

Lou Glazer: Remaking Michigan Economy Starts with Changing Its Mindset



Lou Glazer says if Michigan wants to once again be a place that creates lots of high-paying jobs, those who live here need to change their thinking – radically.

“We have to let go of the dreams that we can recreate the past,” said Glazer (pictured), president of Ann Arbor-based **Michigan Future Inc.**, which earlier this week [issued a sobering report](#) about the Michigan economy.

Glazer said the future belongs to states that value higher education and have strong metro areas anchored by vibrant central cities that attract young, well-educated people. Glazer said the future belongs to states that value higher education and have strong metro areas anchored by vibrant central cities that attract young, well-educated people. Those are the folks, he said, who can form the backbone of a new, knowledge-based economy and workforce.

Based on the results of the Michigan Future report, we have a long way to go. Between 2000 and 2006, Michigan remained 34th in the country in the percentage of population aged 25 or older that has a bachelor's degree. During that same time period, the state saw its per-capita income fall from 16th to 26th nationally.

What Michigan Must Do

That drop in per-capita income rank, Glazer said, “is really unprecedented” and there is no quick fix for it. There are, however, long-term strategies that can and should be adopted. But first they need support.

“Unless there is a consensus that there needs to be a new Michigan,” Glazer said, “you’re not going to get to the new agenda.”

So what’s on that new agenda? It comes down to education and urban renewal. Among the report’s suggestions, Glazer emphasizes three things:

- Transforming teaching and learning so that it is aligned with the realities of a flattening world.
- Ensuring the long-term success of a vibrant and agile higher education system. This means increasing public investments in higher education and changing the way it is funded.
- Creating places where talent – particularly mobile young talent – wants to live. This means expanded public investments with an emphasis on vibrant central city neighborhoods.

On the first item, Glazer said, the state has been making some progress, though not as much as Michigan Future would like to see. But on the other two items, he said, policymakers have been moving in the wrong direction.

Colleges, Urban Areas Vital

Glazer said the state’s cutbacks in higher education funding have been a mistake and the governor’s “Cool Cities” program was too small and too unfocused to make a real long-term difference.

In a 2006 report, Michigan Future suggested allowing more independence for all of Michigan’s colleges and universities and funding them by providing money directly to students, instead of the schools. Specifically, the report recommended the creation of a single fund that would take the place of all state funding for higher education. The fund would provide students with a voucher/foundation grant to spend on higher education.

Glazer said progress on urban renewal also has to be a priority because, by and large, new economy jobs are clustering in the world’s biggest metropolitan areas and places with out large, well-functioning metro areas are being left behind.

“The state does not work if its big metros don’t work,” Glazer said. And, according to the data, the metro areas that work the best are those with strong central cities.

Glazer, however, says he is sure that Michigan Future’s emphasis on improving education and reviving of cities (particularly Detroit) is the prescription Michigan needs. But none of that will happen unless the state’s leadership gets behind the drive to create a new, high-wage economy. That, he says, should start with the business community.

“So far,” Glazer said, “this agenda has not been their agenda.”

What’s the alternative? Here is what the Michigan Future report says: “Our best guess is that, unless we substantially increase the proportion of college educated adults in Michigan particularly in our biggest metropolitan areas we will continue to trend downwards in the per-capital income ranking toward the mid-30s.”