



**Eastern Michigan  
Budget Forum -  
July 14, 2011**

# Eastern Michigan Budget Forum – July 14, 2011

- Ninth in series of campus budget discussions w/President Martin that began in the Summer of 2009 (Last Forum - May 4, 2011).
- Focus on Eastern’s budget and financial position as well as topics impacting our budget and external environment.
- **Today’s Agenda**
- Introduction President Martin
- “The New Agenda for a New Michigan” Lou Glazer, President  
Michigan Future, Inc.
- FY12 Budget Update John Lumm





# MICHIGAN FUTURE INC.

A Catalyst for Prosperity



[www.michiganfuture.org](http://www.michiganfuture.org)

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Our goal

A high prosperity  
Michigan

# What state do we want to emulate?

State	Per capita income (09)	Unemployment (10)	Poverty rate (09)	Education attainment (09)
Oklahoma	\$35,837	7.1 %	16.2 %	22.73 %
Minnesota	\$41,854	7.3 %	11.0 %	31.50 %
Michigan	\$34,315	12.5%	16.2 %	24.59 %
U.S.	\$39,635	9.6 %	14.3 %	27.90 %

# 10 Most Prosperous States

Connecticut

New York

New Jersey

Virginia

Massachusetts

Alaska

Wyoming

Washington

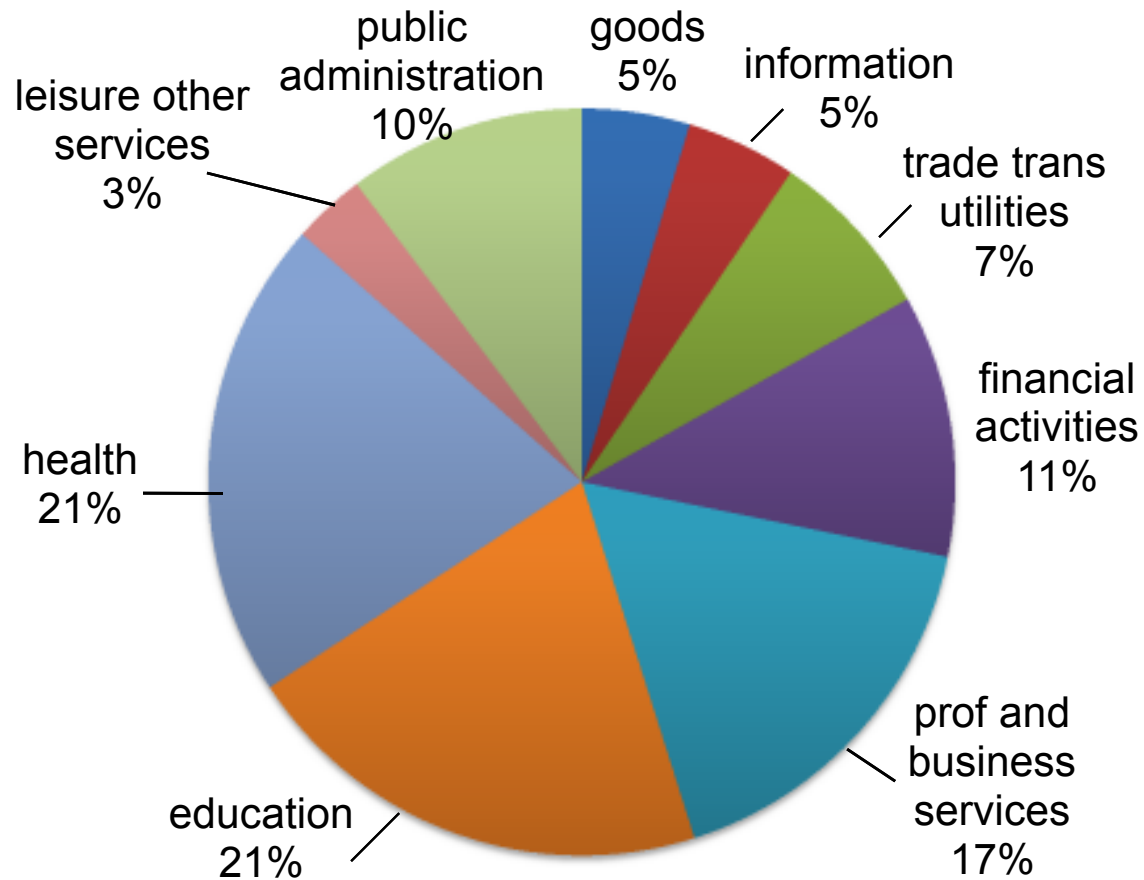
Maryland

New Hampshire

# Traits of prosperous states

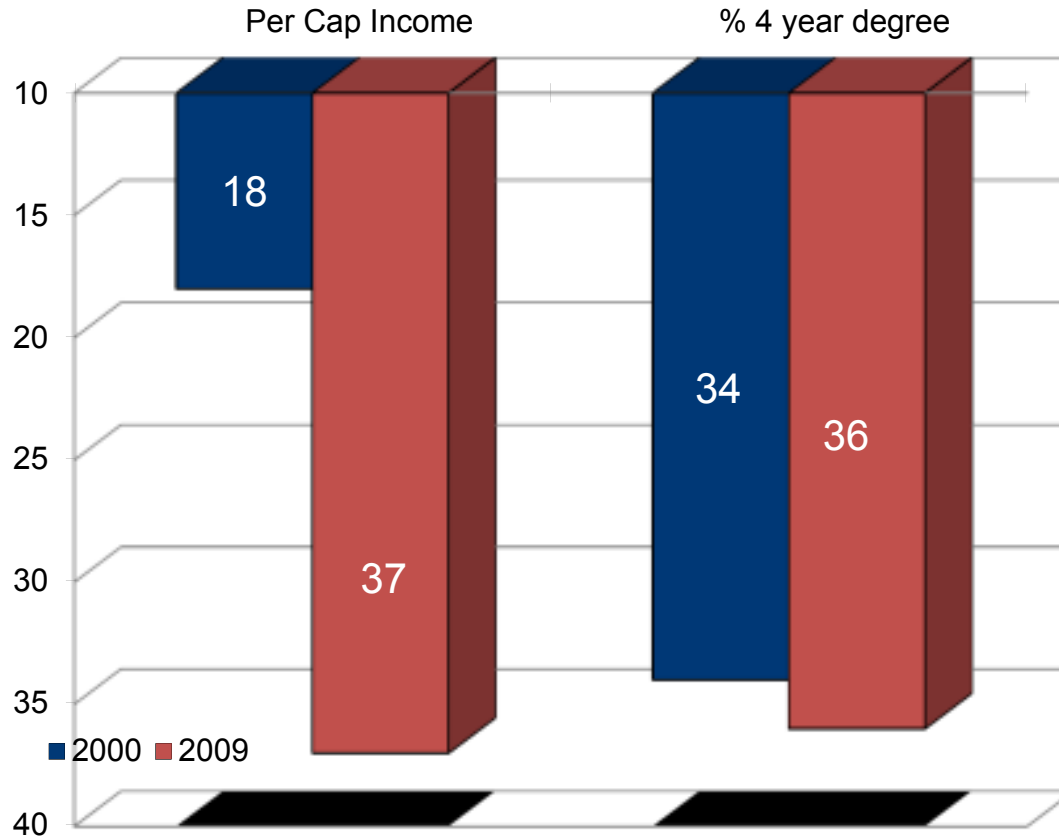
- High proportion of wages from knowledge industries
- High proportion of college grads
- Big metro with higher per cap income than state
- Largest city in that metro has high proportion of college grads

