

The State of Two States

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This week as we prepare for Governor Walker’s State of the State address, Sen. Vinehout writes about the State of our State compared to Minnesota. Our neighbor to the west leads states in many rankings and Wisconsin lawmakers would be wise to follow Minnesota’s lead.

MADISON - “Yesterday, ahead of President Obama’s final State of the Union Address, Politico released its third annual analysis on ‘The States of the Union.’ For the third straight year, Politico ranked Minnesota one of the two strongest states in the nation,” touted the Office of Minnesota Governor Mark Dayton. Wisconsin ranked 11th moving up from 17th last year in Politico’s ranking.

Our 31st Senate District covers over a third of the 300-mile border between Minnesota and Wisconsin. Just how do we stack up against our western neighbor?

MEASURE	MINNESOTA	WISCONSIN
Population (2015 est.)	5,489,594	5,771,337
State Domestic Product (2014 - in millions)	\$316,204	\$292,891
Average Wages (2014)	\$50,711	\$44,471
Average Wages for Science Professions (2014)	\$58,530	\$58,710
Attainment (2014 - % pop. over age 25 w/ college degree)	34.8%	28.4%
Job Growth (Annual average change from 2009-2014)	2%	0.7%
Business Growth (Net firm growth 2009-2014)	4,569 firms per year	6,086 firms per year
State Debt per Person (2013)	\$2,513	\$4,044
Prison Population (2013)	10,289	22,471
State Spending on Corrections per Person (2013)	\$163	\$259

Differences between the two states have developed over decades and reflect policies that may have been put in place years ago. Public policy has an impact on the state of our states. I do

not imply by this comparison that any one person or group is responsible for Wisconsin's poor performance compared to Minnesota.

Big differences in the two states are related to the economy, education, state financial health and corrections.

A recent report by the Wisconsin Taxpayers Alliance compared the two states and mentioned the economic success of the Twin Cities over Milwaukee. Prosperity may be found in Minnesota's revenue sharing policies, begun in the early 1970's, which required communities in the Twin Cities to share growth in the commercial and industrial tax base.

Minnesota's fairness and equality in taxes seems to be a more effective policy for growth than big tax breaks for certain types of industries like Wisconsin's very expensive manufacturing tax credit.

Minnesota's strong investment in education also contributes to the health of the state's economy. With a healthy tax base and a financially sound budget, Minnesota committed to investments in the future through education.

In the early 70's, Minnesota emphasized community-based treatment for mental health and drug dependency. The result is that, even though Minnesota's crime rate is slightly higher than Wisconsin's, Minnesota has less than half the number of prisoners.

An estimated three out of every four prisoners in Wisconsin suffers from alcohol or drug problems and a third have severe mental illness. We would be wise to look to our western neighbor for solutions to the high cost of addictions and subsequent incarceration.

Comparisons are used for many purposes and source matters. Ideological groups push certain policies that may have little evidence of effectiveness. For example, in researching for this column, I found the 2015 Heartland Institute's "Welfare Reform Report Card" which ranked Wisconsin third for "welfare reform policies" but worst – 50th out of 50 states – for progress in easing poverty. Clearly the policies advocated by the group haven't led to improved prosperity

for the poorest among us.

I provide this overview as a challenge to civic-minded Wisconsinites to carefully consider the policy direction needed for 2016 and beyond. Our state would do so much better if leaders explored ideas that worked rather than pushing an ideological agenda.

(All of my sources are available upon request.)

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