I want to thank everyone – our co-hosts – Center for Small Towns, Regional Sustainable Development Partnerships, Minnesota Public Radio, our sponsors, the planning committee members, and most importantly--- you.

We’ve been learning about small towns and communities over the past two days and I want to talk to you today about one community – the Minnesota community, because afterall, we are all Minnesotans.

The topic of my remarks – working better together to design our future -- really began three years ago at the 2003 Rural Summit in Mankato. The theme for that Summit was: *Entrepreneurship: A Winning Game Plan for Rural Communities.*

The Summit was a response to a growing concern for rural communities facing economic decline. After having been so reliant on one industry – be it manufacturing or commodity agriculture or mining or some other sector, they were beginning to see the effects of overseas competition.

Staying in the old economic game would be a race to the bottom. Across the country, communities who had experienced this decline long before we did, concluded that they needed to re-energize their heritage as an enterprising people, an ambitious, imaginative people, and kickstart entrepreneurship --- reaffirming support for small business and for people who are willing to take the risks to start and grow businesses.

Our game plan for entrepreneurship rested on four cornerstones: the well-known needs for financial resources and education, and the lesser-known cornerstones of community design and health care insurance strategies.

We theorized then that if we in Minnesota communities wanted be more entrepreneurial -- we needed to think differently about economic and community development. We needed to intentionally work these four approaches together to help mitigate the overall risks that an entrepreneur must take.
The community design cornerstone caught most people off-guard. They couldn’t figure out why community design might be important to business development – it was too soft – and we had a hard time articulating why it should be central to community economic development in the 21st century.

As a verb, design means, from its Latin root, designare, to mark out. As a noun, it means deliberate purposive planning. We just knew that people are affected positively or negatively by the natural and built environments around them, and if their environment is badly designed, you know it – you know it doesn’t work.

It’s why corporations spend millions of dollars to redesign their work spaces to help their employees be more productive, or more reflective, or for however they want their employees to be. The same could be said of a community…designing it to be a more conducive place for life and work might just give it the competitive edge.

We kept working on the ideas – in 2004, the Summit was on *Gearing up for the Innovation Economy*. Last year we continued to explore the complex connections with the theme of *Bridging Rural and Urban Resources for Community & Economic Success*.

The Kellogg Foundation believed in our imagination enough to give us some feasibility funding to explore the relationship of design to rural economic development. Kellogg seeks many ways to address 21st century rural economic development, which in our minds was economic reinvention.

If rural communities are to survive beyond their 19th century beginnings and 20th century midlife crises, they literally, in some cases, have to reinvent themselves because their traditional economic bases have been compromised by outside competition. They have to rethink their physical design, because many were designed around the physical needs of an economic era no longer viable.

The challenge in all of this is that in today’s world, everything relates. We must manage the complexity of factors in such a way as to channel the creative chaos into productive actions. The process of design can help us channel many pieces into a manageable whole.
So we’re out here on a limb trying to link design to business and economic development and one day I was reading the Spring 2006 newsletter of the UM College of Architecture and Landscape Architecture. I noticed in Dean Tom Fisher’s column a reference to the emergence of the “design economy.” I got a little excited and found the origin of this reference in a March 2005 article in Business Week online.

In the Business Week article, Roger Martin, the dean of the business school at the University of Toronto writes that, “We are seeing the emergence of the design economy – the successor to the information economy, and, before it, the service & manufacturing economies. In a global economy, he says, elegant design is becoming a critical competitive advantage.

Dan Pink, author of the book, “A Whole New Mind – Moving from the Information Age to the Conceptual Age” is quoted in the same article. He says that, “The future belongs to the empathizers, pattern recognizers and meaning makers.” These people – artists, inventors, designers, storytellers, big picture thinkers – help bring design thinking to our current fragmented world to unite pieces into an understandable whole.

Finally, I said to myself, even people in the business community are beginning to embrace the idea that design is central to gaining a competitive advantage. I would argue it is also an essential element for communities to be competitive and sustainable in the 21st century.

Because in a globalizing economy where the now developed countries like India and China are basing their economies on mass production and commoditization at a scale we cannot compete with, design for the human scale is more than ever our path to productivity and profit, not to mention a sense of soul.