# What is the knowledge economy?





# Michigan's income rank aligned with our college attainment rank

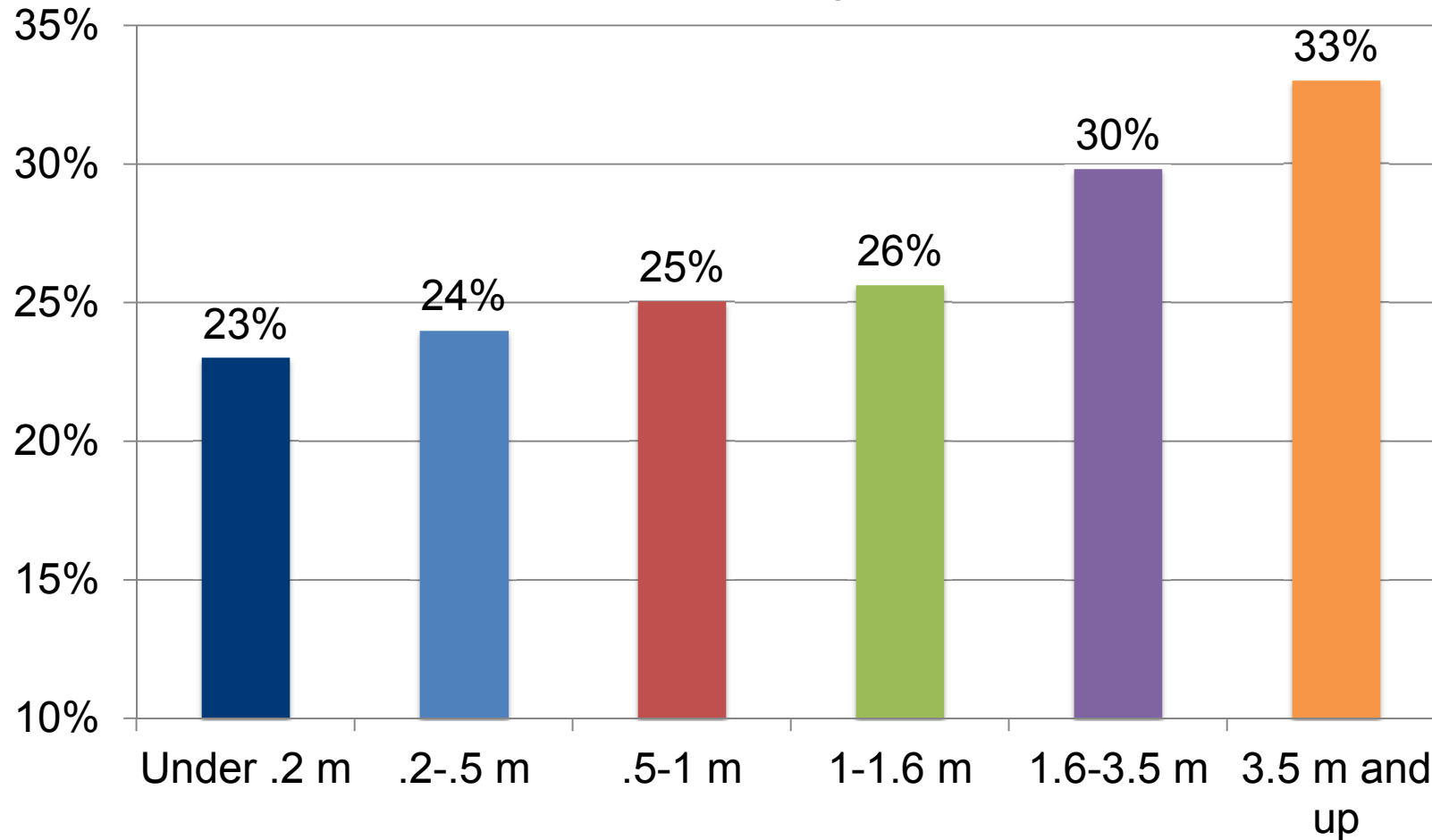


# 10 Most Prosperous Regions

- San Jose/San Fran.
- Washington/Balt.
- NY/Newark
- Hartford
- Boston/Worcester
- Seattle
- Houston
- San Diego
- Denver/Boulder
- Philadelphia

