



*Pennsylvania Gov. Josh Shapiro unveils his economic development plan for Pennsylvania at Mill 19.*

# Pennsylvania gets the critical economic plan we need

By Farnam Jahanian

Pennsylvania has all the necessary, tough-to-come-by ingredients to shape the future, to strengthen our economy, and to secure our place as the leading economic engine of the future. But we cannot stumble our way to ensuring that our state wins the race to lead the economy of the future, and ensuring that all Pennsylvanians will benefit.

We've been missing one critical piece. And today we've got it.

## **Pennsylvania's advantages**

Pennsylvania has four big economic advantages. We're home to one of the most diverse

and vibrant academic networks in the nation. It spans land grant universities, private and public institutions, community colleges, trade schools and apprenticeship programs. It's a roster capable of serving and benefiting every resident across the state.

Equally important: Our research and development funding draw ranks fourth in the country, with our schools pulling in \$5 billion in external funding each year.

But, most of all, we possess the most important resource in the fight for the future. We're rich in talent, producing 33,000 STEM

college graduates annually, the second highest number in the nation.

Plus, one attribute of absolute luck: We're physically in the right spot. Our state serves as a natural bridge, both in people and products, to the rest of the nation. We sit within 500 miles of nearly 40% of America's population.

With these enviable ingredients in place and a national agenda alight in a once-in-a-generation moment to leverage science and talent together, Pennsylvania is primed for success. But one long-missing piece has limited our economic

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growth: The commonwealth has operated without a statewide economic development strategy for nearly 20 years.

Fortunately, an answer has just arrived in the form of a 10-year strategic plan for the commonwealth. The plan, released by Governor Josh Shapiro yesterday, charts an ambitious new course for Pennsylvania's future amid an unprecedented moment in our country's history.

### **A new roadmap**

The federal CHIPS and Science Act, passed with bipartisan support in 2022, radically centered science and technology as the nation's strongest engine of growth and prosperity. This legislation set the modernization of America's innovation ecosystem in motion — an evolution that continues to open doors of opportunity across the commonwealth.

In Southwest Pennsylvania, new federal Build Back Better grants are funding programs to connect small- and medium-sized businesses and residents to emerging technologies, such as artificial intelligence and advanced manufacturing.

In Southeastern Pennsylvania, up to \$750 million in federal funding is earmarked to bring a clean energy hub to the region, which has also earned a coveted federal tech hub designation in the life sciences, unlocking the potential to compete for millions of CHIPS Act dollars in the years to come.

Gov. Shapiro's vision for Pennsylvania recognizes this

unique moment in time. His plan calls for aggressively pursuing "robust investments in innovation, meaningful regional support and a vigorous workforce development agenda."

His proposed path forward demands collaboration across the state's public, private and nonprofit sectors and takes shape across five broad goals: investing in economic growth to compete, making the government work at the speed of business, opening doors of opportunity for all Pennsylvanians, innovating to win, and building vibrant and resilient regions.

To realize this vision, the governor calls on leaders across the public and private sectors as well as labor to closely collaborate on building out five high-growth industries — agriculture, energy, life sciences, manufacturing, and robotics and technology.

The plan offers new tools and resources to drive progress, including a large-scale innovation fund dedicated to incentivizing success in the five priority industries, equitably supporting entrepreneurs, and bolstering startup support. The expanded toolkit also includes a new program geared toward growing the number of business-ready sites across the state while also making it easier for companies to land in Pennsylvania and get right to work.

The plan makes additional and equally bold asks of the state's higher education landscape. The governor's vision challenges colleges and universities across the commonwealth to take on a

larger, leading role in building a job-ready Pennsylvania.

As the president of Carnegie Mellon University, I find Governor Shapiro's plan to be ambitious, inspiring, and incredibly timely.

### **Inventing the future**

This strategy expects our institutions to work together to better address industry needs and better leverage regional opportunities. The plan also looks to academia to strengthen and streamline our pipelines for cultivating in-demand talent and to adopt a more workforce- and industry-focused lens when advancing our missions.

To help leaders in this field stay the course and maximize our shared success, the state has pledged to convene a Higher Education Innovation Council, which will include higher education leaders across the state. This council will be charged with helping entrepreneurs take their innovations to market, attracting and retaining high-quality talent and integrating emerging technologies into regional innovation ecosystems to help advance the state's larger economic development plan.

There is — without question — much work to do, but now, we have both the right ingredients in place and the right roadmap in hand to ensure that the future is invented in Pennsylvania.

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