



An American Waterfront (Made in China)

Selling China on Glass City

Story by **NANCY SCOLA**
Illustration by **TIM PACIFIC**

ISSUE
029

>FOREFRONT



VOLUME 1, ISSUE 29.
© 2012 NEXT AMERICAN CITY

Forefront is published weekly by Next American City, a 501c3 nonprofit that connects cities and the people working to improve them.

Next American City.
2816 West Girard Ave.
Philadelphia, PA 19130

.....

For subscriptions, please visit
www.americancity.org/subscribe.

While Next American City welcomes the submission of unsolicited work, we unfortunately may not be able to respond to each submission individually.

Please send work to ariella@americancity.org.

For additional information, please visit www.americancity.org.

Two Terracotta Army soldiers guard the doors to the Grand Ballroom of the Park Inn in downtown Toledo. Inside, Mayor Michael Bell takes photos with wave after wave of Chinese visitors who have come to explore investing in this northwestern Ohio city. In the foyer, the kickoff cocktail hour mood is festive. There's Budweiser, Coronas and Tsingtaos at the bar; at buffet tables, quesadillas, egg rolls and dumplings; in the room's center, people eagerly snacking on shrimp piled around a gorgeous ice dragon. Later comes word that the event's organizers, the **Five Lakes Global Economic Forum**, had been nervous about turnout. But reports that about 150 Chinese investors have, on this late September Monday night, descended upon Toledo seems, however improbably, about right.

The gathering moves into the ballroom and the formal program begins. The group is welcomed by Taiwanese-born Toledoan Zhixin "Simon" Guo.

"Believe it or not, I never thought about living in Toledo a couple years ago," says Guo, dressed in a dark suit, glasses and combed-back hair. "People ask me, 'You know, Simon, why did you choose Toledo? Why not San Diego or somewhere else?' I always quote the expression in Chinese which goes, *You don't really know how beautiful the mountains are because you're right in the middle of them.*" Toledo has so much potential that might not be evident at near-sight, testifies Guo. Great people, great culture, great weather. Guo switches to Chinese, and his translator relays the message in English. "You can have a good life here, raise your family here, and earn lots of money."

Soon, Mayor Bell takes the stage. Shiny-bald and bearded, Bell concedes that just a few years ago, few in the crowd had ever likely heard of this "Toledo." But, he predicts, some of them will come to join Guo in making it their home.

Should that come to pass, Toledo is ready, extremely so. Bell tells of a saying he picked up on one of his trips to China, a favorite of Communist Party reformer Deng Xiaoping. "It does not make a difference if the cat is black or white," says Bell. "He still hunts the mouse." Once translated, the notion that socialism doesn't preclude market-based enterprises gets hearty applause from the assembled crowd.

The opening ceremonies set the tone for the conference: Welcoming speech after welcoming speech, platitude after platitude, while representatives from local companies — real estate services firm Reichle Klein Group, energy solutions outfit Control Systems of Ohio, construction company Rudolph Libbe, accounting firm Plante Moran — mingle expectantly with their counterparts from Chinese firms like Shijiazhuang Datang Pump Industry Co. and Youbo Pharmaceuticals. No doubt dancing in the minds of many is knowledge of two deals that wrapped last year: The

sale of two waterfront properties for \$6 million to a theretofore unknown Chinese firm called Dashing Pacific.

Toledo is hardly alone among American cities in wanting to attract some of what Chinese citizens are investing abroad. Overlapping the Five Lakes session, for example, the Alabama-China Partnership is holding a symposium for investors in tiny Monroeville, a region that boasts pretty landscapes and low labor costs. Just a week earlier, **U.S.-China Investment Week** events were held in Milwaukee, Orlando, Washington, D.C., Portland, Los Angeles and Dallas. Texas Gov. Rick Perry attended the gathering at Cowboys Stadium; the dinner gala guest of honor was George W. Bush.

Toledo, though, believes it has a leg up. Even if the relationship between the city and its Chinese connections is still in the getting-to-know-you stage, both sides have already put three years into it.

