

News

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Wisconsin Economy Makes “Honor Roll”

Assessment Places Wisconsin Above Most States, Cites Potential Trouble

Washington, D.C. – Wisconsin is one of the best states in the country to live and work, according to comprehensive assessment of state economies released today.

The 19th *Development Report Card for the States*, released online today by the nonprofit Corporation for Enterprise Development (CFED), found Wisconsin to have both a high quality of life and high quality jobs. Joining six other states on the Report Card’s “Honor Roll,” the state earned the following grades:

“A” for Performance (the performance of the economy for its citizens)

“B” for Business Vitality (business competitiveness and entrepreneurial energy)

“B” for Development Capacity (the positioning of the state for future economic growth)

On the last Report Card, issued in December, 2004, Wisconsin earned a “C” for its Development Capacity. Its other grades were the same as those earned this year. The top performers in 2006 are Massachusetts and Minnesota, the only states to earn straight “A”s. Wisconsin and four other states – Colorado, Connecticut, New Jersey, and Virginia– joined them on the Honor Roll by earning all “A”s and “B”s.

The CFED *Development Report Card for the States* is the most comprehensive measurement of the health of a state’s economy and each state’s economic development efforts. The study uses 68 measures to assess how the economy is performing for citizens and businesses and how well a state is situated for its future.

The Report Card’s data show that prosperity in Wisconsin is widely distributed, in part due to high-quality jobs that provide above average benefits. The state’s economy is well diversified, and existing businesses are strong. However, the state lags in technology industry employment and is not fostering new companies at the rate of other states.

“While Wisconsin’s grades are strong, there are some troubling trends,” said David Buchholz, research director for CFED. “The state ranks only in the middle in a financial resources and infrastructure. And educational attainment – while still good – is slipping. Wisconsin has some work to do to stay on top.”

Buchholz added that the purpose of the Report Card is to give leaders involved in economic development a comprehensive assessment of the economic climate for every state. “Too often, economic development is thought of simply as recruiting big businesses away from other states. This report is a reminder that states must also focus investments on workers, education and business. Long term economic development success demands more than tax incentives,” Buchholz said.

For Wisconsin, the report card suggests investments to improve the climate for entrepreneurs and homegrown businesses.

The complete 2006 *Development Report Card for the States*, including all 68 measures and analysis of each state, is available online at www.cfed.org/go/drc.

CFED is a nonprofit organization that expands economic opportunity. We work to ensure that every person can participate in, contribute to, and benefit from the economy by bringing together community practice, public policy, and private markets. We identify promising ideas; test and refine them in communities to find out what works; craft policies and products to help good ideas reach scale; and foster new markets to achieve greater economic impact. Established in 1979 as the Corporation for Enterprise Development, CFED works nationally and internationally through its offices in Washington, DC; Durham, North Carolina; and San Francisco, California.

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