What elements does this design economy entail? Fast Company magazine provides a look, based on Roger Martin’s observations on design and competitiveness:

1. Be project-based: Creativity thrives when there's a finite beginning and end. A sprawl of time and space kills initiative because you never know when there’s an end. It’s why deadlines help people innovate and create. Project-based also means using nimble cross-disciplinary teams that can
assemble when needed across a distributed but coordinated network to accomplish goals.


3. Provide rapid prototyping: This is related to point #2 --- you design something based on user needs and create prototypes for feedback real-time. You suggest that something may be and let people explore it – as Apple did with the iPod -- rather than wait until you think it’s perfected.

We need to be willing to take the creative risk to give things a try even if we think they may not be ready, and modify and improve along the way.

Traditional thinking is all about "what is." Design economy thinking is more creative. It’s about what can be. Designing is a deliberate, intentional act rather than a reactive one. And in a time of great national anxiety, egged on by perceived and real acts of terrorism, designing our future proactively together is a way in which we can gain some measure of control back into our lives.

Investing in design is also an inspiring act of leadership and shows public confidence in and ambition for a competitive, thriving future.

Like the design ambition of this special place – Morris. The University of Minnesota, Morris is deeply rooted in the tall prairie grass and connected to the blue prairie sky. The campus community has pushed sustainable community and economic development initiatives to a level of national leadership.

Its design framework touches nearly all aspects of campus life - power, food, water, transportation, waste stream infrastructure, academic study, and quality of life. Wind power supplies over 60% of the university’s electricity needs and will only increase. The turbine you saw coming in is the first large-scale wind research turbine ever constructed at a U.S. public university.

This is a special place to me as well because my Mom was born in Morris, in 1933. Her birthday is next week, in fact, and she entered this world during
the hot, dusty days of the Depression. Throughout her life, Mom felt deep connections to the prairie, which itself is a complex ecosystem of diverse plants and animals and climate working better together, masked by the beautiful simplicity of the open sky and waves of land around us.

My grandparents owned Berg Motor Company, up on Atlantic Avenue – Main Street -- and went broke here, as many people did during the Depression. Grandpa eventually found a job with John Deere that carried the family through to retirement in the 1960s.

Across the country during the Depression, leadership emerged that enabled a redesign of financial systems and conservation programs, and infrastructure investments in roads, electricity and telephones to assist everyone, including the unemployed and the state’s farmers. A new state and national design ambition emerged, and was strengthened at the close of World War II, when we asked ourselves -- if we could mobilize so well for war, why couldn’t we do the same back home and apply all that ingenuity to community and economic progress?

And progress we did, relying right up until now on those far-sighted investments from over 50 years back to provide the high quality of life we all have enjoyed but are beginning to see fray at the edges because of a lack of design ambition today. I’m not advocating a return to BIG government. I am advocating a return to thoughtful design of programs and places.

Design puts order around the chaos in which we live so we can be free to create, innovate, and imagine. Design puts form around your thinking, around your space.

It’s why a small town or distinctly defined neighborhood appeals to me. I know when it begins and when it ends, unlike the urban sprawl we see driving from every direction out of the Twin Cities and out of some of the smaller metro communities around the state, too.

The proliferation of shopping malls, the car and the drive-in culture that it promotes, the time consumed by commuting and the disappearance of “boundedness” (which is a clear definition of a community) sets up a sprawl civic penalty of roughly 20% on most measures of community involvement according to Robert Putnam, author of *Bowling Alone* and *Better Together*. 
This is where Putnam’s writings on civic engagement touch on design’s effect on us as human beings, which John Hench, one of the top designers for Disney, called the art of visual storytelling – creating form through landscape and architecture, and also time and space. Form, he said, gives power to the imagination.

It seems almost counterintuitive that form – something that defines a beginning and an end -- would provide us with more opportunity to be creative and innovative, but even economists agree. Successful societies are those that can create and manage a tension between order and chaos without letting either of them get out of hand.

Writing in the Atlantic Monthly in June 1999, MIT economist Lester Thurow talked about how to build wealth. He said that new wealth comes from new ideas, but that new ideas are easily frustrated if societies are not receptive to the chaos that comes from change. Yet he also cautioned that societies have to maintain an appropriate degree of order – a framework or form -- to take advantage of creative breakthroughs. When societies aren’t organized so that the old vested interests move aside, good ideas and entrepreneurs cannot emerge.

