if you don't have a big airport, don't say you have airport access that's 90 miles away, because you don't. And also, if you're a town that has a certain amount of cultural amenities, but not enough, it would be like, "Hey, we're just like a big city." You know, we're not. So, the challenge always is . . . how do you deliver the message that's accurate and genuine, you know, to being an authentic place. . . . Sometimes, being authentic and accurate could also be viewed as showing all your weaknesses, you know, in a way that, you know, some people may say, "Well, I wish we were better. I wish we did something else." We can't change that we're a mountain town. We wear a lot of flannel, and we also can't change that our weather is gray nine and a half months out of the year. So, we have to turn those things into a positive and kind of put it out there and say this is us. You know, yeah, it's gray for nine months, but the bars are open, you know, trying to make sure people are active during winter, get out there and go skiing, you know, cross-country, all the activities that happen whenever winter arrives.

Other communities distinguish themselves from, but make use of their proximity to, big cities for access to big-city amenities: "We're not Chicago. But we have to provide a certain level of amenities that keep those folks wanting to live here and happy to live here and then they can still get their Chicago fix by driving over, so we have amplified our focus on placemaking activities. Because that's what people want. They're wanting experiences."

Links to Local Educational Institutions

> *I do think universities are the incubation of ideas and such, and trying to create this environmental or entrepreneurial culture and such that they build upon. [Our] university has an "x" facility here that used to be for researchers on campus doing research on "x" for like jet engines or power plants. They now have 100 people at that site that all make more than $100,000 a year.*
>
> —Respondent

Not all the cities in this study had universities, but those that did found them to be a tremendous asset for economic development. Some of our respondents said that the presence of a nearby university was an asset as firms were looking for places to locate: "We have a really good set of universities and that carries us, but it's starting to actually be something that site consultants and people that are making business location and capital investment decisions are looking at." The students were also seen as an asset and as integral to workforce development, especially in places where students may come to study but not necessarily to work:

> We've got to build this channel of talents for the long term, because we're not going to be a natural relocation. You know, people are not gonna say, "I'm going to move to [this region] because I've always wanted to live there." We've got to put ourselves on the map and do all we can do. Keep our talent here and so every university student who comes here is going to have a great internship opportunity and lots of ways to know the community before they leave.

Given the importance of manufacturing in this region, this tapping of students can start at the high school level. One program took students who were not interested in attending four-year colleges with their parents on a bus tour to visit manufacturing facilities, "the ones that they knew had technology that were dynamic, that paid well, were clean, to simply show young people that probably weren't going to go to college, here's opportunities for you to get good paying jobs to support families and hopefully stay here in the region. That really became a best practice that many others throughout the region did, because it was showing such great results."

Universities and community colleges were also seen as partners in training workers for very specific local needs. One place incentivized a small local university to build up their nursing program and, as our respondent said, "Getting a nursing program launched is a big hurdle, because nursing faculty cost extraordinarily more than other faculty. So that's the way that we've been able to use our scarce resources to insert a program that will begin to tangibly fill the pipeline with nursing and other healthcare professionals for our market. So, [the university is] a very strong partner with us in that particular space." In another example, "[our community colleges] are doing a great job of working with our manufacturers on specific [areas]—manufacturing technicians, electricians, and building the curriculum out to be aligned with the employer's need here for [a large auto company]. They've got a global organization that figures out how to effectively build out their pipelines with the local communities, and they're doing a great job of that here."

With their research and development activities, universities—especially the big ones—are seen as drivers of local economic development. In one of our cases, "[our university] has decided they want to play more in the research space. . . . Twelve years ago, they were doing none. That is spinning off into some development opportunities in the community. . . . I do think universities are the incubation of ideas and such and trying to create this environmental or entrepreneurial culture and such that [we can] build upon." In another example of the benefits of a university, if a company—particularly an advanced manufacturing company—was looking to locate in a certain state, our respondents felt that their proximity to a big university would give them an advantage over other locations in the state.