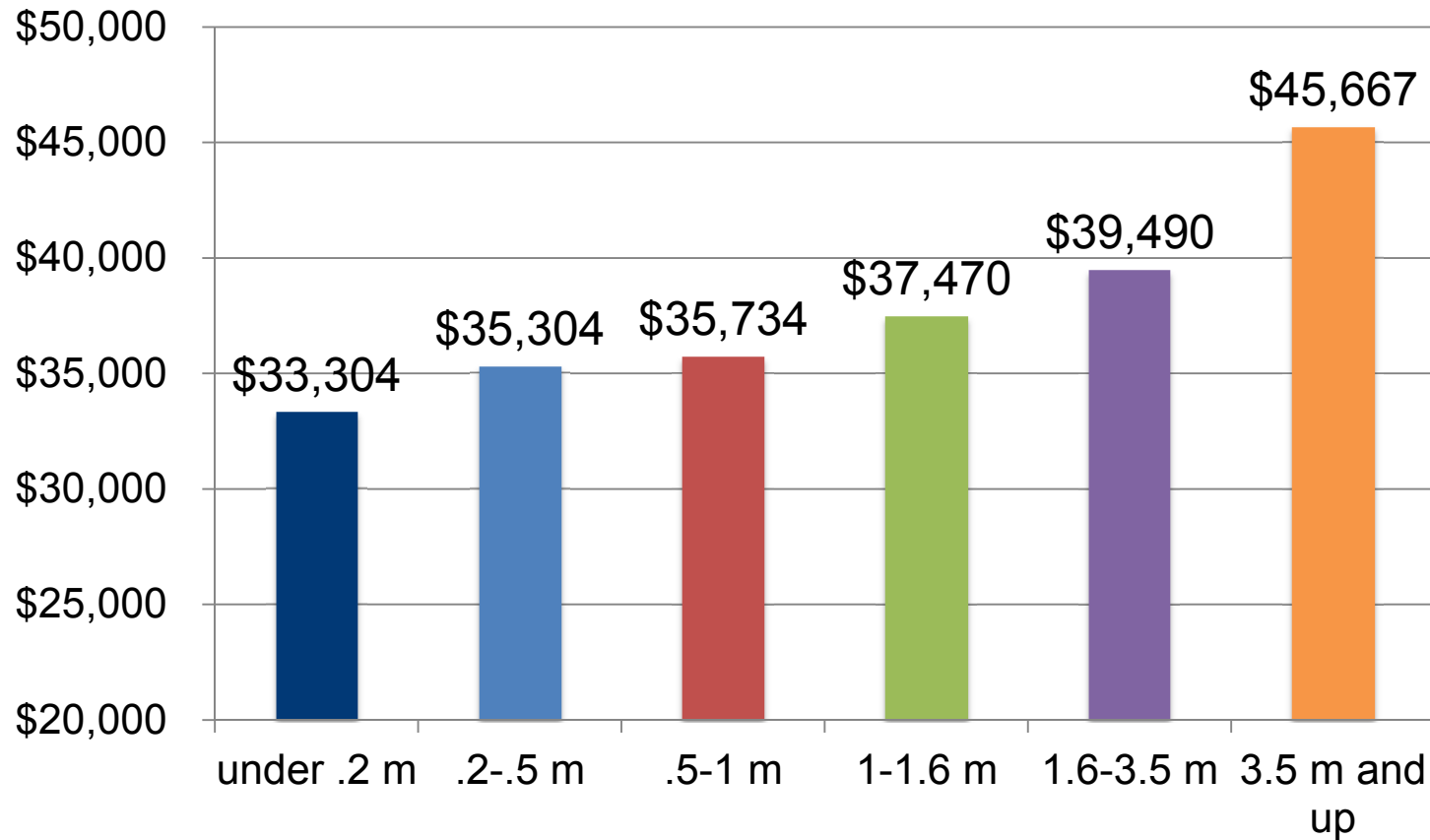
# Major metros smarter

## Education attainment by metro population



# Major metros richer

Per capita income by metro population



# Metro Detroit vs. Metro Minneapolis

City	Per cap income	Education attainment	Share of wages from knowledge industry
Minneapolis	11	7	13
Detroit	41	39	31

