# Memo to the Next Governor of Minnesota: Greater Minnesota is Valuable, Vulnerable and Worthy of Public Investment

**Dane Smith**

**MEMORANDUM**
**To: The Next Governor of Minnesota**
**From: Growth & Justice President Dane Smith**
**Re: Things you should know about Greater Minnesota, challenges and opportunities for business growth and economic fairness.**

We Minnesotans have built a good and prosperous life from this blessed land of fertile prairies, deep forests, and sparkling lakes and rivers. Our farm fields, woods and waters form a rural mosaic that still defines us as Minnesotans, despite the ascendance of the Twin Cities as one of the nation's most successful urban centers. Just check out our license plates, our state quarter, and those scenic pictures along the concourses at the Minneapolis-St. Paul International Airport.

But the people and communities closest to these natural splendors, and who serve as stewards of these assets, are less well off on average than urban and suburban Minnesotans. Greater Minnesotans are more valuable than they get credit for, worth more to the whole state than the private sector provides them, and are deserving of ample and smarter public investment to preserve and enhance their economies and their communities.

Our sprawling urban-suburban-exurban mass on the east-central border of the North Star State has drawn much

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of its wealth, its brainpower and its spiritual essence and character from Greater Minnesota. And as a new governor, it behooves you to take better care of this golden goose, in the form of more and smarter public investment. Politically, this won't be easy. The reality is that rural and Greater Minnesota counties hold an ever-shrinking portion of our state's wealth, population and political power.

Although the emotional bonds are important and should not be discounted, this special attention and renewed commitment does not need to be motivated by gratitude or sentimentality. It makes pure economic sense in the long run to continue investing in the land itself and the people on it — a sustainable and renewable asset that will keep on giving in perpetuity.

Three sets of facts provide important perspective for developing a state strategy toward improved vitality for rural and non-metropolitan Minnesota.

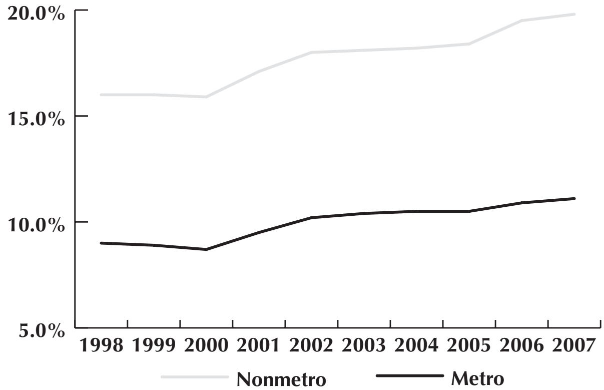
First, rural and non-metro Minnesota is significantly more reliant on public resources and taxpayer dollars than metropolitan areas. Second, current and near-term economic conditions are less threatening, not as dire as in the 1980s, but still worrisome. Third, ample and broad public investments that build the quality of human capital and infrastructure, not tax breaks to recruit specific companies, are the best strategy for rebirth and renewal of our vital heartland

**Fact Set #1: Person for person, Greater Minnesotans rely on the public sector — federal, state and local government — significantly more than urban and suburban Twin Cities residents. A continuation or acceleration of anti-government, anti-tax policies and radical public-sector shrinkage is not likely to serve the short-term or long-term interests of Greater Minnesota.**

The Minnesota Taxpayers Association, the U.S. Department of Agriculture, the U.S. Census Bureau, and many other reputable research organizations over many years have documented the disproportionate reliance of our non-metro and rural regions on the public sector and taxpayer dollars.

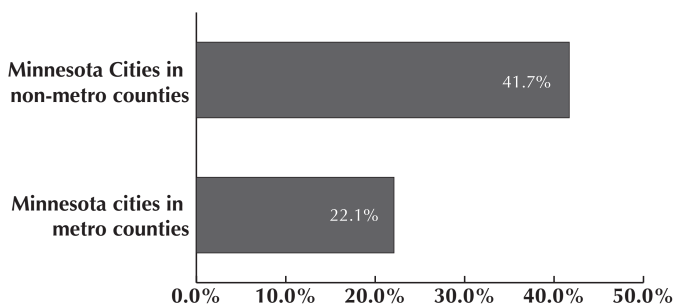
It is well understood that this disparity has been driven by a complex set of factors: an older population relatively more dependent on Social Security and state and federal health programs; farm price support programs and subsidies; a classic economies-of-scale dynamic; and most of all, relatively lower incomes and wealth, triggering higher individual transfer payments that address economic inequality and direct aid to local governments from state and federal sources.

