



MICHIGAN FUTURE INC.

A Catalyst for Prosperity

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New Michigan Future report shows how regional collaboration has made metro Minneapolis a highly wealthy, livable community

Metropolitan Minneapolis is the Great Lakes' most prosperous region. The policies that it and the state have pursued for decades provide a roadmap for metro Detroit, metro Grand Rapids and Michigan as they continue to lag in prosperity.

“Regional Collaboration Matters, How Metro Minneapolis has forged one of the wealthiest and most livable metropolitan areas in the United States,” is a deep dive into the choices Minneapolis has made over the last 40 years that have transformed it from a troubled patchwork of communities into a powerhouse with high per capita income, a high share of working-age adults in the workforce, low housing prices, and high college attainment.

It was written by veteran journalist Rick Haglund. It follows up on a previous Haglund report for Michigan Future that identified policies that have made Minnesota the region's economic exemplar.

“We are excited about the report Rick has produced,” said Lou Glazer, president of Michigan Future, a non-partisan think tank with a goal of re-creating a high prosperity Michigan. “Our hope is that it will expand the conversation in Michigan and its regions about what economic policy should be to return Michigan to prosperity in an economy being transformed by globalization and technology.”

Minnesota is one of the best 15 states in per capita income and unemployment rate, while Michigan today, at time when the auto industry is strong, still ranks in the bottom 20 of states in income and among the worst 10 in unemployment rate. The difference in economic outcomes between Minnesota and Michigan can largely be explained by the superior performance of metro Minneapolis, the report says. Metro Minneapolis is 12th in per capita income among the 53 regions nationally with a population of 1 million or more, best in the Great Lakes states. Metro Detroit ranks 30th, metro Grand Rapids 38th.

What has made Minneapolis so successful? The report points to:

- An emphasis on public investments in education from birth through college and placemaking—particularly transit—rather than low taxes.
- Being welcoming to all – including immigrants and the LGBTQ community – as a key component of economic prosperity.
- A regional economy that works together to build both strong suburbs and strong central cities. Metro Minneapolis has the nation's most extensive regional tax base sharing arrangement that helps equalize the quality of basic city services across the region. It also has a Metropolitan Council that provides key governmental services, including transit, waste water treatment, and affordable housing.

- Business leadership. In Minneapolis, big business CEOs have pushed an agenda designed to create an economy that benefits everyone, rather than pushing policies primarily focused on reducing business costs and regulation.

The report suggests that this is the recipe to achieve high prosperity. Not the low tax, low public investment, regional antagonism, and unwelcoming policies that too much of Michigan has pursued for decades.

“Minneapolis has its problems, no doubt,” said Haglund, pointing to disparities in education, housing and income between minorities and the majority white community. “But today, it is addressing those problems from a position of strength, able to invest in strategies aimed at integrating lower income families into more prosperous communities, increasing education attainment in the minority community, and preparing a workforce ready for the knowledge industries that drive prosperity.

“Business leaders and policymakers in Lansing, on county boards, and in city and township government around Metropolitan Detroit and Metropolitan Grand Rapids could learn a lot from the successful policies and business leadership that have made Minneapolis a real success story in the Great Lakes region,” Haglund said. “If you want to be a winner, you can start by looking at what winners do.”

The report is available at www.michiganfuture.org.

Michigan Future, Inc. is a non-partisan, non-profit organization. Its mission is to be a source of new ideas on how Michigan can succeed as a world-class community in a knowledge-driven economy. Michigan foundations fund its work.