2009 Rank among 55 metros 1 million population or more

# Metro Grand Rapids vs. Metro Minneapolis

City	Per cap income	Education attainment	Share of wages from knowledge industry
Minneapolis	9	7	10
Grand Rapids	54	44	54

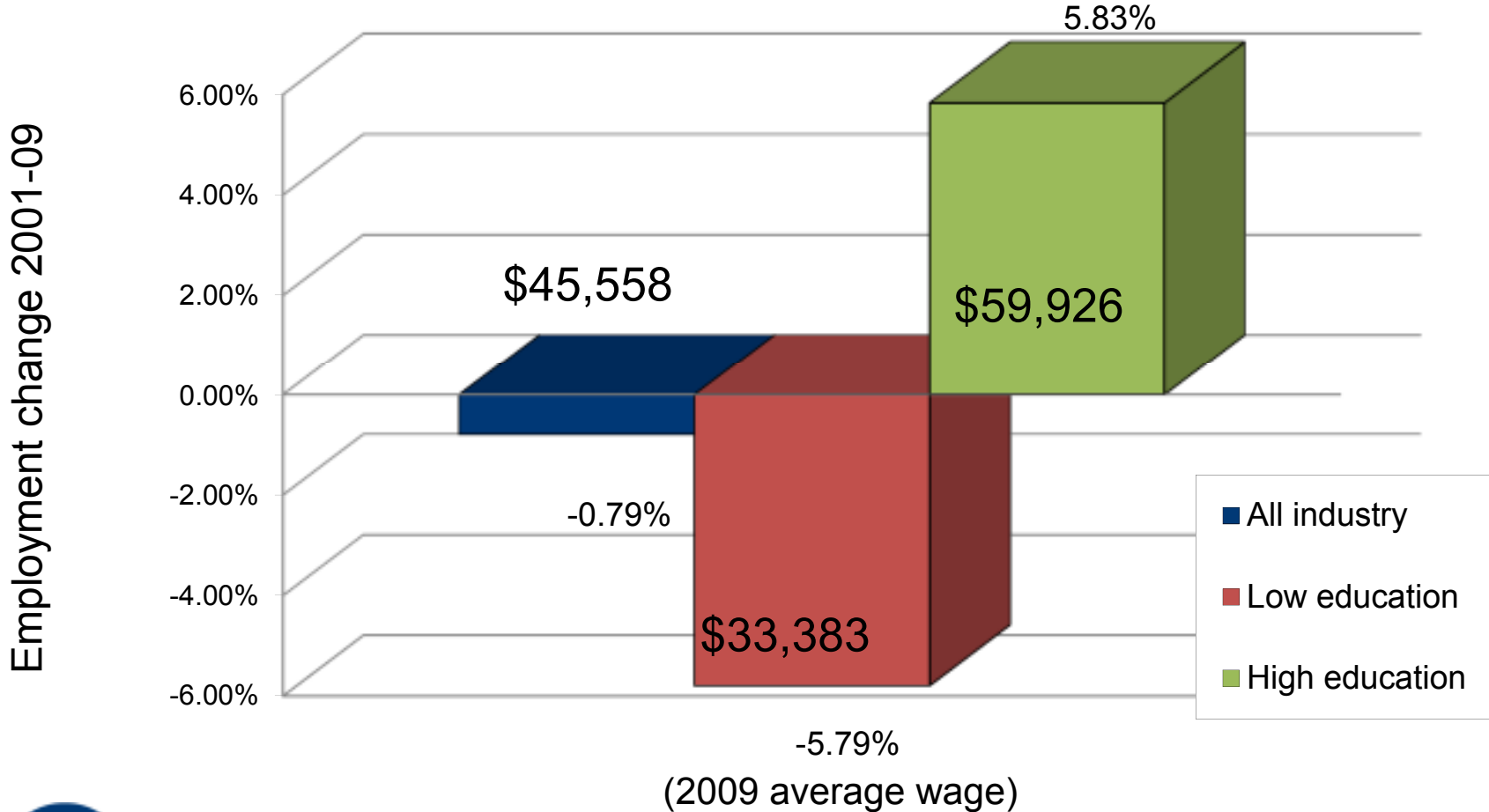
2009 Rank among 55 metros 1 million population or more