***Figure 1:*** *All government transfer payments for individuals as a share of total personal income for Minnesota, 1998 to 2007.*




*Source: Growth & Justice calculations based on data from the U.S. Bureau of Economic Analysis.*

***Figure 2:*** *Aid from all levels of government as a percentage of total revenue for cities in Minnesota, 2007.*




*Source: Growth & Justice calculations based on data from the Minnesota State Auditor's Office.*

So what is the bottom line? Calculations of disparities in regional income by Growth & Justice, based on federal Bureau of Economic Analysis figures, shows that in 2007 rural and non-metro individuals received almost 20 percent of their income from federal, state and local government sources, while Twin Cities-area residents received about 12 percent from those sources. (Non-metro counties in this calculation were truly rural, and do not include counties surrounding our three smaller metropolitan areas, Duluth, St. Cloud and Rochester). Reliance on public transfers for personal income rose slightly in Minnesota over the last 10 years for both metro and non-metro, but the rate of increase was higher for non-metro (Figure 1).

On intergovernmental transfers to city governments, Minnesota's rural municipalities received about 42 percent of their income from state and federal transfers, while for metropolitan cities the share averaged about 22 percent (Figure 2). Reductions in aids to counties and school districts, a function of unprecedented and chronic state budget shortfalls over the last decade, likely also had a disproportionate effect on non-metro Minnesota. And any study of relative impact of investments in natural resources, parks and recreation, highway spending and perhaps most other functions of government would show similar disparities.

Economies of scale are a crucial explanatory factor for higher public costs in rural areas, and a reason for rural residents not to feel sheepish about greater reliance, as well as a reason for metro residents not to resent that fact. It simply costs more per capita to build and maintain a highway and farm-to-market road system through a sparsely populated rural farm region than it does to provide transportation in a densely populated urban core. Same goes for building and maintaining public schools, libraries, human service systems, nursing homes and other essentials for a safe and civilized life.

Similarly, for many types of private-sector products and services, corporations and businesses often cannot realize as high a profit in rural areas as they can with demographic density. The cost-per-unit problem explains why rural electrification, an essential element for rural health and economic growth, ended up being subsidized and provided at the outset by the federal government, city-owned providers and rural co-ops. The current need for broadband connectivity has certain parallels. Unlike the private sector, which can simply choose not to do business with rural people, our governments have an obligation to serve all of the humans in their jurisdictions.

These facts of life should not make rural citizens feel like they are "welfare recipients" any more than regions that depend on taxpayer-supported defense industries or military spending should feel dependent. It's a fact of life that some parts of our nation's complex and wealthy economy rely more on public resources, and others, especially wealthier communities, benefit from public expenditures less, or less directly and immediately.

Ironically, despite a cultural tradition in rural areas and states of rugged individualism, conservatism and even libertarianism regarding governments' size and role, those regions and states actually tend to rank very high in per-capita government expenditures. Alaska and Wyoming, the least populated states and rather famous for political leadership that is staunchly critical of government, typically rank first and second in total public expenditures per capita, according to U.S. Census Bureau statistics on government finance.

This paradox — individualistic pride and disdain for government and the public sector in the very regions that rely and benefit disproportionately from that investment — isn't entirely a function of cognitive dissonance. It also can be attributed to the political reality that many voters in rural areas tend to identify with a conservative agenda as it relates to social and cultural issues, ranging from gun control to abortion to attitudes toward government ownership and regulation of wilderness and public lands, an agenda that generally also supports small government and lower taxes.

Both the new governor and Greater Minnesotans need to review these basic facts that show not only greater reliance, but also the reality that by almost every measure, Minnesota over the last decade has cut taxes, reduced revenues and expenditures, and deeply cut state and local governments and budgets, particularly in rural areas.

On the official Minnesota Management and Budget measure called Price of Government, the state's total revenues as a percentage of income have dropped from a high of nearly 18 percent in the 1990s to about 16 percent in the latter years of the "Oughts." This means that state and local governments are struggling to provide services with roughly $3 billion to $5 billion per year less than they would have had if the price of government had been maintained at those higher 1990s tax levels.

