

Chicago biz community's still got it, new Commercial Club chief says

By Greg Hinz October 17, 2022

Crain's Chicago Business

"There's a notion that (business) leadership has given up on Chicago. They're not. That's why I'm here."

So says Derek Douglas, neatly wrapping up both the nature of the problem while simultaneously expressing some confidence he can do something about it.

Douglas is in a unique position to move that ball. He's the new president of the Commercial Club of Chicago, the big biz group in the city's civic space that has the clout and the money to actually accomplish things like expanding O'Hare International Airport, providing competition for public schools or—to go way back—commissioning the Burnham Plan that literally remade Chicago. He also heads the group's Civic Committee.

Douglas is also the first Black man to run a group long headed by white corporate officials or university chiefs—and he takes over at a time when international headlines about the city focus on crime and corporate departures.

Yes, the city is going through tough patch, the longtime University of Chicago external affairs chief conceded. But he adds, "What Chicago has not lost is the unique business culture that believes in civic support."

In his first interview since succeeding the retired Kelly Welsh this summer, Douglas outlined how he intends to go about his new task.

Priority No. 1 is to deal with crime, the issue that helped drive <u>Citadel and other top</u> <u>companies</u> from the city, and which even <u>McDonald's CEO recently conceded</u> is making it harder to attract top talent here.

"Crime is No. 1 for pretty much everybody," Douglas said. So he's appointed a task force headed by industrialist Jim Crown "to take a look at what the business community can do."

The final product is likely to include both short- and long-term proposals, Douglas said. A broad range of items could end up in the plan. "Nothing has been taken off the table," he said. But a

final proposal could be available early in the new year and will include "collaboration" with a variety of stakeholders.

Priority No. 2 is related. At its core, it's effectively rebuilding Black entrepreneurship that once flourished in Bronzeville and other neighborhoods but melted away under economic and other pressures in recent decades. If you do that, he says, much of the racial wealth gap that divides the city and leads to disfunction should begin to disappear.

"For Chicago to be the sort of economically vital place we'd like to see, there have to be some changes," Douglas said. So he's named a second task force, headed by Ariel Investments' John Rogers and Illinois Tool Works CEO Scott Santi to draft a plan to create, nurture and bring up to scale minority-owned businesses.

Yes, it will take time, maybe a lot of time, Douglas said. But the Burnham Plan took decades, he added.

Douglas, 51, long has been associated with economic-mobility issues.

The University of Michigan economics graduate and Yale Law School product served as director of economic policy for the Center for American Progress, a Washington-based policy group, before heading federal affairs for then-New York Gov. David Paterson. From there, it was special assistant for urban affairs for former President Barack Obama before—like a lot of alumni of the Obama White House—heading to U of C, where for more than a decade he was vice president for civic engagement and external affairs.

The U of C job and his new gig actually are sort of similar, Douglas said, involving how big institutions can have a positive impact on the wider world. And though Douglas didn't say it, they also involve crisis management of sorts, getting people on the same page who don't normally mix, sometimes at difficult times.

That leads to Douglas' third priority: changing the Civic Committee and the Commercial Club themselves. The key to that is partnerships, bringing other people into the coalition, Douglas said, and he intends to do that, especially enlisting some friends from academia.

That also means developing a new depth of talent at a time when many of the city's top corporations are less Chicago-focused and when an older crew of leaders such as Lester Crown, Pat Ryan and Miles White are moving on, he said.

Douglas said he believes all of the ingredients are still there after a period when the Civic Committee seemed to lower its profile as the city hit unprecedented bumps.

"I believe the business community is in position to affect issues in the city that other sectors are not," Douglas said. "The Civic Committee is known for taking on big challenges."