While the mood inside the Park Inn is exceptionally upbeat, outside questions abound and come in many forms. D. Michael Collins, an independent on the City Council, points out that the legislature played no real role in the forum. U.S. Rep. Marcy Kaptur, a Toledo Democrat, cautions that it's difficult to fully grasp who your business partners are in communist China. Meanwhile, Mitt Romney and Barack Obama are battling over who's toughest on China, while Romney surrogate and Ohio Gov. John Kasich's privatized economic development program is intimately involved in the China forum.

But at the forum, a hope triumphs. It is that Toledo — an hour southwest of Detroit, hard hit by the poor economy, stung by a rash of foreclosures and a shrinking manufacturing base — can help eager foreign investors see in and around the city the partnerships they might form, the plants they might buy, the real estate in which they might invest.

And, in doing so, Toledo might help get itself back on its feet.

If that hope turns into reality, other cities will likely look to what's happening in Toledo as a model for how to go from sharing Tsingtaos in a conference hall to reinventing downtowns using international capital.

AN AMERICAN MAYOR STEERS THROUGH THE STORM

Michael Bell, in his dark suit, purple tie and cowboy boots, still looks at 57 years old every inch of the University of Toledo football player he was — which is probably a good thing, because there's a lot riding on his broad shoulders and the considerable force of his personality.



Elected in 2009 by a 5 percent margin, Bell, a former fire chief and political independent, says he came into office the following January with a \$48 million budget deficit that had to be answered for by March. That figure is disputed — Councilmember Collins, for one, calls it “a bovine byproduct” — but the city was no doubt in a precarious state. Other mayors might try steering their cities around the recession, but, says Bell, “This storm goes all the way from New York over to Germany, Greece, okay?” In other words, there’s no avoiding it. There’s only going through it, hatches battened. The U.S. economy is coming back, Bell says. “We just needed a bridge.” The public adamantly refused any tax increase. “I got it. But then I gotta go in and do some other things, you know?”

Those other things came to include the spring 2011 sale of two sites along the east side of the Maumee River that runs through Toledo. The Docks, a strip of destination restaurants developed in the 1990s, went for \$2.5 million, and a 69-acre parcel in the Marina District went for \$3.8 million. The desolate strip was meant to be the site of an amphitheater, promenade and river beach, but as reality would have it, its main feature to date is an odd and seemingly endless series of parking spots derided as “the Road to Nowhere.” The two sites had been for sale for a while, with no takers until Dashing Pacific Group Ltd., made up of Yuan Xiaohong and Wu Kin Hung. Later came the [sale of the Park Inn itself](#) to an undisclosed Chinese investor for a bargain \$3 million.

.....
“Every mayor, every governor is traipsing off to China, but it’s a middle person that is trusted on both sides that can make things happen quicker.”
.....

“We realize that everything starts with a relationship and a friendship,” says Bell. Out in the hallway, a delegation from the city of Hangzhou approaches the dapper mayor with a gift: An embroidered tie, a symbol of the city. “*Xie xie*,” says Bell without hesitation. *Thank you*. He adds, as Guo translates, that the nice thing about a city the size of Toledo — 286,000 people and dwindling — is that it’s no problem getting face time with the mayor.

Other small cities are aiming for a share of Chinese dollars, Bell concedes. But he adds, with a constrained smile, “It’s how you fight.”

4

NI HAO IN NORTHEAST OHIO

Turning on the hotel television reveals that things are slightly less friendly in the Ohio outside the Park Inn. The presidential election is six weeks away. The morning that conference attendees are checking in, a Mitt Romney ad during NBC’s *Today* show argues that rebuilding the American middle class means “crack[ing] down on cheaters like China.” The next morning, a biting Obama ad riffs off Romney’s criticism of a tariff on Chinese tires, demanding, “How can Mitt Romney take on the cheaters when he’s taking their side?”

To Bell, all this is political theater, and self-defeating at that. “With so much of our debt actually in China” — more than one trillion U.S. dollars at last check — “then it’s almost equivalent to taking someone who holds the mortgage to your house and throwing a brick through their window,” the mayor says.

The night before, Sun Wansong of China’s Ministry of Commerce had declared to the crowd, “Our investment company is the bridge that helps build relationships.” He goes on, “Today is the beginning of the relationship between [Beijing’s China Investment Protection Agency] and Toledo.” If the Chinese government didn’t support what potential investors were up to in Toledo, they wouldn’t be here, says Bell. But their goals align. China wants to build a middle class. Toledo wants to reclaim its own. To get there, China is willing to loosen up its rules and Toledo is willing to sell itself, national political climate be damned.