Statistics maintained by the Center for Budget and Policy Priorities, the Minnesota Budget Project, and the think tank Minnesota 20/20 show that Minnesota holds the dubious distinction of leading the nation in government cutting, both in the scale of tax cuts on income and property at the turn of the last decade, and then in reducing public-sector spending to balance the ensuing budget shortfalls.

From typical rankings of well above average or in the top ten in state-local expenditures per capita, Minnesota was most recently ranked thirty-second among the states in total state-local expenditures as a percent of income. Minnesota Revenue Department Research Director Paul Wilson has publicly stated in presentations that Minnesota has undergone a "sea change" and on taxes and spending the state is now "just about average."

Among the more extreme tax-and-budget alternatives on the policy landscape in the last year have been radical proposals under the banner of the "Tenthers," based on a highly questionable resurrection of early 19th-Century interpretations of the Tenth Amendment to the United States Constitution. Although most of these proposals are surfacing in southern states, such as Texas, where Gov. Rick Perry has actually used the word "secession" to describe hostility to the federal government, the notion of rejecting federal laws, and presumably the programs that provide vital investments for all states, have surfaced in Minnesota, too.[1] Bills under the label "Minnesota Sovereignty Legislation" have been introduced and a Minnesota chapter of the National "Tenth Amendment Center" has been established, proposing outright refusal by Minnesota state government to abide by federal laws or accept federal funding, under a pre-Civil War doctrine known as "nullification."

It's difficult to see how endorsing these notions will help Greater Minnesota. A radical acceleration, or even a status quo continuation, of the last decade's tax cuts and downsizing and de-funding of the public sector is not likely to serve the short-term or long-term interests of Greater Minnesota.

**Fact Set #2: Our rural economy remains weaker economically than the Twin Cities. Although conditions vary greatly from region to region, Greater Minnesota still suffers from a stubborn prosperity and opportunity gap.**

Despite an encouraging general consensus in recent years that Greater Minnesota's relative long-term decline has at least been slowed, the very latest measures of economic health are again worrisome. For a few years in the last decade, growth of the ethanol industry, higher commodity prices and record global demand for agriculture products actually produced one of those rare moments where the trend lines on farm income and other measures of rural economic health looked brighter than suburban and metro fortunes.

Greater Minnesota largely escaped the real estate collapse and the foreclosure crisis. Recent demographic data on housing starts document that the explosive exurban growth of the last three decades, much of it in the ring of counties around the seven-county metropolitan area, has at least temporarily come to a halt.[2] Much of that exurban growth has turned out to be unsustainable, and foreclosures, layoffs and unemployment fell harder on outer-ring exurban and suburban communities than on urban and rural areas. Current data suggest that the northern suburbs and the St. Cloud area have been particularly hard hit.

Despite these recent reversals of fortune for the suburbs, however, the bottom-line fact remains that as of 2010, unemployment and job scarcity are significantly higher in

| Area | Ratio of job seekers to jobs available |
|---|---|
| EDR 1 - Northwest | 12-1 |
| EDR 2 - Headwaters | 14-1 |
| EDR 3 - Arrowhead | 10-1 |
| EDR 4 - West Central | 9-1 |
| EDR 5 - North Central | 19-1 |
| EDR 6E- Southwest Central | 10-1 |
| EDR 6W- Upper Minnesota Valley | 5-1 |
| EDR 7E- East Central | 30-1 |
| EDR 7W- Central | 10-1 |
| EDR 8 - Southwest | 7-1 |
| EDR 9 - South Central | 9-1 |
| EDR 10 - Southeast | 7-1 |
| EDR 11 - 7 County Twin Cities | 7-1 |

***Table 1:** The ratio of workers seeking jobs to jobs available, by state economic development region.*
*Source: Jobs NOW Coalition.*

Greater Minnesota than in metro Minnesota. A recent report by the Jobs NOW Coalition shows that in all but two of the regional divisions defined by the Minnesota Department of Employment and Economic Development, the ratio of jobs sought to jobs available is higher than in metro Minnesota Table 1).[3] For instance, in the North, Northwest and Central Minnesota regions, the ratio was 12 to 1, job seekers to job openings. In the Twin Cities, the ratio was 7 to 1.