Good design then, gives us the balance and order around which we can live with and manage the chaos and the change around us. Good design touches us at deep, human levels. We know good design when we see it, but if we are not designers to begin with, we cannot always articulate how to get to that good design.

That is why we should involve designers in our community and economic development strategy sessions, and invite the artists and storytellers to help us break thru the old silos of economic development into the new, more imaginative, more integrated, and more multi-disciplinary whole of community and economic development for the 21st century.

We must design our communities and our systems for the human scale, because we are coming back to a human scale economy of work and life, away from the industrial and automobile scale of the last century. And at a human scale economy and society -- small towns, small businesses, and defined neighborhoods have the competitive edge.
They are nimble in the face of change; they can mobilize teams of people and resources much easier than large corporations or large communities. They are better suited to the technology advantages of the 21st century.

But the shift to a design economy has profound implications for every business and community leader among us. Says Roger Martin, “Businesspeople – and community leaders -- don't just need to understand designers better -- they need to become designers." They need to blend the business mind’s rigor, practicality, and business relevance with a designer’s creative problem solving skills and intensive understanding of human emotion. (And Martin and his colleagues in Toronto are doing just that with a combined degree program in design and business…)

So what’s the connection with small towns and rural Minnesota – all of Minnesota for that matter? The connection is to go out and make the design connection --- to re-embrace something we used to do well…to work cooperatively across business, social, and political sectors to design our future together.

We were innovative in the early years of the 20th century with cooperatives that brought electricity and telephone service across rural Minnesota. In the 1950s we made significant investments in education, transportation, conservation and government administration, and in the 1970s we were one of the first states in the country to put together regional planning commissions, linked to a state planning agency, to build local planning capacity and coordinate resources across sectors.

Our state planning agency no longer exists – it was finally eliminated last July after many attempts by the state legislature. Its remaining parts were scattered across other state agencies -- just at the time when we need comprehensive planning and analysis to help interpret the changes coming our way and connect the fragmented dots across local, county, regional and state boundaries.

We need to rethink and redesign physical infrastructure and rebuild our human networks, to be better suited to take advantage of the opportunities of the vast economic and demographic changes in the 21st century – the different ways in which people work and live today. To help spur entrepreneurship for example, we should have affordable health care
insurance. The cost now is the number one reason why people don’t start or are unable to grow their businesses.

Instead, state and national leaders have spent the last few years unraveling investments in our common good infrastructures – community planning capacity and small business development assistance, for example.

But because the need is still there, the result of these cutbacks are a string of disconnected, weak non-profits that struggle to fill the gaps and fight for every last scrap of resources. They work on very narrow pieces of what could and should be a whole framework of investment and coordination.

This dismantling actually gives us a great opportunity – to redesign and rebuild Minnesota’s human networks and physical infrastructure, for today and into the next generation. We have the opportunity to create a design that incorporates the tools and values of our age, to work better together for the common good at local, county, regional and state levels, to thrive well into the 21st century.

We can see the end result of disinvestment in people and improper design with the Katrina disaster. In the end, Katrina was not so much a natural disaster but a man-made one because of a lack of continuous investment and care over a period of years, which left New Orleans vulnerable. What destroyed New Orleans and other communities along the Gulf Coast was the attitude that we can cut back and put off today what someone else will do tomorrow. The disaster, once it occurred, was worsened by a lack of ability and willingness to coordinate across sectors.

We have the same time bomb ticking here in Minnesota with the billions of investments needed in rural Minnesota sewer and water systems, just to get them up to good…not even best… working condition. Just look at the front-page story in Sunday’s StarTribune. Working together to mitigate such risk is the reason we agree to live in community with one another. Working BETTER together is the reason why we coordinate efforts and financially invest in common infrastructure for the common good.

So how do we move beyond this conference about working better together for the common good and really work better together to design our future?
Minnesota Rural Partners has worked over the past ten years to lift up innovative practices for rural development and sustainability. In advocating for rural Minnesota, we strive to help others see Minnesota as a whole, interconnected entity, with unique regional areas of differing cultural, social and economic underpinnings (and disparities) and with diverse yet interdependent rural and metropolitan people and places. Simply put, we make connections to help Minnesota thrive.