Sitting down at a table, Bell explains why. He tells of attending a recent meeting in Chicago with officials from Wuhan, a Central China city of 10 million. “They’re signing 10 different contracts as I’m sitting there,” he says, eyes growing big as looks down at the remembered contracts. Bell heard that Wuhan’s “special advisor” on the investments is **none other than former Chicago mayor Richard Daley**. “But that’s China.” *Yeah*. “But he’s a major Democrat.” *Oh yeah*. “But we’re not supposed to be doing this...” That moment in Chicago was confirmation, he says, that for ambitious cities, anti-Chinese rhetoric isn’t a limiting force. “You just have to take control over your own brick.”

After hours and hours of repetitive welcoming speeches, professions of enduring friendship and ceremonial gift exchanges but little discussion of business, I ask Bell if ever worries that all this performance obscures the particulars of the deals at stake. Mistakes will be made, he says, when you’re working internationally. But, says the mayor, the Dashing Pacific sales probably got about as much vetting as Italian carmaker Fiat’s **2009 taking of a major ownership stake** in Chrysler. Beyond ensuring that your partners are stable, what can you know without heading to China and tracking things to the source? “If I look at other companies that have come here from other countries, nobody requires that from *them*,” says the mayor. “We’ve taken it as far as we’ve done for other countries. But all of the sudden that’s not far enough, because this is China? I’m not playing that game, so beat me up if you want to.”

And let it be said that when it came to Dashing Pacific, there was a powerful check. “We go to closing,” says Deputy Mayor of Operations Stephen Herwat, who has joined us, “and the money has been wired to us” — millions, in cash, into the coffers of a cash-depleted city. Does that, I ask, ever happen with U.S. companies? Herwat shakes his head, *no*.

As I leave, I flip over the business card that Bell has given me. On the back, the mayor of Toledo’s contact information is in Chinese.

A SPOTTED CAT TO CATCH THE RAT

What’s taking place on the ground in Toledo is a manifestation of a carefully crafted local network. But it’s also a product of sweeping economic policy decisions made over the last decade some 6,600 miles away in Beijing. Flush with foreign cash, since 1999 China has aimed at increasing its foreign direct investment, or FDI, under the policy known as “Go Out.” Chinese FDI was \$4 billion in 1990. By 2010, it had **climbed to \$298 billion**. All signs point to the idea that there’s plenty more to come.

Go Out

Since 1999 China has aimed to increase its **foreign direct investment**, or FDI, under the policy known as “Go Out.”

Chinese FDI in 1990
\$4 billion

Chinese FDI in 2010
\$298 billion

6

Add to the mix that U.S. real estate went bust in the last half-decade while Chinese prices remained high, “Made in the U.S.A.” retained its cachet, and China’s economic outlook is mixed. It’s thus unsurprising, FDI experts say, that Chinese businessfolk are poking into all corners of the United States, looking for distressed properties and other chances to put money down. Nor is it a shock that U.S. cities and towns are looking to get a piece of it.

Whether China’s market socialism and the U.S.’s economic system can truly mesh is a question that, in Toledo, is shoed away as quickly as it floats up. Over crab rangoon, tofu in brown sauce and other Chinese-American dishes at lunch on Tuesday in One Seagate Auditorium, Guo tells the capacity crowd of growing up in ’60s China. “We called the American people capitalists, imperialists. The propaganda was trying to demonize the country, trying to demonize the good American people.” There’s no real coda, other than the implication that the time for this kind of binary thinking has, obviously, passed.

And Li Zhengou, president of the Mudanjiang-based Youbo Pharmaceuticals, echoes the conclusion in his speech to the forum by tweaking Bell’s remarks. “We are not black cats. Nor are we white cats. We are a spotted kind of cat, black and white mixed together, so we can capture a nice and juicy type of rat.”

For his part, University of Toledo President Lloyd Jacobs adds this: “Toledo is a welcoming culture, and there is virtually no xenophobia.”