Even before the recession hit, Minnesota's non-metro poverty rate in 2007 was two percentage points higher than the metro's (10.5% vs. 8.7%), unemployment was a full percentage point higher (5.3% vs. 4.3%) and the college attainment rate was only half the metro rate (16.9% vs. 31.6), according to a 2009 article by Elgin Mannion and Konstantinos Zougris in the Online Journal of Rural Research and Policy.[4]

And while one of Greater Minnesota's cornerstones, agriculture, appeared to remain immune in the first years of the recession, it took a serious hit in 2009. Veteran Minnesota agribusiness journalist Sharon Schmickle, writing in a recent edition of the online newspaper MinnPost.com, summed up the latest bust-boom-bust history with documentation of the precipitous drop in annual farm income last year, at least as measured among the 3,000 farmers who participate in business management programs run by the Minnesota State Colleges and Universities (MnSCU) system.

Farm income statistics from the MnSCU report showed a gradual rise in farm income through the last decade, a big spike upward in 2007 and 2008, then a free fall in 2009, from about $90,000 in 2008 to about $30,000 in 2009 on average.

As Schmickle explained:

> Agriculture showed its economic muscle when the recession bit hard on Minnesota. Unusually high farm profits in 2007 and 2008 kept rural towns going while other parts of the state suffered. But those same gravy years, 2007 and 2008, distort the real picture of what happened last year. It was bad — just not as bad as the 63-percent drop in net farm income suggests. "Normal" is not a common word on farms where profits can flip-flop because of everything from a summer storm to appetites in China. Look back to the years before 2007, though, and you see that a typical farmer's net income (expressed in 2009 dollars) ranged somewhere between about $45,000 and $65,000 in most of the past 10 years. Last year's $33,417 still looks terrible by comparison. But it's not as shocking as comparing it with incomes of more than $91,000 in 2008 and $109,000 in 2007.[5]

**Fact Set #3: Public investments in education and workforce training, public infrastructure and amenities, broadband access and public health make the best sense for long-term vitality.**

Broadly developing human potential and improving and protecting the physical world are the best policies for revitalizing the greater state. Plenty of sound ideas toward that end are already under consideration in Minnesota and in need of a further boost.

*Economic development*

A new report published this spring by the Chicago Council on Global Affairs pinpoints public investment, regional cooperation and coordination, and fostering innovation and local entrepreneurs as the building blocks for a rural Midwestern renaissance.

The report, *Past Silos and Smokestacks: Transforming the Rural Economy in the Midwest*,[6] strongly weighs in against what it describes as an obsolete, decades-long economic development strategy built on wooing specific corporations and large employers with special tax breaks and offers of state and local money for new free public infrastructure to specifically accommodate those new plants and offices.

The report, authored by veteran rural economics expert Mark Drabenstott, himself a Midwesterner, sets forth this four-pronged strategic philosophy:

- Help rural communities and counties think regionally to compete globally.
- Focus public investments on transforming economic opportunities rooted in distinct economic strengths, not on smokestack chasing.
- Spur innovation and entrepreneurship, turning ideas and innovations into economic progress.
- Create a world-class entrepreneurial climate and innovation culture to grow a landscape of new companies, in the process recycling the region's considerable wealth.

Elaborating on the second point, the report recommends that community and business leaders should: "Prioritize investments in public goods and services to unlock a region's economic potential. The key to growth is seizing each region's unique competitive advantage in global markets. *Critical public goods are often required to achieve this* [italics added]. In the wake of the financial crisis, well-targeted investments in public goods will pay especially strong fiscal dividends to states and federal governments wrestling with huge fiscal deficits."[7]