# Metro Lansing vs. Metro Madison

City	Per cap income	% bachelors degree or more	Share of wages from knowledge industries
Madison	\$ 42,456	38.90 %	63.61 %
Lansing	\$ 33,273	29.09 %	65.33 %

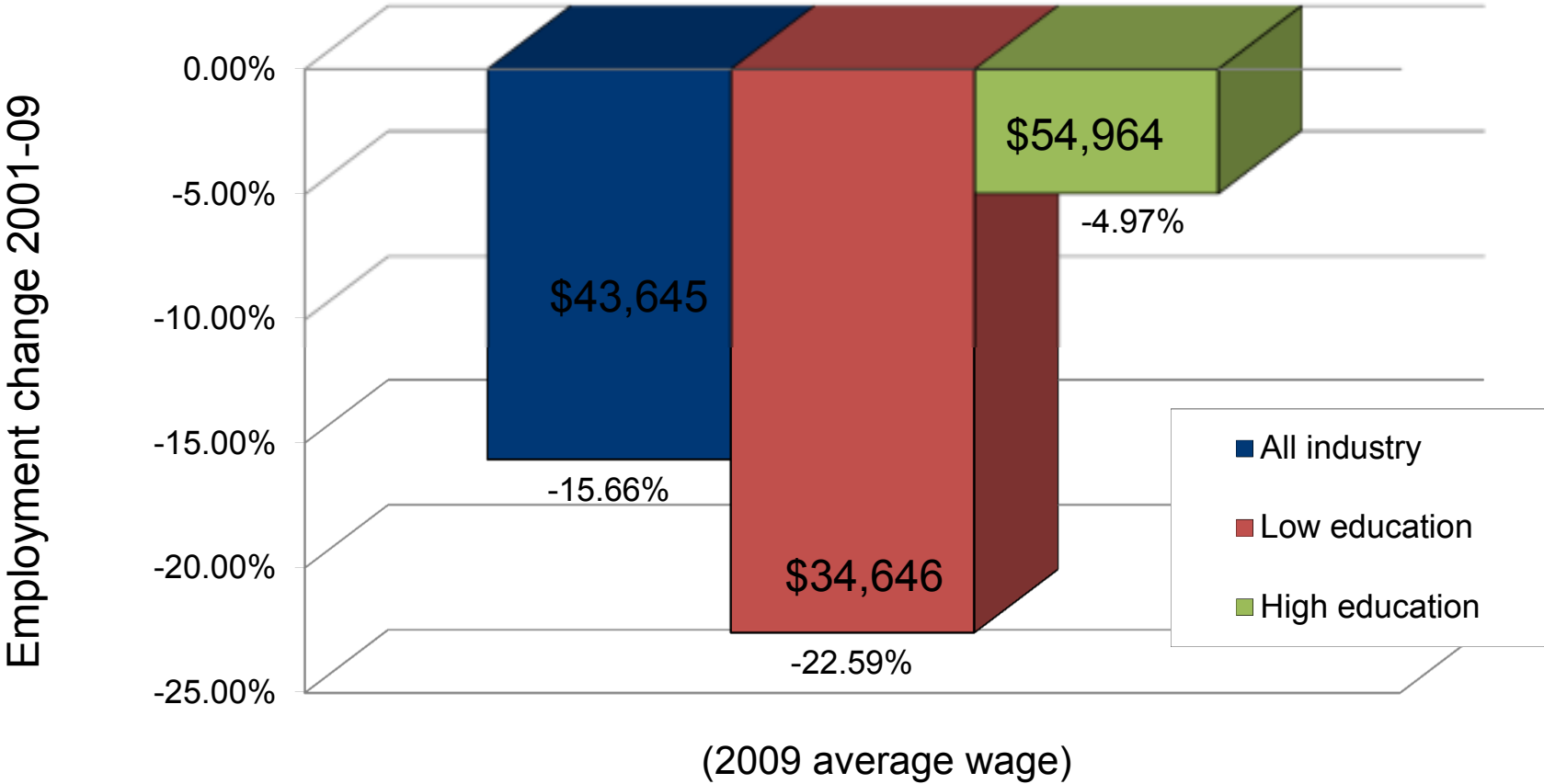