But there are critics of the U.S.-Toledo connection who argue that too much faith is being papered over by Chinese proverbs, burgeoning friendships and the hopeful thinking implied by Jacobs’ construction. There is little anti-Chinese talk, if that’s taken to mean crude objections to people of Chinese extraction simply making a life in Toledo. Talking to locals and observers, though, makes plain that wariness of the Chinese people is different than wariness of Chinese business practices, which is itself something different than wariness of the Chinese government’s role.

Collins, the Democratic councilmember, revives the questions he raised as the Dashing Pacific deals were emerging. (As for the forum itself, Collins says, “it was as if the legislative branch did not exist.”) First, he recalls, “I want to see transparent visas from each of these two investors”; when Collins introduced himself to Dashing Pacific’s investors during a groundbreaking ceremony, he says, they froze him out. And secondly, “I want a letter of intent from a local contractor because I don’t want to see contractors coming through here and what remains are empty lunch boxes.”

Curtis Milhaupt, a professor at Columbia Law School and author of the 2008 report [“Is the U.S. Ready for FDI from China?”](#) is far more sympathetic to Collins’ second request than his first. Making sense of a résumé from Chinese schools, firms and associations to the degree that it reassures a skeptic? “If that’s what host governments are looking for, they’re going to be looking for a long time.” What would-be host governments can reasonably require, though, is that incoming companies demonstrate a nuanced understanding of their market: Hiring locally, treating employees well, making a commitment to a certain management structures.

That isn’t without its challenges, says Ken Davies of the consulting firm [Growing Capacity](#) and a former senior economist at the Vale Columbia Center on Sustainable International Investment. “They’re used to doing things their own way, and riding roughshod over environmental concerns and workers,” he judges. “There should be no policy of getting huge tax breaks and other things and letting Chinese companies misbehave.” Chinese firms get technology, Davies says. They get human resources. Managing their reputation abroad can be a struggle.

Davies counsels that getting from “Oh, China, poisoned drywall, poisoned baby milk, poisoned pet food, poisoned toys,” to “Oh, it’s made in China, it’s made in the U.S.A. by Chinese companies, it must be good,” requires diligence. “That perception cannot be changed by PR and greenwash. But if you get a good reputation by producing good products and treating workers properly, treating customers properly, being a good corporate citizen — if you do that, and another Chinese company does that,

it helps change the perception” in the U.S. of the way that the Chinese, writ large, conduct business abroad.

And the nature of a proposed investment, Davies says, can hugely shape its local reception. He points to the **recent \$100 million investment** by a company called Golden Dragon in a copper tube manufacturing plant on a 50-acre piece of tiny Thomasville, Ala. The state handed over a reported \$200 million in incentives, but it’s an easy enough public relations sell, he says, because the transaction is straightforward. They’re going to (1) make copper tubes, for refrigeration, air conditioning and the like, (2) sell said tubes, and (3) make money. Understandable enough.

But a vacant swath of riverside real estate is a canvas on which the imagination can paint. In February, the local paper *Toledo Blade*, which has aggressively covered the deals, arranged a **conversation with Dashing Pacific’s Yuan Xiaohong**. It was an awkward dance. Yuan revealed that she was born in Inner Mongolia, owns 15 homes in Shenzhen and doesn’t particularly live anywhere. She refused, though, to indulge more probing questions, at one point saying pointedly to the translator, “Could you interpret this and tell them that in China when one becomes well-to-do, then all the gossips come around?”

Davies isn’t surprised that the *Blade*’s Q&A approach to Yuan wasn’t more revelatory. “They don’t tend to open up to strangers,” he says. A proper Chinese conversation, he explains, begins with meeting someone at a cocktail party or other friendly setting, and opening with the exchange business card — conveyed using both hands and considered carefully — followed by careful cultivation over months and years.

8

FRIENDS WITH BENEFITS

Selling the Chinese on the merits of investing in American cities is hardly an idea conceived in Toledo. Cities and towns across the U.S. are making it known they’re receptive.

Locals aren’t delusional. “If someone wants to be in New York, L.A. or San Francisco,” says Paul Zito of the Toledo-based and privately led **Regional Growth Partnership** (RGP), a partner in the state’s economic development efforts, “there’s nothing we’re going to do to talk them out of it.” But open minds will hardly find Toledo a cultural wasteland. The city has the Toledo Museum of Art, free thanks to the foresight of Edward Drummond Libbey, who moved his New England Glass Company west in the late 1880s. Libbey was attracted, according to museum catalog *Toledo Treasures*, “by cheap natural gas, good sand for making glass, and a strategic location on rail and shipping routes.”