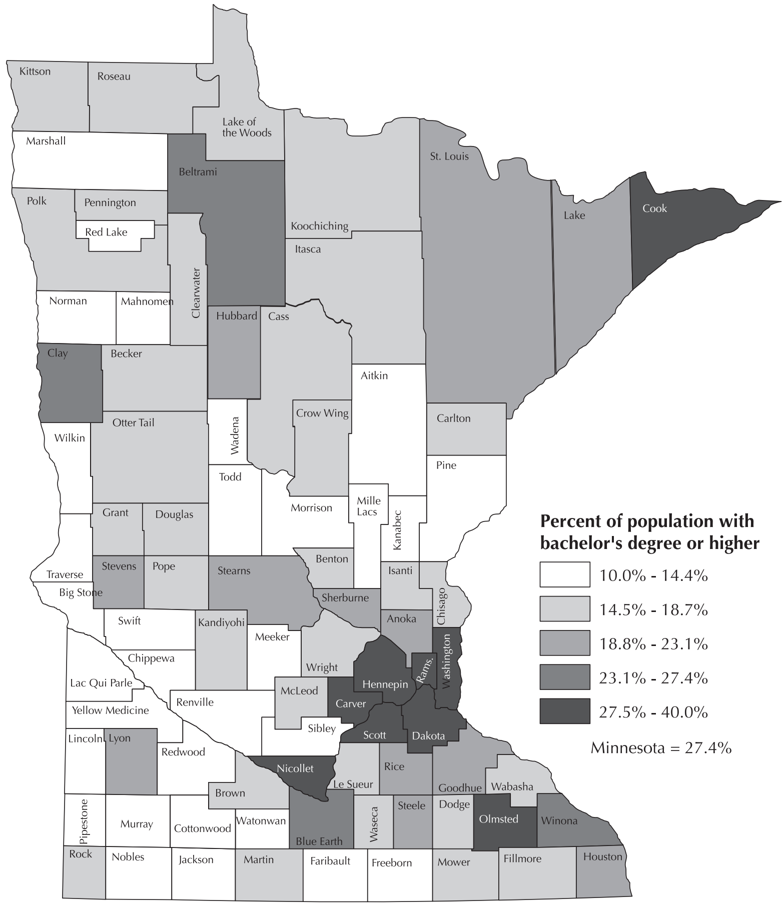
Further, the report finds:

> …too many places in the rural Midwest still cling to the old development playbook. A preponderant majority of leaders at the community, county, and state levels remain deeply wedded to industrial recruitment as their development strategy. Very little empirical research documents the full extent of this development inertia (in part because it is simply accepted as the way things are), but state development budgets lend important insight. A review of 2010 budgets for the twelve Midwestern states reveals that approximately 80 percent of total state spending on economic development is in categories often tied to recruitment incentives. A similar pattern is almost certainly at work at the local level.[8]

The report comes down emphatically on the side of investments in education, transportation and public services, particularly in innovations in such cutting-edge frontiers as telemedicine and distance learning. The following excerpts illuminate why these strategies should work.

The report, for instance, calls for "strengthening rural labor markets and boosting worker skills. New rural policies increasingly recognize that many rural regions must train their workers for a whole new generation of jobs and that aligning workers with new jobs will strain the thin labor markets that are often found in rural areas."

Further, the report calls for "investing in transportation and telecommunication infrastructure. Transportation infrastructure has always been important to rural areas. However, the new emphasis is less on spurring industrial parks and more on linking rural areas to urban centers and on providing the best way to put rural regions and their




Source: U.S. Census Bureau, 2000

***Figure 3:*** *Percentage of county population holding a bachelor's degree or higher, 2000 Census. The state figure is 27.4%.*

associated business clusters in touch with vibrant innovation networks in ways that spur rural innovation."

*Educational attainment*

Nothing should rank higher as a priority for a new governor than improving higher educational attainment in Minnesota, and a host of influential players and organizations are giving voice to this statewide need. The Archibald Bush Foundation has set a bold goal for a dramatic increase in attainment for Minnesota and the Dakotas. President Barack

Obama has made restoring the United States' status as the most educated nation a "moon-shot" goal for 2020. And Greater Minnesota, which continues to be handicapped by relatively lower percentages of its population with higher education credentials, could benefit mightily from policies that drive attainment higher.

Any research on the subject of rural higher ed attainment quickly arrives at the conundrum: non-metro students and their school systems seem to produce high school graduation rates, test scores and college readiness levels that are equal to or slightly better than metro Minnesota. But attainment levels continue to lag, for a variety of fairly complex reasons (Figure 3). It's been suggested that parents and the rural culture as a whole do not make college as much of a priority as urban and suburban cultures, as it is likely to result in their children moving away for good. Attainment levels no doubt are low in large part *because* those who have finished their degrees, whether they go away to college or attend nearer to home, are more employable and have moved away. How to "keep them down on the farm" remains an eternal challenge, but many community development experts believe that improving attainment levels still should rank as a top priority, even if some brain drain occurs.

Growth & Justice has developed a comprehensive birth-through-college investment blueprint for achieving a 50-percent increase in statewide attainment (*Smart Investments in Minnesota's Students*). Any significant success toward such a goal is bound to benefit Greater Minnesota disproportionately because its attainment rates are already low. Knowledgeable policy research and expertise on how to improve attainment is hardly in short supply. The Minnesota Rural Education Association, the regional Initiative Foundations funded by the McKnight Foundation (which offer a strong focus on improving early childhood education), the Minnesota State Colleges and Universities system, the Grow Minnesota project by the Minnesota Chamber of Commerce, and a host of other players have been coming forward with ambitious plans or are already delivering on-the-ground efforts to further the goal of greatly improving rural Minnesota's human capital.