2009 data

# High education industries growing in U.S.



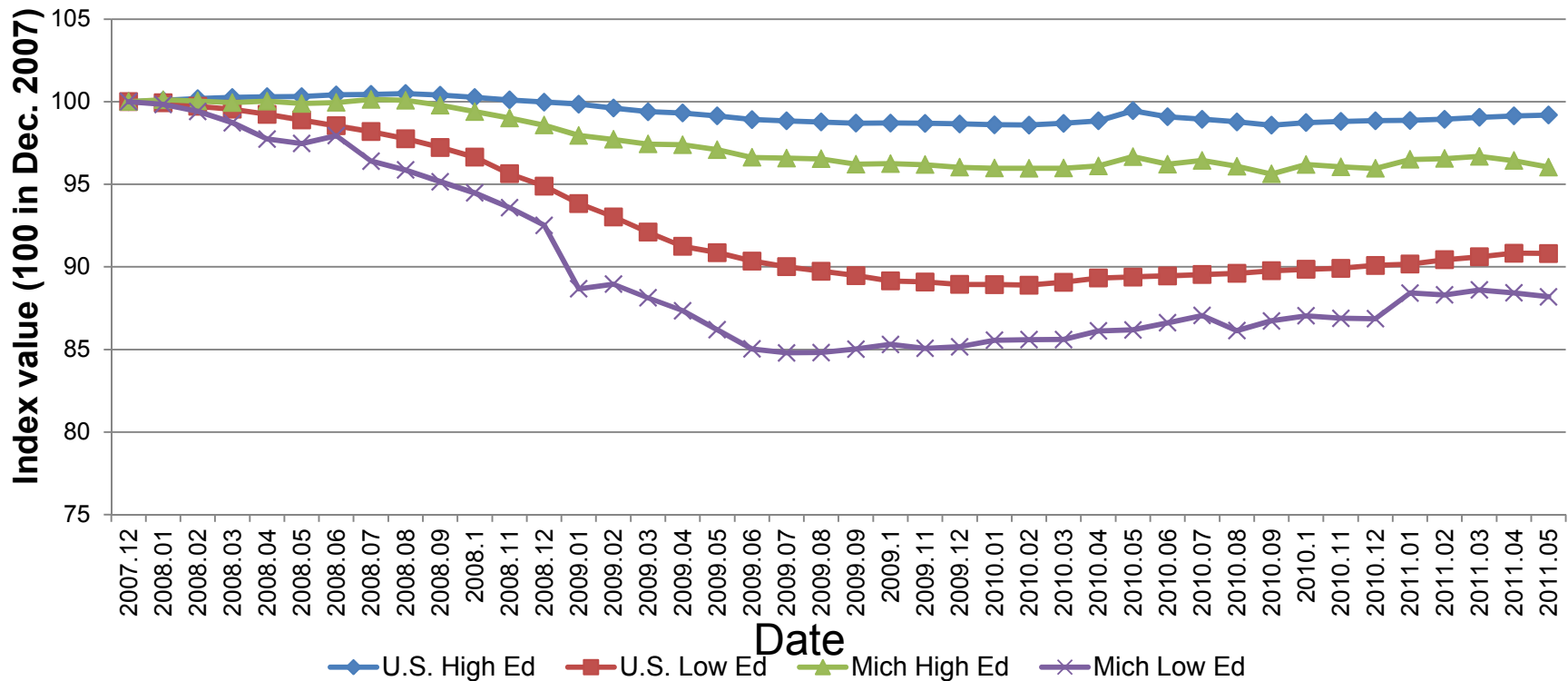


# High education industries doing best in Michigan



# Recession accelerates trends

**Employment