What appealed to Libbey is still at the heart of modern Glass City's pitch. On opening night, the University of Toledo played a video that showed maps of the tremendous spidering out of transportation connections from Toledo across the Midwest: Shipping routes to Lake Erie, railways, highways (Interstates 80, 90, 75) and the nexuses between them. The appeal is obvious for those interested in manufacturing and distribution. If you make and distribute things — Chinese cars, perhaps? — then it's logical to at least consider doing it from Toledo. Booms the video's voiceover, "close to 40 percent of the U.S. population and 50 percent of the Canadian population is open, reachable and ready for the taking."

Understanding how we ended up in the Park Inn Grand Ballroom requires scrolling back the tape three years.

When Bell was running for mayor, he was pitched on the merits of China by the 80-20 Club, a local Asian-American group. Later, a local real estate developer, a friend of then-deputy mayor Dean Monske, happened to live next door to an executive from SSOE, a major Toledo-originating engineering firm that was enthralled by China but finding it difficult to navigate. "Everyone I meet," says Monske, now president of the Regional Growth Partnership, summing up the challenge, "has three or four business cards."

Fast forward: The developer meets Simon Guo and, soon enough, is showing him around Toledo. Guo falls in love with the blustery Ohio city and moves his family there. Guo, who knew the pair behind Dashing Pacific, helps shepherd the Docks and Marina District deal. As the first deal closed, the mayor recalls Guo saying outside a meeting at the Real Seafood Company that Toledo was a beautiful city. Had he thought about marketing it in China?

In a better economic time, says Bell, he might have passed. But the city was in a hole. "So for me, it was, why not?" he says. "Why not go and find out what it's all about?"

So the mayor and Monske flew over to China. "It was a two-hour dog-and-pony show," says Monske. He found, though, that in Guo their Chinese contacts had "a real person that they know and trust telling that what they're hearing is real."

The former deputy mayor says that first-person connection was critical to making the pageantry of pleasantries fruitful. "Every mayor, every governor is traipsing off to China, but it's a middle person that is trusted on both sides that can make things happen quicker," he says. In the few years since, Monske has returned to China three more times. A fifth trip is planned before the end of the year. Thanks to their connections, "we've shortened the ability to build a relationship from 10 years to 10 months."

Something ventured, nothing earned.

Toledo has, like virtually every other Rust Belt city, looked for economic development panaceas before. A look at some of the strategies attempted over the last 20-odd years.



The Portside Festival Marketplace

The 1980s downtown mall was supposed to revive downtown and lure suburban shoppers back to the city. It didn't work. The mall was abandoned in 1990.

10

Huntington Center

Built in the early aughts, the 8,000-seat Huntington Center cost \$105 million to construct. Some \$90 million in debt is attached to the publicly financed stadium.



Hollywood Casino

In May, Toledo's first legal house of gaming opened - Hollywood Casino. The 125,000-square-foot casino is one of four built statewide under an amendment to the Ohio constitution recently approved by voters. Together, the four casinos are expected to put billions of dollars into state coffers. So far, the return on investment has been lower than hoped.

Things snowballed, too, on the Toledo side of the equation. In the last few years, those involved started arranging reciprocal delegations of six or eight or 12 potential investors to Toledo. Guo proposed holding a major gathering with scores of Chinese. It might sound fanciful if there weren't 150 or so potential investors sitting in rapt attention in the Grand Ballroom.

And it's apparent that the Toledo's China experiment is enjoying buy-in far beyond a handful of folks in and immediately around the mayor's office.

The Toledo Symphony, for example, played the opening ceremony and its president,

.....

Two weeks after the Toledo conference wraps, the U.S. House Intelligence Committee will raise red flags on two Shenzhen-based telecommunications companies.

.....

Kathy Carroll, welcomed the crowd warmly. And in his office at the University of Toledo, Jacobs tells me he's eager for more Chinese students. Tuition aside, it's a chance to engage more fully with the world. "We'd love to have four times as many. Or for that matter, 10 times as many. No limits."

