

# Economic Emergency Response

The RECAST (Regional Economic and Community Alignment  
for Stabilization and Transformation) Coordinator  
Training Program Curriculum

Midwest Innovation Initiative  
Capstone Conference

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# Overview

- The challenges facing workers, businesses and communities.
- A new role proposed to help them meet those challenges.
- The 3 x 3 playing field.
- Training outline

## Our premises

1. Most economic disasters result from waves of change crashing down upon people, businesses and communities.
2. Communities already have many of resources needed to address the challenges created by those waves.
3. Promising practices exist; there's no need to reinvent wheels but those practices must be adapted to local conditions.
4. Productive change happens faster when a catalyst is present to mobilize community resources and equip them with the promising practices.
5. Prosperity is a package deal, involving people, businesses and community.

## Two corollaries

It's important to understand the big picture.

It's *more* important to remember that all suffering is local.

Today's crisis had a *3 years ago*.

The crisis that will occur in 3 years has a *today*.

*Economic Development Quarterly* 2006; 20; 219

## **Economic Versus Natural Disasters: If Detroit Had a Hurricane . . .**

**Laura A. Reese**  
Michigan State University

*This article focuses on the economic development impacts of natural, as opposed to economic, disasters and ultimately argues that many of the approaches and responses to sudden natural disasters might be effectively applied to areas experiencing more chronic economic decay. An evaluation of federal assistance in the wake of a devastating flood in East Grand Forks, Minnesota, indicates that commitment, cooperation, creativity, inclusivity, and flexibility resulted in a redevelopment framework that generated substantial improvements in a remarkably short time. Critical aspects of responses to sudden natural disasters could be applied to cities experiencing slow death: media attention; a sense of urgency coupled with long-range vision; coordinated federal, state, and foundation assistance; an emphasis on community hope; and a focus on the public sector, public investment, public infrastructure, and public pride.*

*Keywords:* local economic development; Hurricane Katrina; economic disasters



# Natural Disasters

# Economic Disasters



Proposed *site commanders* for economic disasters:

# RECAST Coordinators

Regional  
Economic and  
Community  
Alignment for  
Stabilization and  
Transformation

# Stabilization

1 - 6 mos

# Recovery

1 - 12 mos

# Transformation

1 - 5 years

People

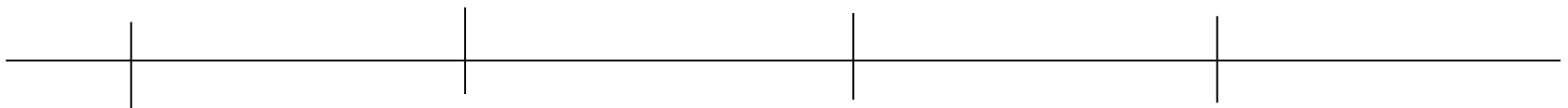
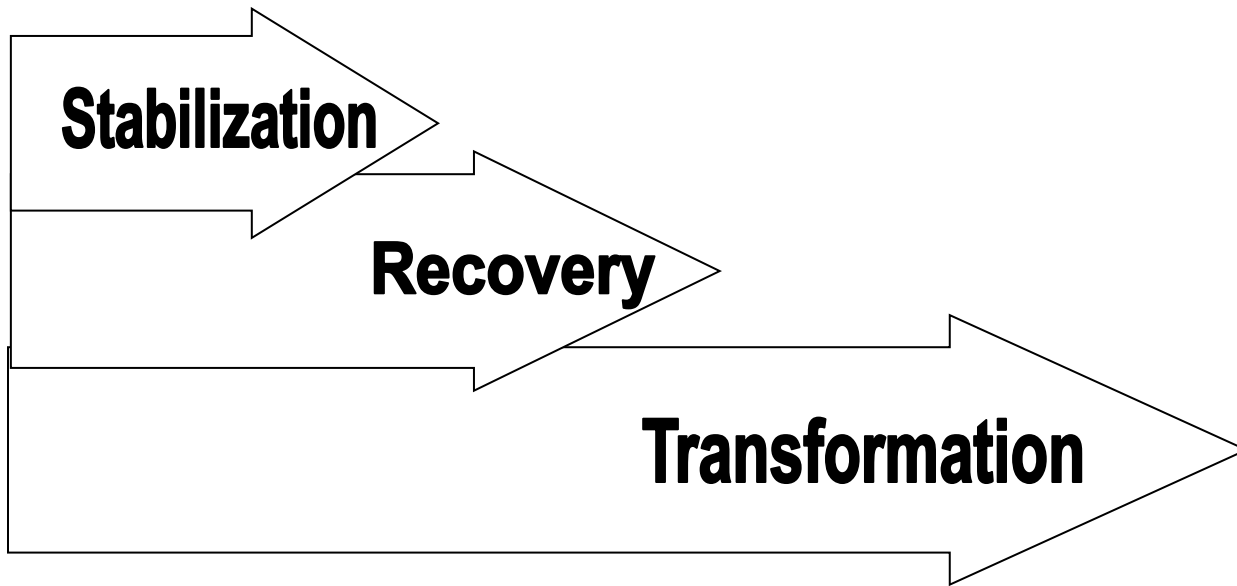