Consensus is emerging on the following specific pieces for special attention and investment in education, workforce training and human development:

- Public investment providing universal access to **high-quality early childhood learning** is already in progress with the help of McKnight's regional Initiative Foundations.
- More intensive efforts are being made by the Minnesota Minority Education Partnership and a host of other non-profit and public agencies to close the wide gap in **racial minority achievement, especially for the growing Latino population.**
- Better connections between, and more effective use of, **existing MnSCU and higher-ed campuses and resources** ranks high on many groups' wish lists.
- Statewide and federal efforts to **improve teacher quality** and give credentials to highly motivated and knowledgeable non-teachers are likely to be good for rural Minnesota.
- Aggressive experimentation with technology that allows for **"schools without walls" or "distance learning,"** as well as further consolidation of districts and education resources, is also under way and should be further encouraged.

*Transportation and physical infrastructure*

Considerable research and recommendations have also been forthcoming on how to better invest in transportation and physical infrastructure. Growth & Justice is currently producing a special project on *Smart Investments for Transportation in Minnesota* that has flagged these elements for attention and investment.

Among them: The **interregional highway corridors**, the 2,960 miles that link the state's main regional centers and form the backbone for travel by heavy freight haulers within and through the state, needs reinvestment and reconfiguring to reflect changing patterns in freight and passenger travel patterns. **Freight movement** matters a lot, and while most if it moves by truck, we rely more heavily than most states on rail and water because we are a major producer of iron ore, grain and other bulk commodities. Investments in our rail system must continue and the state needs improved and expanded facilities for transferring freight from one mode to another, particularly in Duluth, and for moving containerized cargo among trucks, trains and ships. **Fix-it-first approaches** to highways in current state plans properly put the emphasis on maintaining and improving the infrastructure we already have ahead of expanding that infrastructure further. **Innovative transit options**, perhaps surprisingly, are needed for Minnesotans who don't or can't drive. Key transit services in much of Greater Minnesota include dial-a-ride service, rides from volunteer drivers, and bus trips from town to town. But transit to and from work in rural areas requires additional state and federal subsidies, as well as effective coordination among private companies, public agencies and non-profit organizations. **Safety always needs more attention** and recent tragedies taking the lives of almost a dozen rural youths underscore that rural residents are more likely than their metro-area counterparts to die or sustain injuries on the road. Improvements are being achieved, thanks in part to the Toward Zero Deaths initiative led by Minnesota's departments of Public Safety, Transportation and Health, in cooperation with the State Patrol, the University of Minnesota and others. **"Complete streets," livability amenities for mid-size cities and towns,** may be the most overlooked investment. These improvements can reduce energy costs, encourage fitness, and improve the layout of our communities, while addressing concerns for a "greener" economy and communities. People drive less and are actually attracted to places where a mix of important destinations are grouped in a central location. This pattern fits the model of small town Minnesota in years past: compact, walkable, mixed-use development. The state government should increase efforts to work with rural towns on zoning and planning for such vibrant communities with a goal of ensuring that the streets in rural Minnesota communities are "complete streets," designed to serve cars, trucks, bikes and pedestrians safely.

