



Organizational Overview

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Foundational Pillars

A nationwide Federation for a Manufacturing Renaissance has been formed with five foundational pillars:

- I. Shape industrial policy on a national, state, and local level in a way that is profoundly inclusive and anchored in economic democracy, and that is committed to community development. Our policy will reflect “best practices” in domestic and global experience.
- II. Support the growth and development of projects in local communities that retain and strengthen local manufacturing ecosystems.
- III. Create a community that learns from and utilizes the talents of its member organizations.
- IV. Educate the broader public as well as policy leaders on the importance of industrial policy and re-building our manufacturing ecosystem.
- V. Create an international membership that builds strong relationships with projects representing best international practices related to building the global manufacturing ecosystem.

Mission Statement

The Federation for a Manufacturing Renaissance (FMR) is committed to development that is economically, environmentally, and socially sustainable and restorative. We believe that a “high road,” inclusive manufacturing ecosystem is fundamental for healthy individuals, families, and communities. Toward this end, we:

- A. Build partnerships with those who share our values,
- B. Develop and advocate federal, state and local public policies consistent with our mission, and
- C. Support the development of programs reflecting this vision on a local and regional level.

Strategy—Inclusion & Industry 4.0

The public sector including government at all levels, and civil society as represented by the labor movement, community-based organizations, educators, faith-based organizations, the environmental movement and others must play a leading role in retaining, redesigning, and rebuilding our manufacturing sector in partnership with the private sector. Programs focused on inclusion must have the same level of political and financial support as programs focused on new technologies in manufacturing. This ensures that the values of sustainability, justice and restoration guide development and provide public support for building the manufacturing ecosystem.

Background

The United States has experienced a long-term decline in its manufacturing sector with an enormous social, economic, and political impact over the last 50 years. The loss has severely impacted communities throughout the country—urban and rural, white and of color. For the last hundred years, industrial policy has mainly been guided by the private and financial sectors driven by the objective of increasing personal wealth. Manufacturers revolutionized the means of production. They were committed to long-term planning. US manufacturing was known for its innovation. Despite a number of inequities, this industrial policy led to the growth of the middle class and the emergence of the US as the dominant global economy.

By the late 1970s and the emergence of new information technologies, the search for the highest rate of return in the shortest amount of time led to some leaders in the manufacturing and financial sector cannibalizing the very companies that were the heart of the manufacturing sector. Companies closed as investors shifted their financial resources to other sectors. David Roderick, CEO of US Steel closed one of the most profitable steel companies in the world, stating, “I’m in this business to make money, not steel.” Local and state governments were often complicit or passive in engaging the challenges of the manufacturing sector.



In the 1960s, the sector represented more than 27% of GDP. As a result of these practices, manufacturing now represents only 11% of GDP. The country and our communities have suffered in every respect. This reality was a product of industrial policies rather than a “blind market”.

We have launched the Federation for a Manufacturing Renaissance to represent the broad and shared interests of the public and private sectors committed to retaining, redesigning, and rebuilding our manufacturing sector. We are committed to manufacturing, economic democracy, and community development.

Basic Assumptions

Manufacturing matters:

- It is the essential foundation for a healthy society. It typically provides good wages and benefits. The average wage in manufacturing in the United States is \$87,000 when you include benefits.
- It's an engine for growth in the overall economy. Each job in manufacturing creates 6 additional jobs. Manufacturing creates opportunities for careers in all aspects of the industry—from production to ownership.
- Manufacturing is essential for addressing the climate emergency by manufacturing using new sustainable and healthier processes that don't contaminate the planet and creating products that are part of the solution like wind turbines, solar panels, and electrical vehicles.
- Manufacturing is complex work that builds social capital whether on the factory floor, in the product design center, or in management. When done right, people work in teams, gain communication and technology skills, and embrace solidarity.

Our country faces a social, economic, and environmental crisis anchored in the shredding of our manufacturing ecosystem over the last 50 years. Chicago, alone, lost 3,000 out of 7,000 factories and 150,000 manufacturing jobs in the 1980s giving rise to the kind of poverty and polarization that haunts both urban and rural communities around the country.

This crisis didn't need to happen. It was a product of an industrial policy that prioritized excessive short term profits rather than long-term investment.

- New information technologies and pressure from Wall Street encouraged companies to focus on short-term profits rather than long-term sustainability.
- Passive government got out of the way and failed to engage and support the development of the manufacturing ecosystem.



- Growing manufacturing sectors in the developing world offered low wages, reduced regulation, and subsidies—creating an opportunity for the adoption of Low Road strategies for short term profit maximization.
- The social movement remained focused on the redistribution of wealth and working conditions rather than seeking greater influence in the creation of wealth and protecting the productive ecosystem—leaving the private sector—including those with destructive short-term profit taking objectives in control of the ecosystem.

