

Pennsylvania Economy League

(Eastern Division)



Overview

The Pennsylvania Economy League (Eastern Division) is an independent policy research and development organization for Southeastern Pennsylvania. The Pennsylvania Economy League (PEL) has a 63-member Board of Directors made up of executive vice presidents, managing partners, and leaders of many of the region's most influential employers and educational institutions. Its research-based mission historically has been to boost regional competitiveness by providing information to the civic leadership of Southeastern Pennsylvania.

The group's role is changing. In the past two years the Pennsylvania Economy League has stepped up to fill a void in business-civic leadership. It has become a more authoritative voice on regional issues, in part because of the dissolution of Greater Philadelphia First, the region's major CEO leadership for 20 years, which merged with the Greater Philadelphia Chamber.

In the last two years the PEL has raised its visibility with publications and research on regional issues. It has also taken up the mantle of promoting the region's knowledge industry, capturing the innovation and economic spin-off of the region's many colleges and universities. Finally, it served as managing partner of the Metropolitan Philadelphia Policy Center from 2000-2003. The Policy Center's goal was to develop and promote tax, infrastructure investment, and development policies that would help Southeastern Pennsylvania grow more and grow smarter.

Regional Priorities

One of the Pennsylvania Economy League's highest profile efforts is the Knowledge Industry Partnership, a coalition of business, civic, education, and government institutions. The partnership is a three-year, \$7.8 million initiative that was launched in April 2003. Its goal is to stem the region's loss of educated youth and build on the innovation derived from the region's 80 colleges and universities. About 215,000 students attend college full-time in Greater Philadelphia.

ORGANIZATIONAL SNAPSHOT

Type of Organization

Primarily led by companies or employers

Unit of Membership

Company/organization

Number of Members

2003: 63

1998: 45

Membership by Company Size

Small Companies: 10%

Mid-sized Companies: 10%

Large Companies: 80%

Dues Determined by

Combination of number of company employees, company revenue and history of the company in the community

Annual Dues Paid by

Largest Member Companies: >\$20,000

Smallest Member Companies: \$5,500

Annual Operating Budget

2003: \$2 million to less than \$5 million

1998: \$500,000 to less than \$1 million

Staff Members (FTE)

2003: 7

1998: 8

Board Members

2003: 63

Regional Priorities

Research-Based Agenda Setting,
Promotion of the Knowledge Industry,
Tax Reduction

The Knowledge Industry Partnership grew out of research completed by PEL in 2000. The research highlighted the influence of colleges and universities on the region's economy and quality of life. The research struck a chord, and soon after the Partnership was formed and three working groups were established. The working groups revolve around the student "life cycle" — choosing a college, the experience of enrolled students, and deciding what to do after college. The Greater Philadelphia Tourism and Marketing Corporation is in charge of marketing the city as a college town to prospective students, while the city's Department of Commerce is in charge of making the city more attractive to enrolled students. Innovation Philadelphia completes the cycle by working to create jobs. Dr. Judith Rodin, President of the University of Pennsylvania, serves as Chairperson and PEL, under Executive Director David Thornburgh, manages the Partnership.

PEL's involvement has given it a public relations boost and raised its profile. The challenge, however, has been raising funds to support the partnership.

The Pennsylvania Economy League has worked through its Metropolitan Philadelphia Policy Center to promote issues of regional competitiveness. The Policy Center, formed in May 2000, was a collaboration of the Pennsylvania Economy League, 10,000 Friends of Pennsylvania, and The Reinvestment Fund.

WHAT WOULD I DO WITH \$1 BILLION?

In 2003 the Pennsylvania Economy League brought together some of the region's heavyweights of business, politics, and civics to ask the question: "If you had a billion dollars, what would you do to improve the Philadelphia region and its communities?" The premise of the event was that smart money follows good ideas. This kind of thinking, even if it is hypothetical, says PEL, can lead to good practice.

The January 2003 forum generated various ideas. Rich Bendis, Chief Executive of Innovation Philadelphia, would invest much of his \$1 billion to establish a Distinguished Innovator Program to recruit 10 world-class scientists and researchers to the region. Peggy Amsterdam, President of the Greater Philadelphia Cultural Alliance, targeted her \$1 billion to a cultural endowment and funds for street performers. The President of Greater Philadelphia Urban Affairs Coalition, Sharmain Matlock-Turner, would funnel her money into the pockets of low-wage workers through cuts in the city's wage tax and expansion of the Earned Income Tax Credit. The event attracted 500 people and received considerable media coverage.

The Policy Center's last major work was the release of a series of essays in 2002 and early 2003 that mapped a metropolitan agenda centered on tax reform, housing, and smart growth. Pennsylvania Economy League's major contribution to the work, called Flight or Fight, provided numbers in support of eliminating Philadelphia's wage tax.

Flight or Fight also argued for reinvestment in the region's abandoned residential property and promoted land-use policies that make use of existing infrastructure rather than create new development on rural land. While the Metropolitan Philadelphia Policy Center was created to address these issues, according to Eric Rabe, former Chairman of PEL, the region struggled to develop the leadership necessary to move the agenda forward.

Structure and Operations

Membership in the Pennsylvania Economy League has increased over the last five years, from 45 to 63, and has broadened geographically and regionally. In 2003, the 63 Board members represented companies and institutions throughout the nine-county region. Eighty percent of the companies represented on the Board were large companies. The Pennsylvania Economy League has about 150 members that make up a leadership council. Members of the leadership council include legislators, government officials, business executives, and leaders of private and nonprofit institutions.

PEL's annual operating budget is between \$2 million and \$5 million. It generates about 40 percent of its annual revenue from private-sector membership dues, from its Board of Directors and Leadership Council. Regional and local foundations have become a larger source of revenue over the last five years. Other revenue sources include joint ventures with local governments, corporations, and private-sector leadership organizations.

The Pennsylvania Economy League Eastern Division is part of a statewide network of offices in Harrisburg, Philadelphia, Pittsburgh, and Wilkes-Barre that was founded in 1936. Each division relies on local support from membership, foundations, and contracted research for civic and government bodies.