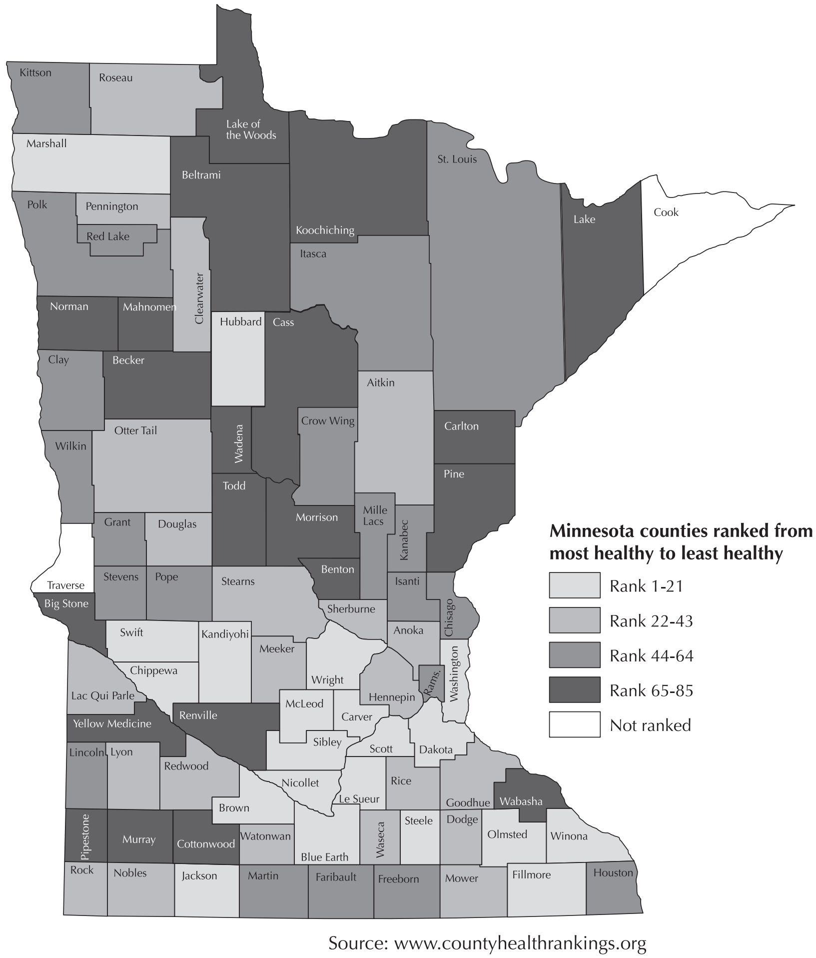



***Figure 4:*** *The 2010 county health rankings, ranking from most healthy to least healthy.*

In terms of broadband infrastructure, the information superhighway is now as fully important as the traditional country roads for rural Minnesota, and the good news on this front is that reasonable progress is being made toward the goal of high-speed connectivity for all of Minnesota. A new organization, Connect Minnesota, supported largely by federal economic recovery program funds, says it simply and clearly on its website: "Without sufficient broadband access and a high level of technology adoption, Minnesota communities and residents will remain technologically and economically crippled in today's digital world." Although federal dollars and broadband providers appear to be making progress, our new governor will need to intervene and accelerate the progress toward a fully wired Greater Minnesota.

*Health care*

Finally, but hardly last in importance, the actual physical health of Greater Minnesota needs investment, too. A county-by-county ranking, from most healthy to least healthy, conducted by the Robert Woods Johnson Foundation and the University of Wisconsin Population Health Institute, shows that many of the most rural counties, particularly those toward the north, are in need of public health improvements (Figure 4).

Health-care investment priorities recommended by the Minnesota Rural Health Association call for recognition of the "essential" nature of long-term care facilities and "aging-in-place" initiatives. Other groups advocate for universal entitlement to health-care coverage, public health subsidies or programs addressing the neglect of dental care, and efforts attracting more doctors and health-care professionals to rural towns and hospitals.

The County Health Rankings report offers a menu of more than 80 programs and policies that have been shown to be helpful or effective at improving health, ranging from provision of universal health coverage to expanding the scope of nurse practitioners to increased use of telemedicine.

**Conclusion: A call to action**

In January of 1987, about a quarter-century ago, Gov. Rudy Perpich was preparing to take the oath of office for a third time. He had been re-elected despite governing in the midst of a farm crisis, ongoing layoffs and decline in the northern mining industry. It was a decade of economic convulsion that produced one of our largest losses of individual farmers and general rural depopulation.

Perpich, an Iron Ranger, was the last Minnesota governor to be born and reared in Greater Minnesota. Nevertheless, he had traveled extensively abroad as an international businessman between his first and second terms and had developed a keen understanding of international economics. He was prepared to deal with the first real mega-shock caused by globalization of the economy.

With thousands of rural citizens and farmers massing on the Capitol mall, and foreclosures and reports of suicides rising, the governor and the Legislature came out roaring in the 1987 session with an ambitious plan to reinvest in Greater Minnesota, a term which itself became more popular as a result, and began to supplant the more pejorative "outstate."