Businesses



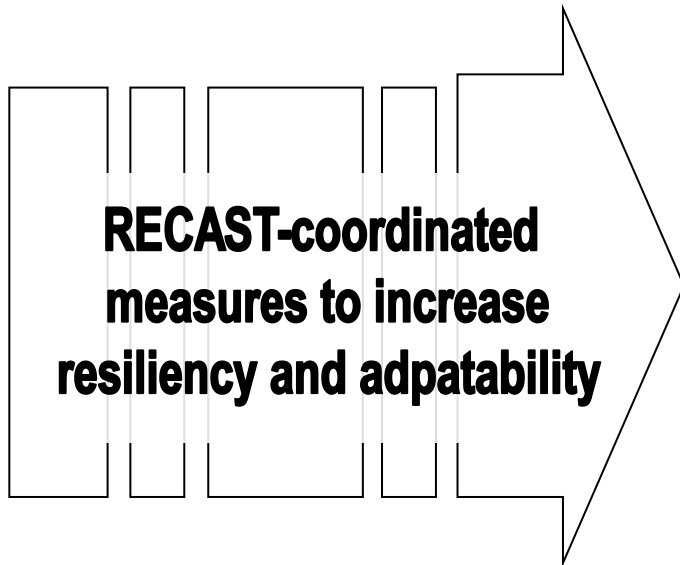
Community



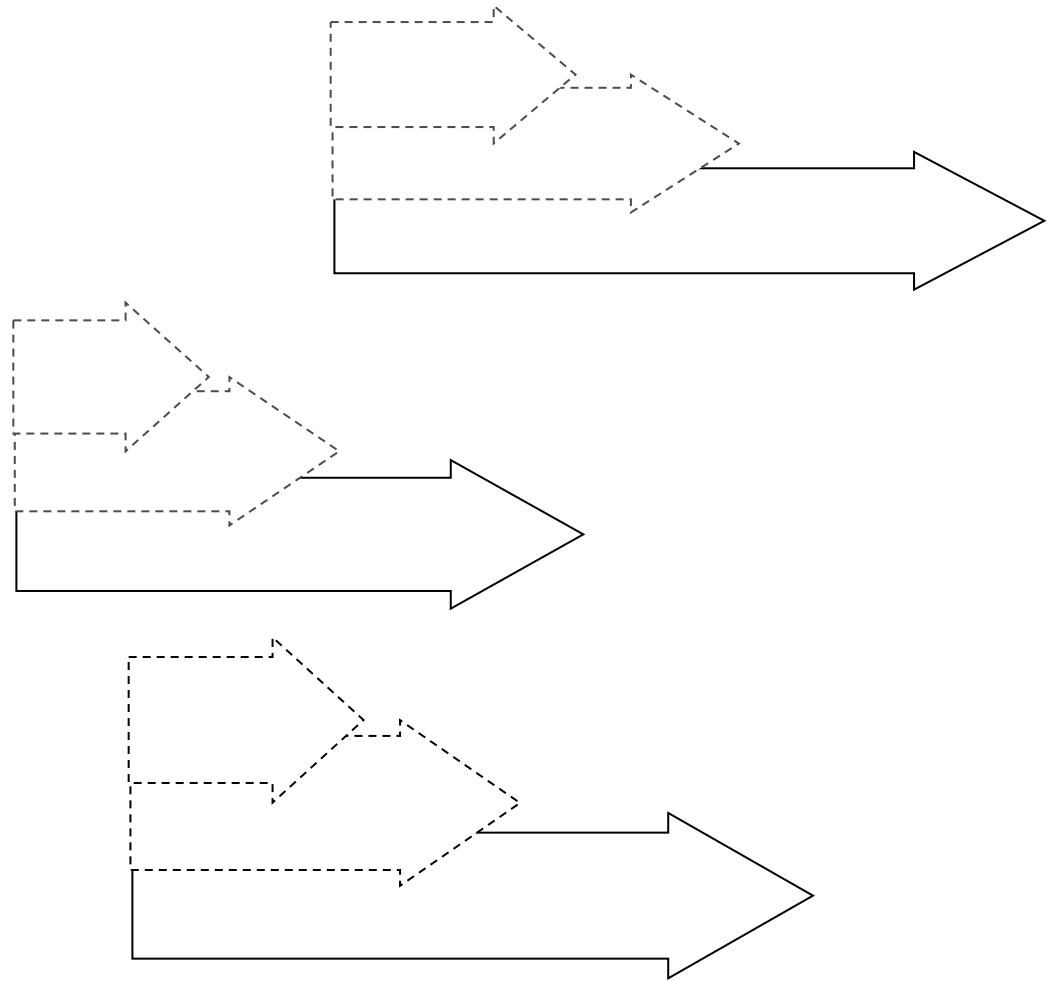


Today

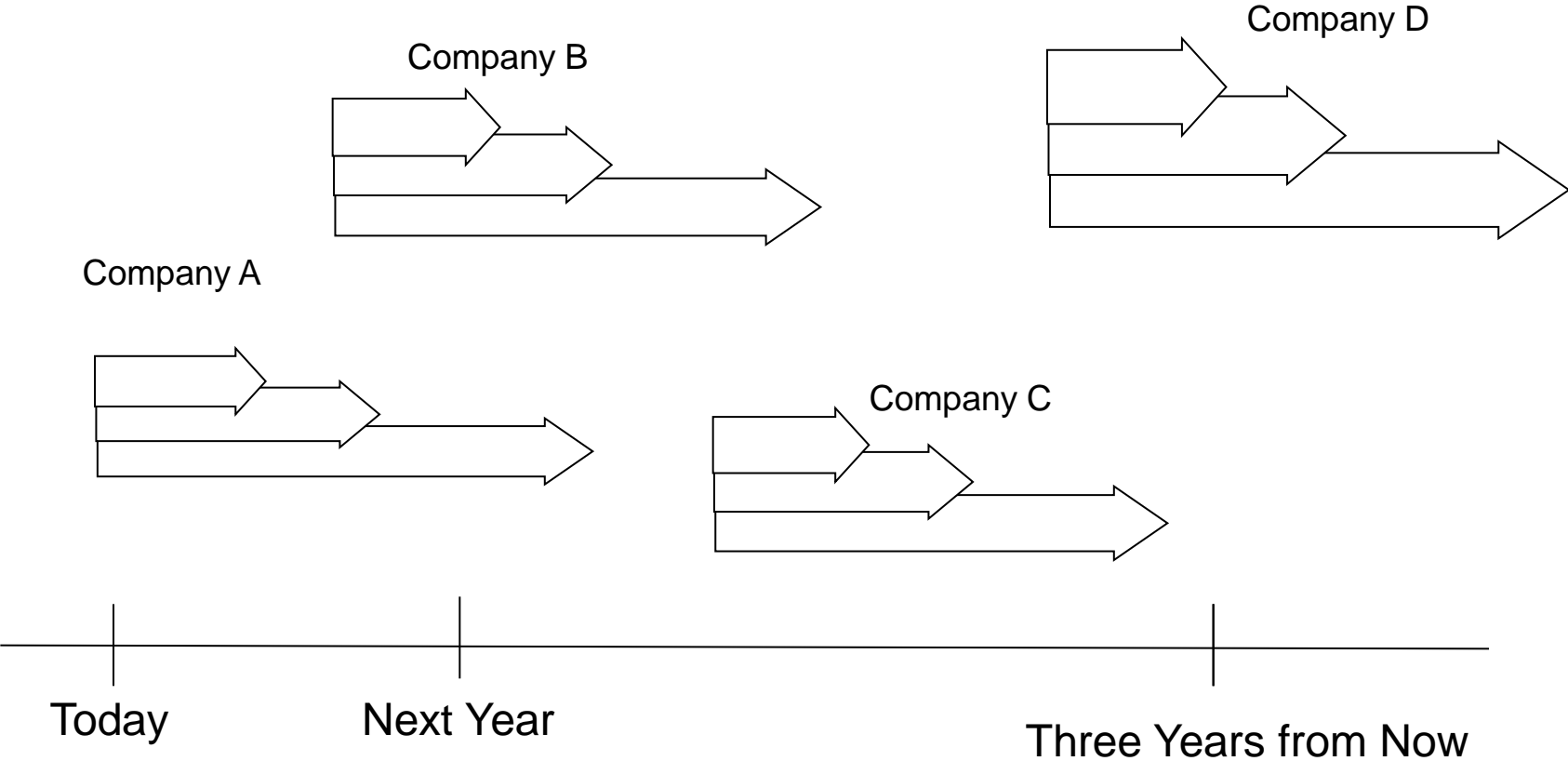
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By helping those still at the *pre-crisis* stage, the RC can eliminate the pain and costs of stabilization & recovery and jump directly to transformation.