It is from this perspective that we see looming on the horizon the 150th anniversary of Minnesota’s statehood (May 11, 2008). We see the sesquicentennial as a motivation for Minnesotans to honor our collective history, but more importantly, to look ahead at how we could and should work better together – rural and urban - to ensure that Minnesota is economically and environmentally sustainable well into this century and beyond.

To accomplish this, as our contribution to the 150th anniversary, today, in pure prototype, throw-it-out-there-and-see-if-it-sticks style, we are proposing a statewide design competition called Thriving by Design.

Thriving by Design would seek answers to the following question, meant not necessarily to be taken literally, but to allow for imagination and creativity to soar: *If we could start over, knowing what we know now and the tools we have, combined with the know-how and ingenuity of our people, and facing the global demographic, economic and environmental pressures around us, how would you “design” Minnesota today to carry on with a high quality of life well into the 21st century?*

Specifically, what systems would you change and how? How would you physically design towns and transportation systems, energy, sewer and waste disposal, water, telecommunications infrastructure to be economically and environmentally sustainable? How would you recognize the interdependence of rural and metro areas? How would you sustain natural resources while calling upon them again to be engines of Minnesota’s economy as we move into such opportunity areas as renewable energy?

This contest would challenge entrants from many disciplines to integrate in their thinking and creation all that we are today and will be: rural, urban, suburban, exurban; native-born & New Minnesotans; young and vitally aging persons; and physical, social, natural, economic landscapes & systems.
We think a design contest that organizes the talent within Minnesota can give us a sesquicentennial blueprint for the future that individuals, businesses, towns, organizations, regions and the whole state can benefit from for years to come.

For Minnesota’s Thriving by Design contest, we will convene and organize a diverse group of people and organizations to develop contest criteria and judging panels, recruit contest sponsors and participants, and manage the contest implementation. We are asking for your involvement today. If you are even curious, just fill out the interest form on your table.

We will use both face-to-face meetings and online methods to refine the scope and process of the contest. We would base much of our competition methodology on the community participatory process used by the Minnesota Design Team, which integrates many disciplines to help communities create a shared vision for their futures.

The competition would officially start in October 2006. Finalist teams would be selected and announced by May 11, 2007, one year from the statehood sesquicentennial. Finalists would receive feasibility funding and would then have the year leading up to Statehood Day, May 11, 2008, to refine and work on their ideas. The winning designs would be announced on May 11, 2008, and presented during the sesquicentennial celebration.

We need to organize and lift up our collective know-how, because across the world, other people and places stand ready to gain an advantage.

A few weeks ago the Minneapolis StarTribune noted on its editorial page the model of Dongtan, China, a soon-to-be-built visionary eco-city that will rely on simple, here-and-now technologies and techniques to cut energy consumption by two-thirds -- in how they will lay out streets, site homes and choose building materials for maximum use of sun and shade.

“All manner of waste -- sewage included -- becomes fodder for biomass-derived electricity. Wind power will be captured not only by the familiar large turbines but smaller household versions. Ultimately, Dongtan may link several villages into a green city of perhaps a half-million people -- a bold vision, certainly, and profoundly in contrast to our everyday image of Chinese development as a spreading plague of smokestacks and traffic jams.
The Dongtan plan is not fundamentally dependent on easy access to open land, or on any other uniquely Chinese advantage. It's why American planners should pay close attention as Dongtan develops.

Minnesotans should pay close attention, too, because unlike 150 years ago, we are at the end of “manifest destiny” – we have to live within certain physical space and environmental capacities and with our wits. We must thoughtfully design our future, for Thriving by Design - (TBD) – could also stand for “to be determined.”

The planning for the Minnesota Centennial started in 1955, when the Minnesota Legislature created the Minnesota Statehood Centennial Commission. We know that the wise decisions and investments made then, 50 years ago, are responsible for much of the successes we see today in Minnesota (our state demographer and state economist have said so…). Do we have the same commitment to such stewardship today, so that 50 years from now, Minnesota will still be a place – physically, economically, socially, where opportunity abounds?

At a time in Minnesota’s life as a state when we no longer have comprehensive state planning, we Minnesotans must design ourselves a future.

And that’s what the sesquicentennial Thriving by Design contest will do, tap into the talent across Minnesota to mark out for this and succeeding generations a deliberate purposive plan for the future – rural and urban working better together.

We can begin this adventure today. The answers lie within, waiting for inspiration. The opportunities are before us, and we are ready.