As a result:

1. The US faced dramatic declines in our manufacturing sector—from 27% of GDP to 11% of GDP in the last 50 years.
2. There have been dramatic declines in communities that depended on manufacturing—both urban and rural,
3. Local governments lost tax revenues;
4. The educational infrastructure linked to the manufacturing sector—essential for retaining and attracting companies—was closed down. In the Chicago region alone, there are 58,000 manufacturing jobs going unfilled and only hundreds of students on a path to secure those jobs.
5. All of this contributed to the misperception that manufacturing was dead and had no future.

Organizations looked for ways to prevent the closings and the loss of manufacturing.

- A. There was the growth of a movement against plant closings;
- B. Others turned to cooperative and employee ownership movement giving rise to organizations like the Ohio Employee Ownership Center, Co-op Cincy, Democracy At Work Institute, the Federation for Worker Ownership, the Democracy Collaborative, the Industrial Cooperative Association, the National Center for Employee Ownership, and others; and
- C. Community development corporations expanded to support other business models.

But this movement has remained small in scale and siloed as the conditions continue to worsen.

There is another way...

The Basque Country in Spain, Emilia Romagna in Italy, Germany, and other European countries chose different models that combined advanced manufacturing, economic democracy, and community development.

The Basque Country/Mondragon: In a small rural town of Mondragon in the Basque Country in Spain a local priest—Father Arizmendi—understood the value of manufacturing as a foundation for local development. He had a perspective on how this could be developed in a distinctly different way from the state socialist system in Russia as well as the American capitalist system. In the 1940s, he initiated a local polytechnical school that taught young people—many coming out of prison as veterans of the Spanish Civil War—the technical skills required in manufacturing as well as the social values of sustainable development.

In the 1950s, five of those students purchased a local manufacturing company and converted it to a cooperative. The cooperative structure gave each worker a vote to govern the company. The highest paid employee would only make three times the wage of the lowest paid employee—resulting in a high percentage of the profits being re-invested in the company. The company was successful leading to the launch of other similar companies.

Today, there are more than 80 companies with the same structure employing over 125,000 people. The Basque region is one of the most prosperous regions in the global economy. The Mondragon Cooperative Corporation operates in 39 countries.

The Basque Country, in general, provides support for the growth of privately-owned companies as well, providing a very sophisticated education and training system, a very strong social safety net, and various initiatives that increase the competitiveness of the Country's economy.

Other regions and countries such as the Emilia Romagna region in Northern Italy; Barcelona; Germany; and Denmark provide similar evidenced-based examples that can be applied in the United States and elsewhere. These models are anchored in the long-term commitment to manufacturing, to the promotion of local and cooperative ownership, and the building of communities. These strategies built strong regional economies that are the most prosperous in Europe and in the world. They have scale. They are proof that there is a competitive model of development that is based on a commitment to sustainability.

Inspired particularly by Emilia Romagna and the Basque Country, the idea for the Federation for a Manufacturing Renaissance has emerged.

Our Goals

A number of organizations have formed the Federation for a Manufacturing Renaissance. The purpose of the Federation is to:

- Educate the broader public as well as policy leaders on the importance of industrial policy and re-building our manufacturing ecosystem.
- Shape industrial policy on a national, state, and local level in a way that is profoundly inclusive and anchored in economic democracy, and that is committed to community development. Our policy will reflect best international experience.
- Support the growth and development of projects in local communities that retain and strengthen local manufacturing ecosystems;
- Create a community that learns from and utilizes the talents of its member organizations; and
- Create an international membership that builds strong relationships with projects representing best international practices related to building the global manufacturing ecosystem.

Our Objectives when funding permits

- A. **Advance a public policy agenda for Inclusion & Industry 4.0** to stimulate initiatives in Congress, the White House, in key departments, as well as state and local governments similar to our effort to promote [HR 5124](#).
 1. Track international, national, state, and local policy initiatives,
 2. Build collaborative campaigns to advance the key policies,
- B. **Build the Federation** and recruit leaders from all aspects of the manufacturing ecosystem including manufacturers and their associations, business, labor, the faith community, community-based organizations, investors, the environmental justice and environmental movement, and others. We will:
- C. Sustain a monthly newsletter and web site that will feature articles on the work of our members, deepen the understanding of the various parts of the manufacturing ecosystem,
- D. Hold monthly remote meetings of the membership to plan and promote organizing initiatives as well as addressing the challenges the Federation faces.
- E. Hold an annual in-person conference to address the challenges we face as a federation, present case studies of best international practices, and plan the organizational development of the Federation.

