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## The green and the global markets

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The global connectiveness of our markets and our environmental community were further clarified in 2007. Our so-called grass roots were involved in the global issues. Not to be outshined by the last-minute capitulation of the U.S. at the International Bali environmental conference, local leadership moved towards goals of greater stability and job growth in the regional economy with green and global strategies.

During December, governor Deval Patrick led a trade mission to China and on his return to Boston welcomed a Chinese delegation on Beacon Hill. Mayor Thomas Menino announced the Boston Energy Initiative (BEA), a non-profit intended to provide technical services and financing to all sectors exploiting the green economy and clean energy. Seeking enhanced credit stimulus for the region, Boston Federal Reserve Bank president Eric Rosengren was the lone holdout for a 50 basis point adjustment in the federal funds target rate on December 11th rather than the 25 basis point adjustment approved by the Fed.

Exports have increased with the competitive dollar abroad, and Mass. has benefited from gains in export production and employment. Patrick engaged the Chinese in facilitating trade with the local interests. As the U.S. economy loses jobs in housing and related sectors and consumption declines from increasing import costs, the U.S. economy leans onto exports strengthen the economy. The substantial foreign investments, both sovereign and private sector, in U.S. commercial banking and Wall Street firms during the fourth quarter represented a new era in global engagement by the U.S. Trade payment balancing and capital market linkages enhance connectiveness and might describe a less dominant role for the U.S. abroad but a stronger domestic economy, and a stronger regional economy as well.

Governor Patrick demonstrated aggressive leadership with the casino initiative. The China strategy is a meaningful token of the outreach effort of his administration to stimulate regional economic activity. Mayor Menino's BEA is being supported by the Kendall Foundation, which helped Cambridge create the Cambridge Energy Alliance, and is being funded by \$500,000 from governor Patrick's MassEnergy Program. The BEA is a key component to his Climate Action executive order of April 2007, and he is determined to attract researchers and skilled laborers for the green jobs resulting from the surge in the green technology and clean energy sectors. Governor Patrick through the \$2 million MassEnergy revolving loan fund and other executive actions has provided leadership and support at the state level for expansion energy related ventures. The national venture capital industry has sharpened its focus on this sector as well and the local venture firms are providing additional support.

From a real estate point of view, we may not be selling and relocating city hall or developing three new casinos. However, we do have local leadership working hard and sometimes together to repeat our success in life sciences and to propel our local economy into the green and global markets

aggressively and purposefully.

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