Senate File 1, sponsored by then Senate Majority Leader Roger Moe, also from northern Minnesota, created the Greater Minnesota Corporation, which later morphed into Minnesota Technology, Inc., and now Enterprise Minnesota. Out of those efforts also came a Rural Development Board, a Public Facilities Authority, the Agricultural Utilization Research Institute and initiatives that spurred the vitally important ethanol industry. Perhaps one of the most salubrious and far-reaching outcomes was the creation, in concert with and eventually led by the McKnight Foundation, of six regional Initiative Foundations that serve as model catalysts and regional networking centers for economic and social advancement.

"If you add up the sum total of all that came of 1987," Moe says today, "it *did* have an impact, and there's a real need now for something like that effort again."[9]

The good news is that a new governor does not have to start from scratch and can build on a strong institutional public-private-nonprofit network that is already working on a rural renaissance.

It's noteworthy that in the Chicago Council on Global Affairs report on rural transformation, Minnesota is the state cited most often for cutting-edge, community-centered leadership and innovation toward restoring the economy. Initiatives both north and south are cited.

The report calls out the True North Initiative for "turning seven county-level community colleges into one regional college, sparking a major new development strategy throughout Minnesota's Arrowhead region."[10]

Praise is lavished particularly on southern Minnesota's efforts led by a number of southern, southeastern and southwestern Minnesota organizations, state and local government agencies and rural businesses to form the Southern Minnesota Regional Competitiveness Project (now called the Partnership for Regional Competitiveness: Southern Minnesota project), creating a joint effort across "thirty-eight counties, among other things uniting three of the region's major assets — the Mayo Clinic, The Hormel Institute, and the area's farmers — into a joint bioscience initiative."

This project is described as:

> … a powerful window into the future of rural development in both the Midwest and the nation. It also gives us a useful glimpse of the economic realities that provide the essential framework for new development strategies. Southern Minnesota has a comparatively strong economy, with incomes and employment levels that would be the envy of many other parts of the Midwest or nation. The region's farmers are among the most productive in the nation, if not the world. Fully one-fifth of the region's workers still start their day in a factory. And southern Minnesota boasts one of the best-known medical centers in the world — the Mayo Clinic. Together, these three industries represent a sort of "three-legged stool" for the region's economy, with more than 120,000 "surplus jobs," or more jobs in these three key industries than one would expect if the region's economy was representative of the nation as a whole.[11]

Clearly, momentum is already gathering. Rural leaders are ready to forge ahead under a new governor who is enthusiastic about renewing the promise and potential of Greater Minnesota and is willing to lead that charge. The office provides a bully pulpit that is of incalculable value, and a new governor could christen a new initiative that coordinates and captures the ongoing work, and engage with other Midwestern governors on a joint regional effort.

Perseverance and optimism are crucial. And a new governor should not be afraid to ask for sacrifice and common effort by all Minnesotans on behalf of Greater Minnesota, including new revenues and reasonable tax increases for the investments that need to be made. Few Minnesotans probably could guess that when Gov. Floyd B. Olson in the 1930s instituted the income tax and directed the revenues to public schools that it would help create one of the most successful states in the Midwest and the nation. Governors throughout the 1940s through the 1990s oversaw investments and research at the University of Minnesota that created the taconite industry and rescued the mining industry. Governors in all parties encouraged and spent millions to develop a vocational-technical and community college system that underpins one of the nation's stronger manufacturing sectors and private-sector strengths.

That past success is prologue for public action to preserve and enhance Greater Minnesota, for the common good of the entire state and a greater Minnesota.

**Endnotes**

[1] http://minnesota.tenthamendmentcenter.com

[2] http://www.worldchanging.com/archives/010206.html

[3] http://www.jobsnowcoalition.org

[4] Mannion, Elgin and Konstantinos Zougris. 2009. "Metro-Nonmetro Economic Growth and Convergence in the Plains States – Rethinking the Rural-Urban Relationship in a Global Economy." *Online Journal of Rural Research and Policy.* http://ojrrp.org

[5] http://www.minnpost.com/stories/2010/04/23/17577/minnesota_farm_incomes_plummet_but_a_recovery_is_slowly_emerging

[6] Drabenstott, Mark. 2010. *Past Silos and Smokestacks: Transforming the Rural Economy in the Midwest.* Chicago: The Chicago Council on Global Affairs. http://www.thechicagocouncil.org/taskforce_details.php?taskforce_id=15

[7] Ibid. p. 43.

[8] Ibid. p. 8.

[9] Interview by the author with Roger Moe, May 5, 2010.
[10] Drabenstott, p. 4.
[11] Ibid. p. 34.