- F. **Learn from international experience:** We will organize an annual conference highlighting best international practices in retaining and building the manufacturing ecosystem. The conference will include the experiences of the Basque Country, Northern Italy, Germany, and others. The conferences will go beneath the surface knowing that this experience can have a profound impact in shaping the policies and practices and programs of local communities. These are models that are evidence-based and can inform programs in other countries.
- G. **Expand the Funding Pipeline Program** to identify sources of funding from the federal government as well as the philanthropic community that could support the activities and organizing work of our local members. This program currently exists as a partnership of The Century Foundation, the Urban Manufacturing Alliance, and Manufacturing Renaissance with support from the Ford Foundation.
- 1) We will assist our members and similar organizations in securing funds to support their programs.
 - 2) We will identify the various obstacles to securing these funds and assist organizations in overcoming the obstacles.
 - 3) We will hold webinars on specific funding sources as well as identify providers of technical assistance to our member organizations in applying for funds.
- H. **Educating Elected Officials and Candidates:** We will have a specific educational program focused on elected officials and candidates in key districts with the objective of stimulating local, state, and national legislative initiatives. This work will be informed by our work over the last two years that resulted in 6 members of Congress, led by Congresswoman Jan Schakowsky who submitted HR 5124 that called for massive investment in building the manufacturing ecosystem. This effort secured the support of organizations like the American Sustainable Business Network, The Century Foundation, American Federation of Teachers, the Proctor Institute, and others.
- I. **Media strategy:** We will carry out an aggressive media initiative in social media, radio and TV, and the press promoting the objectives and experience of the Federation. We will give particular attention to the experience and perspectives of local organizations ensuring consistency with our “bottom-up” approach.
- J. **Technical Assistance:** We will provide technical assistance to organizations to assist them in:
- 1) Establishing local Renaissance Councils—partnership involving manufacturers, business, labor, the faith community, community-based organizations, local government, and environmental organizations that will shape local industrial policy and provide support for local industrial retention programs;



- 2) Developing aggressive industrial retention initiatives including the creation of Early Warning Networks to identify companies that need assistance in talent recruitment and retention, as well as assisting in ownership succession; and
 - 3) Initiate programs in education and training linked to careers at all levels in the manufacturing sector.
- K. **The Journal:** We will publish a quarterly journal focused on Inclusion & Industry 4.0. Its audience will be senior organizers as well as policy makers that influence the various sectors in the ecosystem. Our editorial board will include international leaders. We will encourage debate and critical reflection as well as pointing to the experiences and perspectives of local community organizations.

Organizational Structure

Currently, the Federation is a project of Manufacturing Renaissance that serves as the fiscal sponsor. By the time of the 2nd annual membership meeting, we will determine if the Federation should become a new 501(c)3. Dan Swinney, Director of Strategic Initiatives for MR, is the Executive Director of the Federation.

- A. The Executive Committee assists the Executive Director in day-to-day management of the Federation.
- B. Our Organizing Committee leads our efforts in outreach, recruitment, and engagement. It includes:
 - 1) Erica Staley, Manufacturing Renaissance
 - 2) Ibon Zugasti, LKS Mondragon
 - 3) Michael Peck, 1Worker 1Vote
 - 4) Michael Bennett, African American Leadership and Policy Institute
 - 5) Carl Davidson, Re-imagining Beaver County
 - 6) Alan Minsky, Progressive Democrats of America
 - 7) Emily McGrath, The Century Foundation
 - 8) Michelle Burris, The Century Foundation
 - 9) Doug Gamble, Manufacturing Renaissance
 - 10) Michael Partis, New York City
 - 11) Teresa Cordova, Great Cities Institute, University of Illinois
 - 12) Matt Wilson, Great Cities Institute, University of Illinois
 - 13) Michael Moriarty, Chicago Teachers Union Foundation
 - 14) Bob Creamer, Democracy Partners
 - 15) Chris Cooper, Ohio Employee Ownership Center
 - 16) Katy Stanton, Urban Manufacturing Alliance
 - 17) Kristen Barker, Co-op Cincy
 - 18) David Levine, American Sustainable Business Network
 - 19) Andrew Dettmer, Australian Manufacturing Workers Union



- C. **Staff:** We will rely heavily on the talents and capacities of our members—expanding their opportunities to provide consulting services to others and sharing involvement in our various programs. Our core staff includes the following.
- An Executive Director will provide overall management of the Federation, guide fund-raising efforts, establish strategic partners for the Federation, and organize.
 - A Policy Director will coordinate our educational efforts to influence national, state, and local policy initiatives. They will be fully informed regarding existing policies and find opportunities for partnerships and mutual support.
 - A Communications Director will develop aggressive media and communications strategies to promote our vision and our programs including utilizing the reach of existing initiatives.
 - An Administrative Assistant will provide professional support for all aspects of the Federation.
 - Program Consultants: We will use our members as consultants, when possible, in assisting member organizations to develop local programs.

Conclusion

We believe that this is exactly the right moment to launch this Federation. There is growing awareness of the importance of manufacturing to our society from the White House on down and in all segments of the public and private sectors and across the political spectrum. It is essential that those who believe in fairness, inclusion, and diversity are at the table to ensure that manufacturing is the tide that lifts all boats rather than a sector that benefit a few. Our movement must recognize that small scale; siloed operations are a privilege we cannot afford.



Join the Federation For A Manufacturing Renaissance
at www.fed4mr.org