Big universities can also help existing businesses. For example:

> We all get excited about the attraction, but growing existing businesses perhaps is the more important piece for us, and [our university] plays heavy in that space. Now, we got a grant from [a local foundation] several years back that put some dollars in our marketplace that allowed [our university] to go into local companies and kind of almost be an R&D kind of department for them. So, they're solving some real problems in the local industry that will ultimately help those local industries grow.

Universities contribute to the quality of life of a place, making it more attractive for workers. Respondents pointed to sports and cultural events. Our respondents also pointed to the strength of the alumni network and the ability to leverage connections. In one example, one of our places was competing for a Midwest call center that went to a competing Midwest city in another state: "I think there was a lot [of] thought that if we leverage [our university's] relationships in the right way, would [we] be on the top of mind and not [our competitor]? Because really there's not a lot of differences between us and [them]. . . . Can we leverage those kinds of relationships?"

DISCUSSION AND CONCLUSIONS

Our primary purpose in this paper was to identify the most common challenges and opportunities facing economic development practitioners in seven legacy cities, and the strategies being utilized to address the challenges and take advantage of the opportunities. The impact of COVID-19 was also of interest. This research was conducted within the framework of the four waves of economic development suggested by previous studies. To what extent were these various waves apparent in the work of the economic development officials we interviewed?

Our conversations with economic development policymakers and practitioners revealed five most commonly cited issues. These were workforce, housing and community development, downtown investment, sense of place/quality of place/placemaking/amenities, and links to local educational institutions. This is not to say that other issues were not important. For example, although the use of incentives to attract outside investment (a first-wave strategy) was not mentioned frequently, it was clear that it was still a tool in the toolbox of the contemporary economic development practitioner and was utilized when an appropriate opportunity presented itself. Many of the issues identified during our conversations are best characterized as being focused on addressing factors that would be beneficial to existing businesses and residents while also being attractive to potential investors and workers from outside. These included attractive market-rate housing, affordable childcare, a vibrant downtown, high-quality amenities such as brewpubs and parks with unique activity spaces such as ice-skating rinks, and the like. Broadly speaking, these are factors that enhance the quality of life (fourth wave) that a place has to offer. Talent attraction and retention was also identified as a key issue. With respect to talent, a major challenge is having a sufficient number of workers with the skill sets demanded by local employers. An absence of the appropriate skill sets results in a demand-supply mismatch. One mechanism to address this mismatch (a second-wave issue) is establishing links to and partnerships with local educational institutions (third wave). A number of the individuals we interviewed cited such partnerships as important. Third-wave solutions to second-wave challenges suggest that the strategies identified under the various waves of economic development do not exist in silos but are connected. Other examples exist. A high quality of life (fourth wave) will help communities attract outside investment (first wave).

Although some of our interviewees suggested that the talent shortage has been exacerbated by COVID-19, the pandemic also provides a potential opportunity for these communities. All of them offer a cost of living that is below the national average and, as a result, have the potential to attract workers currently living in higher-cost-of-living places and who have the ability to work remotely. The communities that will be most successful in attracting remote workers are those who can meet the quality-of-life expectations of prospective residents. That, we believe, will separate them from their competitors.

NOTES

1. Although definitions of which states constitute the Rust Belt vary, every definition that we have come across includes Indiana, Michigan, Ohio, and Pennsylvania (see, for example, Alder et al. 2014; Rhodes 2019). While we recognize the label *Rust Belt* is for some people pejorative (Trubek 2018), we choose to use it because it is a term with which many people are familiar. When referring to the communities themselves, however, we refer to *legacy cities*, a term that has become popular in recent years (Berube 2019).

2. More information about the International Economic Development Council can be found at its website, https://www.iedconline.org/index.php.
3. In three cases, two individuals from an economic development professionals participated in the same interview.
4. Population data were obtained from the U.S. Census Bureau.

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