Multiple at-risk businesses = the need to for the RC to operate with multiple time horizons.



# The 10 hats RCs will wear.

- Visioneer
- Project designer
- Convener of capabilities
- *Promising Practice* Scout
- Project manager
- Team builder
- Skeptical quality assurance inspector
- Improviser
- Purveyor of hope
- Teacher and coach



## Stabilization: Individuals

- Assemble – and use – an emergency support system (employment, food, finances, physical and mental health, etc.)
- Embrace new roles (job seeker, retiree, entrepreneur – and above all, learner)
- Become inoculated against setbacks
- Take a *life boat* job and continue seeking a better job
- Join a Time Banking effort

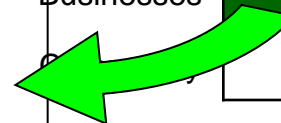
	Stabilize	Recover	Transform
People			
Businesses			
Community			

## Stabilization: Businesses

Short-term measures to ensure survival and minimize lay-offs by:

- Accelerating cash flow
- Boosting sales
- Securing bridge loans
- Restructuring debt
- Cutting non-essential costs
- Reducing hours / work week to avoid lay-offs

	Stabilize	Recover	Transform
People			
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Government			



## Stabilization: Communities

Leverage *existing* community capacities (government, non-profit, faith-based and other organizations) to support people and businesses.

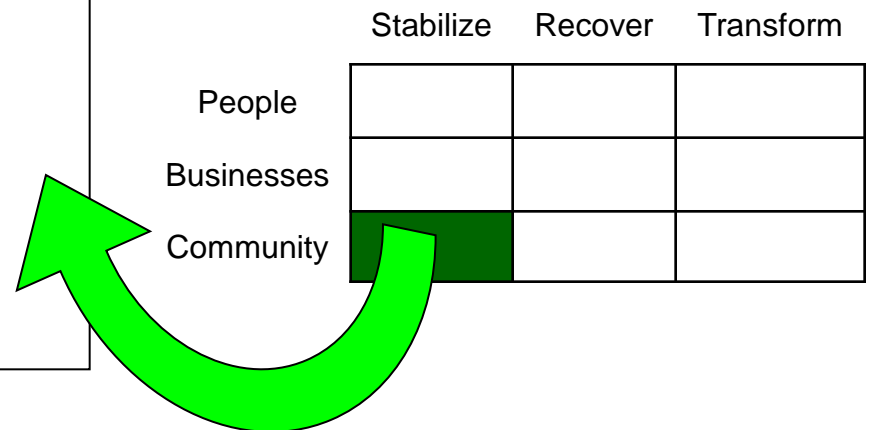
*Expand* community capacity in part by aggressively seeking additional outside resources

Do more with less: municipal “Lean and Green” measures, regional sharing, shrinking.

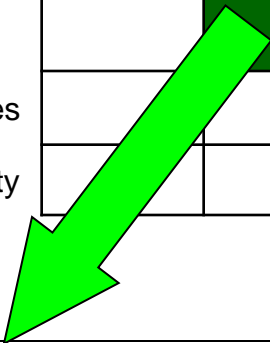
Municipal “New Deal” programs

Launch a Time Bank program

Facilitate self-employment, urban gardening, etc.



	Stabilize	Recover	Transform
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## Recovery: Individual

Short-term learning to qualify for work in similar fields or occupations.

Identify and ascend career ladders or move across career lattices.