Meanwhile, the Regional Growth Partnership, which is helping to facilitate the China-Toledo relationship, is one of the six development groups that carry out newish Republican Gov. John Kasich's plan to privatize economic

development, called **JobsOhio**. The business cards of some RGP staff are double-sided, with their JobsOhio affiliation on the reverse. It gives a state imprimatur to the efforts happening inside the Park Inn.

At the center of it all is, undeniably, Guo. But he's less than eager to talk. Opening night, he begs off an interview. I find him in the lobby the next day. From where in China, I ask, do the conference attendees hail? Coastal China, mostly, but all over. The forum's programming thus far seems light on substance. "Sometimes with conferences, content doesn't matter as much as knowing folks." What role does the Chinese government play in these interactions? None, really, to speak of. I ask for a brief biographical sketch. He'd rather not.

Asked for help getting a better handle on Guo, Monske highlights his connection to a global network of executives called the **CEO Clubs**. Guo's **bio** there lists experience

with MCI, Qwest, the Chinese Internet company 21Vianet, an international “human performance improvement” organization called Wilson Learning, and service as a translator for former Secretary of State Henry Kissinger during his travels in China. In April 2011, Guo’s global networking has brought the Toledo crew to the United Arab Emirates’ coastal Fujairah. “Almost identical to Toledo,” says a jazzed Monske. “Port city, underdeveloped, with all these transportation assets.”

Guo might be a man of many business cards. But he can hunt the mouse.

FOREIGN ANSWERS TO DOMESTIC PRAYERS

China aside, opinions swirling around Toledo differ on whether foreign direct investment is the way, or even *a* way, to set the city right again. For Columbia’s Milhaupt, it’s clear. “History suggests that foreign investment is, on balance, a very, very positive thing for local economies.”

Asked for a labor perspective, the AFL-CIO Industrial Union Council’s Bob Baugh says he has no existential problem with Chinese companies doing business in the U.S., but that each investment needs to be parsed for whether it might realistically produce good sustainable jobs for American workers, and not simply transfer ownerships to Chinese firms.

Looking at Toledo, though, others see in another reason to be wary, or at least duly diligent and deliberate. Marcy Kaptur, a Democrat, has been the congressperson from Toledo since 1983. By phone, she says that while China’s “market Leninism” might be some form of capitalism, it’s a distressingly predatory one. “There’s capital and there’s capital,” says Kaptur, who serves as one of 14 members of Congress on the [Congressional-Executive Commission on China](#), “and if it’s dirty capital, one would have to be very careful.” She argues that lumping in new start-ups based in communist Chinese with companies from Western Europe, like Italy’s 113-year-old Fiat, is a ridiculous dodge. The former, she says, don’t operate under the rule of law, at least as we know it, which makes partnering with companies there a game of chance.

Moreover, sitting just south of the Maumee River’s opening into Lake Erie, the Marina District and The Docks’ strategic locations raise “defense-related” issues that the congresswomen declines to get into, other than pointing to published reports suggesting that China has a particular interest in U.S. ports.

And Kaptur has some allies among those who study such foreign direct investment. “It’s not unreasonable for there to be some suspicion about Chinese investments in the United States,” says Columbia’s Milhaupt. Two weeks after the Toledo conference

12



wraps, the U.S. House Intelligence Committee will **raise red flags** on the Shenzhen-based telecommunications companies Huawei and ZTE's connections to the Chinese government, and President Obama will **block** a Chinese-owned firm's purchasing of an interest in wind farms near an Oregon naval weapons training facility. The possibility that there are politics at work, experts say, doesn't preclude there also being practical considerations at stake.

Japan's experience in setting up shop in the U.S. in the 1980s, says Milhaupt, provides lessons in how *not* to respond to suspicions. Dropping an operation into a South Carolina or a Tennessee without much effort to integrate into or communicate with the local community, says Milhaupt, "is a recipe for disaster for the Chinese." The current climate, says the professor, "suggests is that the Chinese have a problem." The most obvious way to address it, he concludes, is to be more forthcoming about the parties involved, how they'll operate, and their commitments and goals.

An open question in Toledo is whether the city's early experience with Chinese investment will be one of successful anchor projects that open the door to more like them, or of botched opportunities that poison the well for others.

