http://newiprogressive.com/images/stories/S5/wisconsin-koch-industries-s5.jpg



Wisconsin needs to do an about-face and fundamentally change its approach to economic development, paying far less attention to WMC and its backward thinking.

ALTOONA, WI - Wisconsin continues to struggle economically. The state lags the rest of the country in job growth and wage growth , and has been slower to recover from the last recession. Wisconsin is losing manufacturing jobs and is leading the nation in shrinkage of the middle class .

There are reasons for all of this. And one of the biggest reasons is that the lobbying group that passes itself off as the voice of Wisconsin business is backward. Wisconsin is home to some truly innovative, forward-thinking business leaders who are finding ways to successfully compete in the 21st Century economy. But they aren't being heard in the State Capitol. The state chamber of commerce — known in these parts as Wisconsin Manufacturers and Commerce or WMC for short — is supposed to be their voice, but it's not. WMC's thinking is stuck in the 20th Century. In some ways, it's still in the 19th.

WMC's philosophy is that the key to economic development is lowering the cost of doing business. Lower wages. Lower taxes. Lower environmental standards. This recipe hasn't been working for years.

If low costs are the secret to stimulating the economy, then why were nearly half of all new private sector jobs created last year in a part of the state where wages, taxes and the cost of land to build on are highest? Why did the number of private sector jobs in that area grow at four times the rate of the state as a whole?

If Wisconsin Manufacturers and Commerce knows how to make the economy better, why is Wisconsin losing manufacturing jobs? The answers WMC gives are to questions that aren't even being asked anymore. The state chamber of commerce is inhibiting commerce. WMC's outdated philosophy is holding Wisconsin back.

One of Wisconsin's greatest business success stories in many a year has to be the electronic health records pioneer Epic Systems. The company is growing by leaps and bounds . Verona recently passed one of the largest school referendums in the history of the state for construction of a new high school and other costly upgrades, almost entirely paid for by the community's largest private employer, namely Epic.

Epic's success isn't owed to WMC's agenda of lower taxes, lower wages and lower environmental standards. Epic's leadership is not at all on the same wavelength as WMC's leadership. In fact, Epic wants nothing to do with WMC. Yet at the Capitol, WMC continues to be recognized as the voice of Wisconsin business. But it represents old business, not new business. That holds Wisconsin back.

To thrive in the 21st Century, Wisconsin needs to do an about-face and fundamentally change its approach to economic development. We need to watch and listen more to the Epics, and take to heart the formulas for success in the 21st Century they are coming up with. And we should pay far less attention to WMC and its backward thinking.

— *Mike McCabe*