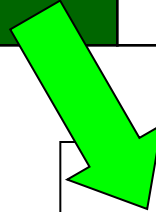
	Stabilize	Recover	Transform
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## Recovery: Business

- Customer diversification (same or similar products to additional customers)
- Product diversification (new products using existing production capability)
- Deep improvement efforts (Lean, quality, employee engagement) to lower break-even point and improve competitiveness.

	Stabilize	Recover	Transform
People			
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## Recovery: Community

Buy local / import substitution initiatives, vendor fairs, anchor institution programs

- Concentrate economic development resources on attracting, retaining and growing *high road* businesses and those with significant *cluster potential*.

Promote entrepreneurial culture.

Policy innovations to support *climate prosperity* (EE incentives, deconstruction, etc.)

## Transformation: Individuals

2- or 4-year degree to pursue a career change.

Entrepreneurship

?

Stabilize    Recover    Transform

	Stabilize	Recover	Transform
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Emergency Economic Response:  
RECAST

	Stabilize	Recover	Transform
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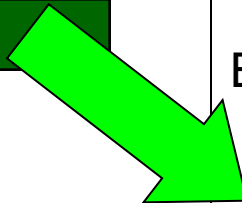


## Transformation: Business

*Conversion* - major changes in what the firm produces, its production capabilities and the markets it pursues – GE: polymer bottles, Flight Management System, wind turbines.

Business model innovation – IBM: from selling hardware sales to selling *business process improvement*.

	Stabilize	Recover	Transform
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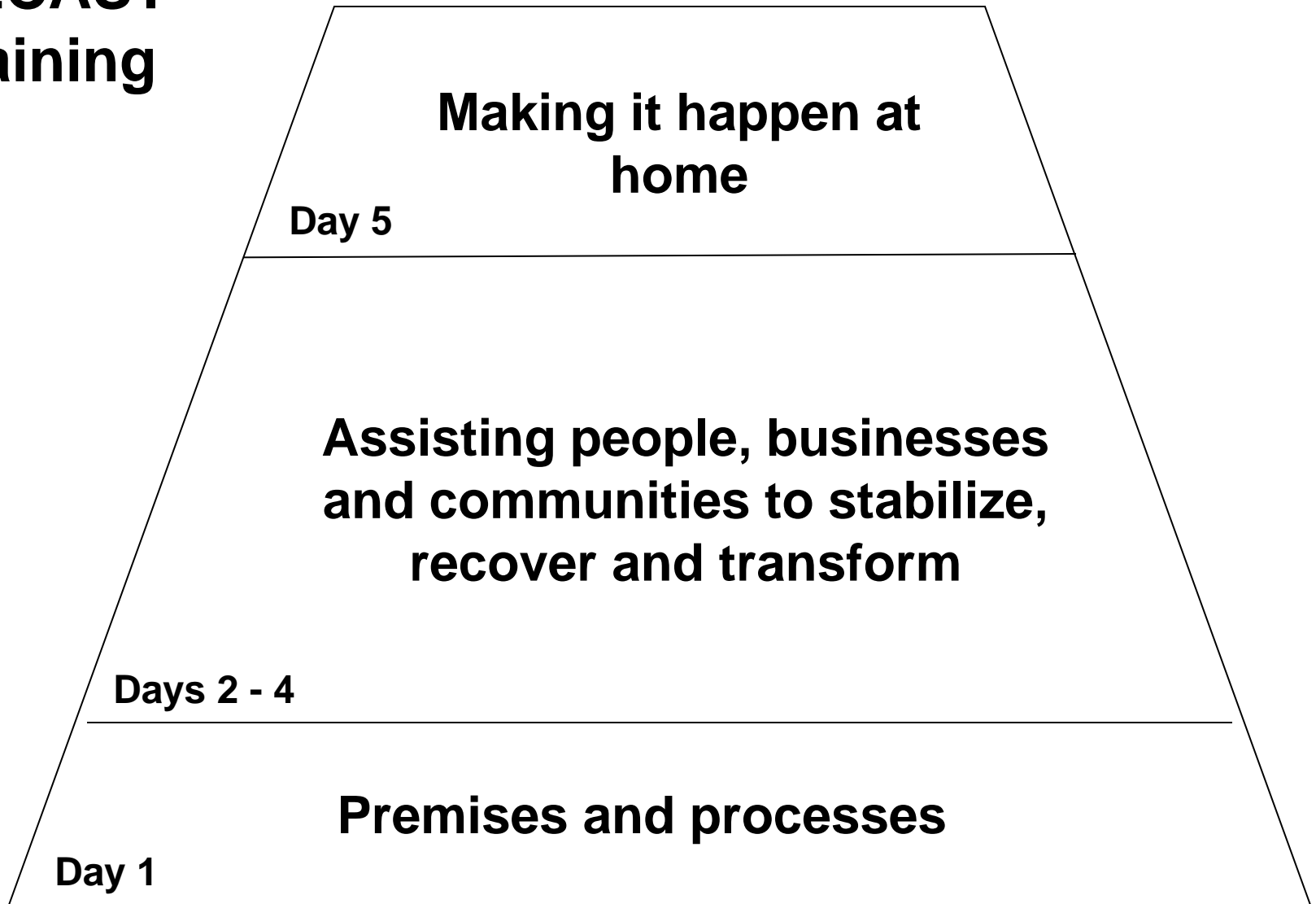
## Transformation: Community

