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Walker policies push Wisconsin job growth behind Illinois and nation *State economy damaged by faulty fiscal decision-making*

The Green Bay Packers may squash the Chicago Bears, but Illinois beats Wisconsin when it comes to economic recovery and job growth. Since the beginning of the fiscal year in July, Wisconsin ranks 50th – dead last—among the states in job performance, losing 27,600 jobs. Illinois ranks 14th, gaining 11,000 jobs.

If Wisconsin had simply matched the national rate of job creation since April, nearly 34,000 more families would have a breadwinner with a full-time job.

Is Illinois' better performance the result of luck, weather or work ethic? None of the above. According to a new assessment of Wisconsin's economy by the Institute for Wisconsin's Future (IWF), Gov. Scott Walker's budget policy choices played a prime role.

IWF's short, hard-hitting report is titled *The Price of Extremism: Wisconsin's economy under the Walker administration*. The report shows Wisconsin's stalled economy is no accident of fate. According to the data, Wisconsin lags behind Illinois and the national economy because the Governor's "cuts only" approach drastically reduced consumer spending, a major roadblock on the path to economic recovery.

As the report notes, big cuts in state and local government programs and in workers' take-home pay are bad choices in a difficult economy. In tough times, the worst thing a governor can do is further shrink the economy.

The comparison with Illinois is instructive. Going into this year, both states faced serious revenue shortfalls. But their governors chose opposite strategies.

In Wisconsin Gov. Walker undermined collective bargaining rights and reduced take-home pay of hundreds of thousands of people employed by schools, communities and the state. He slashed over one billion dollars a year from state programs and spurned hundreds of millions of federal dollars that Wisconsin could have received. At the same time, he cut taxes on the state's wealthiest taxpayers and biggest corporations.

In Illinois, Gov. Patrick Quinn shepherded increases in corporate and personal income taxes through legislature, in order to make sure that cuts in state programs were as modest as possible. Illinois took a balanced approach to its budget, mixing revenue increases with cuts.

The report estimates that Walker's policies are causing the loss of about 18,000 full-time private sector jobs this year. When the state takes money out of the economy, it hurts business. Under Act 10, a typical state worker took home \$70 less each week. This depletes the household budget, costing local businesses \$70 a week. The combined impact of this policy alone subtracted \$700 million from economic activity.

Details of how Walker's economic policies starved the market are found in IWF's report. Also included is a county-by-county breakdown of how much purchasing power was lost due to the Governor's measures.

For more details, including copies of the various documents referred to in this press release, see the IWF web site at: www.wisconsinsfuture.org.

The Institute for Wisconsin's Future is a non-profit research and public education organization based in Glendale, a suburb of Milwaukee. Its work is funded primarily by national philanthropies.

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