For her part, Kaptur questions the very premise that foreign investment holds value for Toledo and cities like it, arguing that America abdicates some of its wealth-production capacity when it imports rather than home grows its investments. Then

there's Keith Wilkowski, a Toledo Democrat who came a very close second to Bell in the 2009 mayoral race. Cities tend to benefit from new immigration, he says. But what he's worried about is a city-building strategy that seems to believe in a "cataclysmic investment" that will, once and for all, bring Toledo back.

Wilkowski cycles through Toledo's past supposed panaceas: The Portside Festival Marketplace (built in 1984, abandoned in 1990), the Owens-Illinois Building (built in 1982, left for the suburbs by its namesake glass firm in 2006), the downtown Huntington Center stadium (built in 2009 for \$105 million), the brand-new Hollywood Casino (one of four built under an amendment to the Ohio constitution recently approved by voters). And now China is the answer to Toledo's prayers? "It's both harder and more rewarding than that," says Wilkowski.

The thing is, Bell doesn't entirely disagree. He and others celebrate the new gambling establishment — a welcome card left in the Park Inn gives the translation for casino (*du chang*) and a field trip for Chinese guests is planned for the conference's second night — but Bell argues that it's "not the savior" and that encouraging diverse, sometimes foreign, investment in Toledo is actually part of firmly establishing a broad and sustainable base for the city's economic rebirth.

Some skepticism about that path, RGP's communications director says, isn't surprising; even those connected to and invested in the China push have their doubts. But he explains the thinking: "A lot of things this community has been doing haven't been working, so why not try it?"

14

BETTING THE TOWN

If he chooses to run again, Bell is up for reelection next November, and he's been aggressively critiqued in the press and by political opponents for the lack of visible progress at the Marina District site since its sale more than a year ago. There was talk of an "international village" of retail and perhaps housing, but those plans appear to have been dropped. (Bell points out that the city's contract allows the buy-back of the site at the selling price if it's not developed within five years.) Bell says that the goal is, exactly, sustainability. He respects Dashing Pacific's seeming reluctance to simply throw up a complex plan to fill it.

To Bell, the heat he's taking on the Marina District's progress is of a piece with the presidential candidates' competition to see who's more enthusiastic in their condemnation of China's economic practices. "You can take a little point that really actually doesn't mean a whole lot," says the mayor, "and turn it into something major, okay?"

Ken Davies, the consultant who works with Chinese companies eager to take root in the U.S., says there's no point in a struggling community dwelling on whether it might not have the sort of name you see on Hard Rock Café t-shirts. Take whatever advantages you have and play them to the hilt. "If the Alabama people sat back and thought, 'Well, is it *really* better for the Chinese to come here or go to Texas?' they might do an objective analysis that showed that Texas was better."

"So what are they going to do, just give up?" asks Davies. "No, they just go all out." >



ABOUT THE AUTHOR

Nancy Scola is a journalist and writer whose work on the intersections of technology and politics has been published by *The American Prospect*, *Capital*, *Columbia Journalism Review*, *New York*, Reuters, Salon, *Science Progress*, Seed and other publications. She is a correspondent on technology and politics for *The Atlantic*.

She was previously the associate editor of techPresident, a widely-read daily online publication of the Personal Democracy Forum. She's talked about governing, campaigns, political organizing, technology policy, digital media and more on the BBC, CNN.com, MSNBC and WNYC's "The Brian Lehrer Show," and frequently appears on conference panels.

Nancy came to journalism from government and politics. From 2001 to 2005, she served on the Democratic staff of the Committee on Oversight and Government Reform in the United States House of Representatives, under Rep. Henry Waxman of California, handling both online communications and a technology policy portfolio. After leaving Capitol Hill, she was an aide to former Virginia Governor (now Senator) Mark Warner as he explored a possible run in the 2008 presidential election.

Nancy grew up in northern New Jersey and now lives in Brooklyn, New York. She holds a B.A. in anthropology and Africana studies from George Washington University and an M.A. in anthropology from Boston University.

16



ABOUT THE ILLUSTRATOR

Tim Pacific is an award-winning graphic design student entering his senior year at Rutgers University in Camden. In addition to his schoolwork, Tim is an active freelance illustrator. His work can be seen in AIGA Philadelphia's SPACE, which features a recently completed series of hand-lettered postcards. Among his design philosophies, Tim believes strongly that concept comes first and you should absolutely judge a book by its cover design.