Become \_\_\_\_\_ Friendly

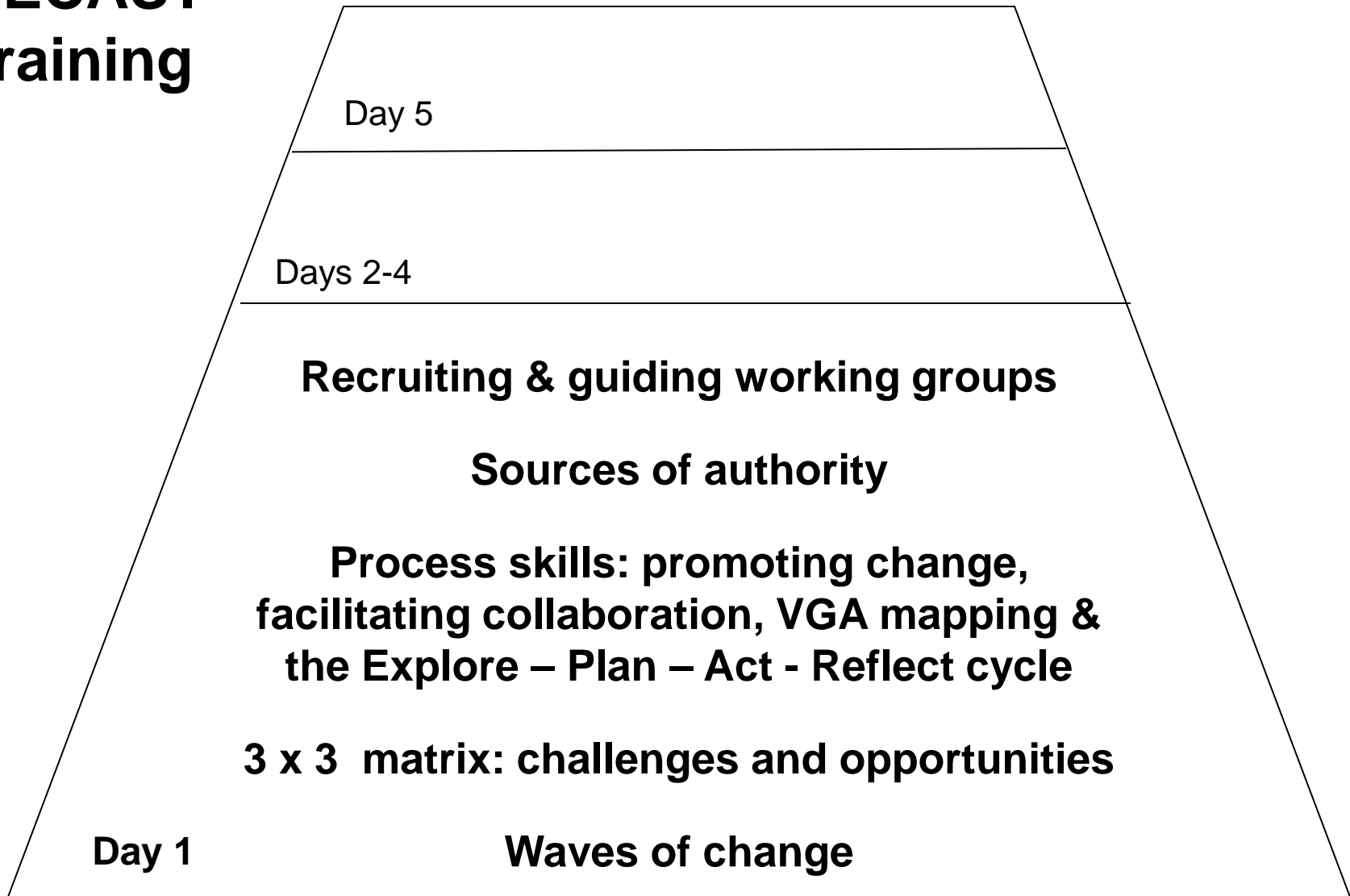
- Youth
- 20-something
- Family
- Immigrant
- Retiree
- Entrepreneur
- Business

Reinvent itself

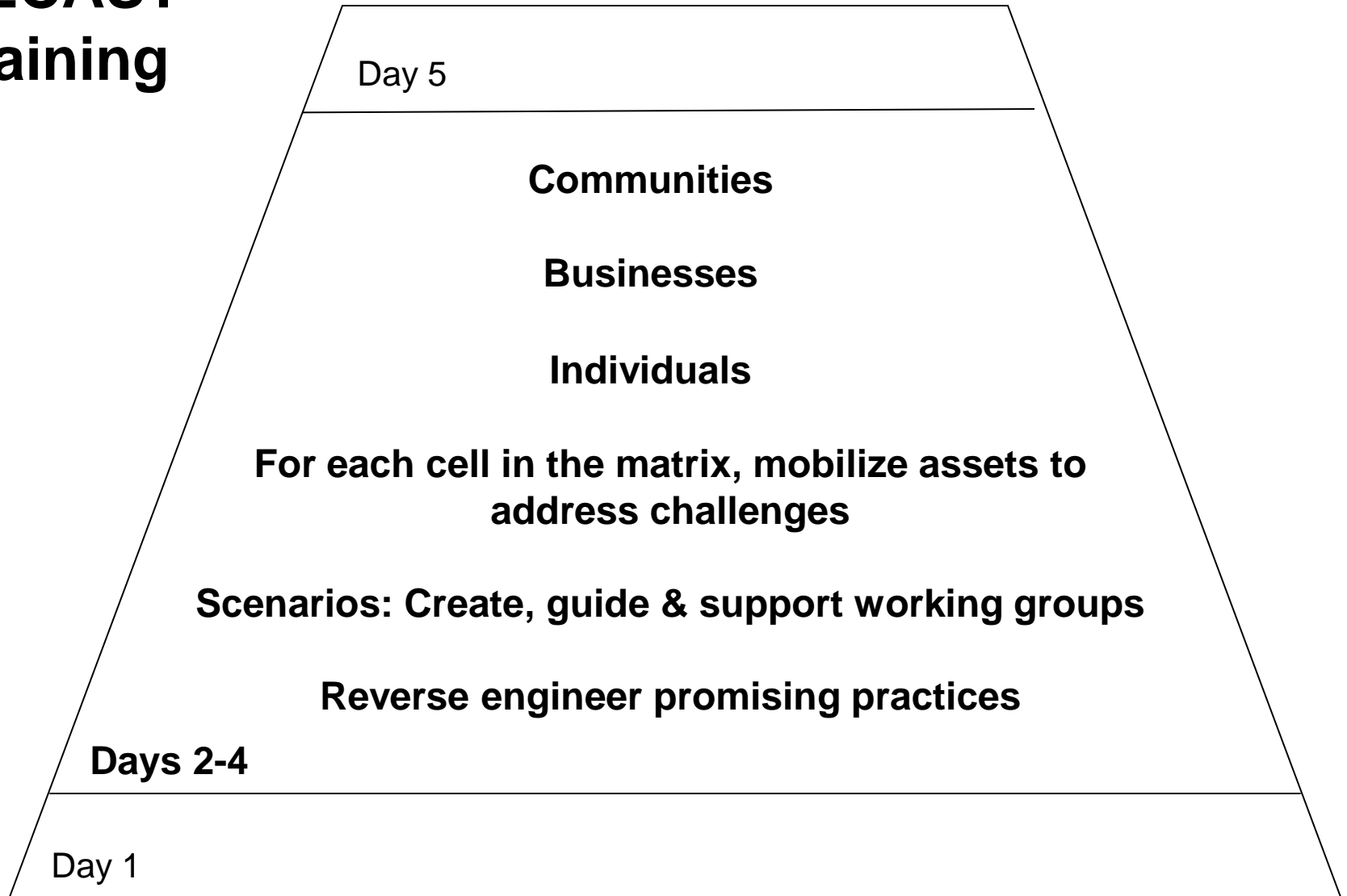
# RECAST Training



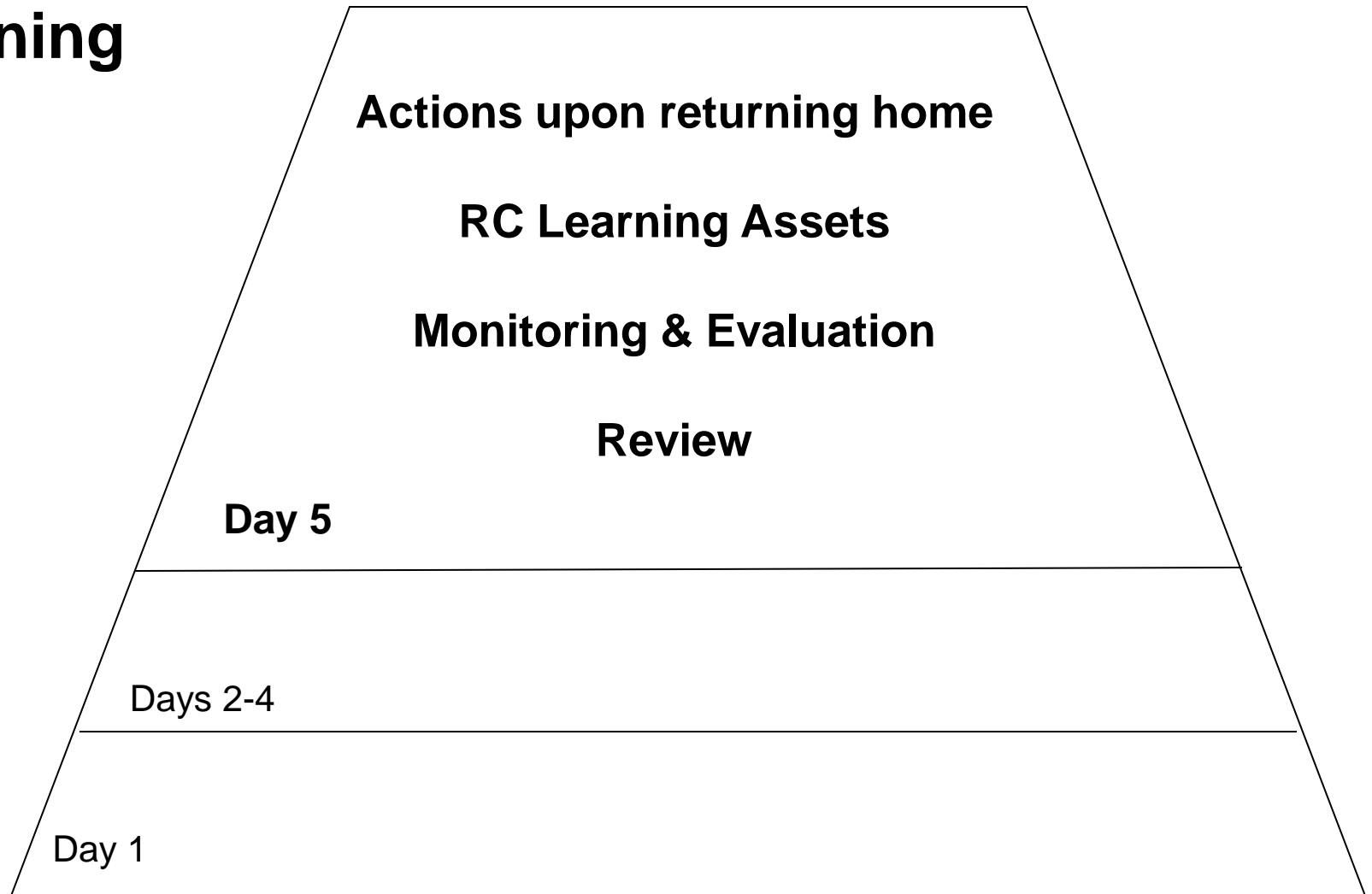
# RECAST Training



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Challenges & opportunities in the 3 x 3 matrix



Community Working Groups



Action Plans via the Explore - Plan - Act - Reflect cycle