in High and Low Education Attainment Industries, Michigan and the U.S., 2007.12 to 2011.05**



# Our conclusion:

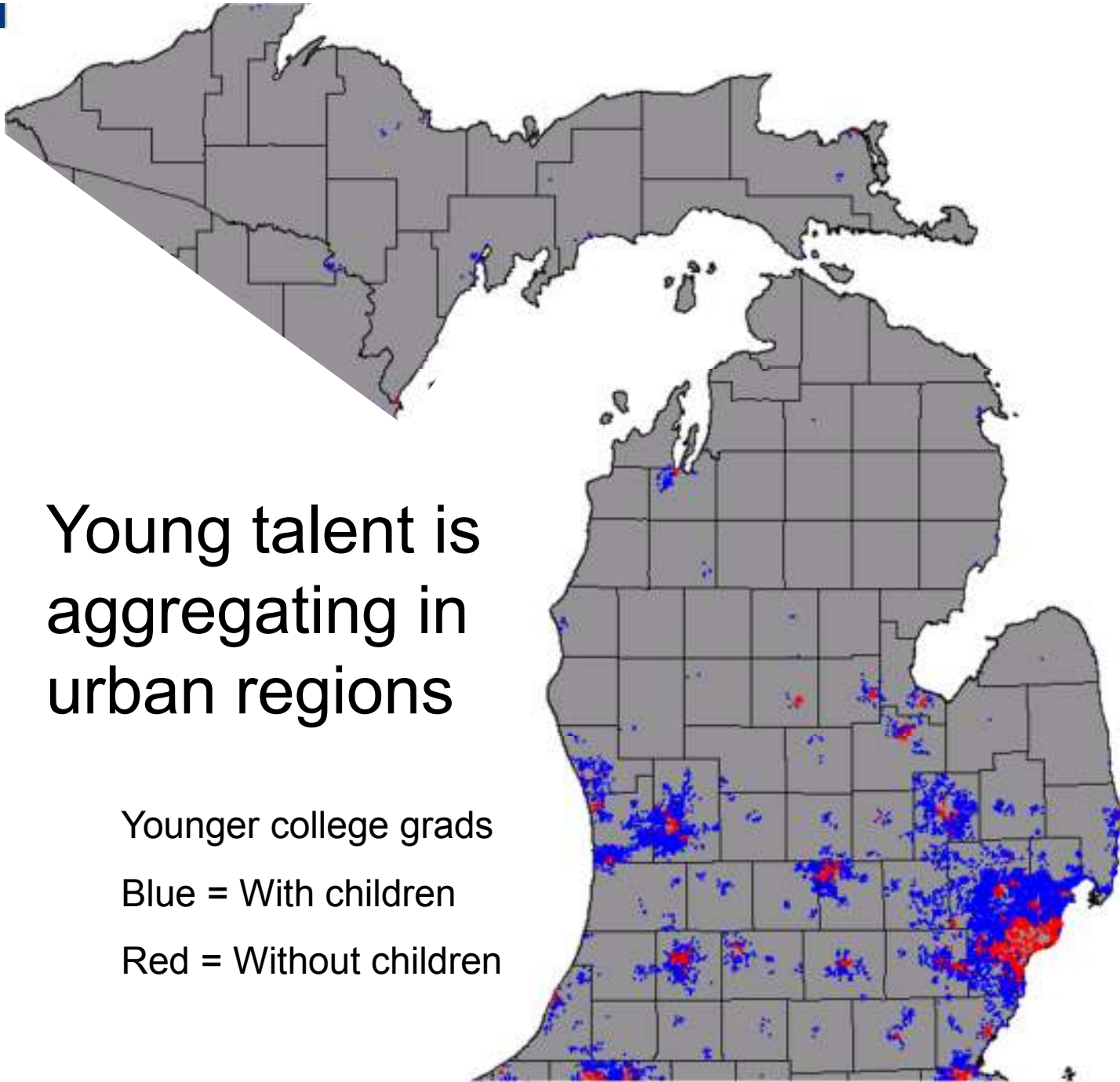
The places with the greatest concentration of talent win!

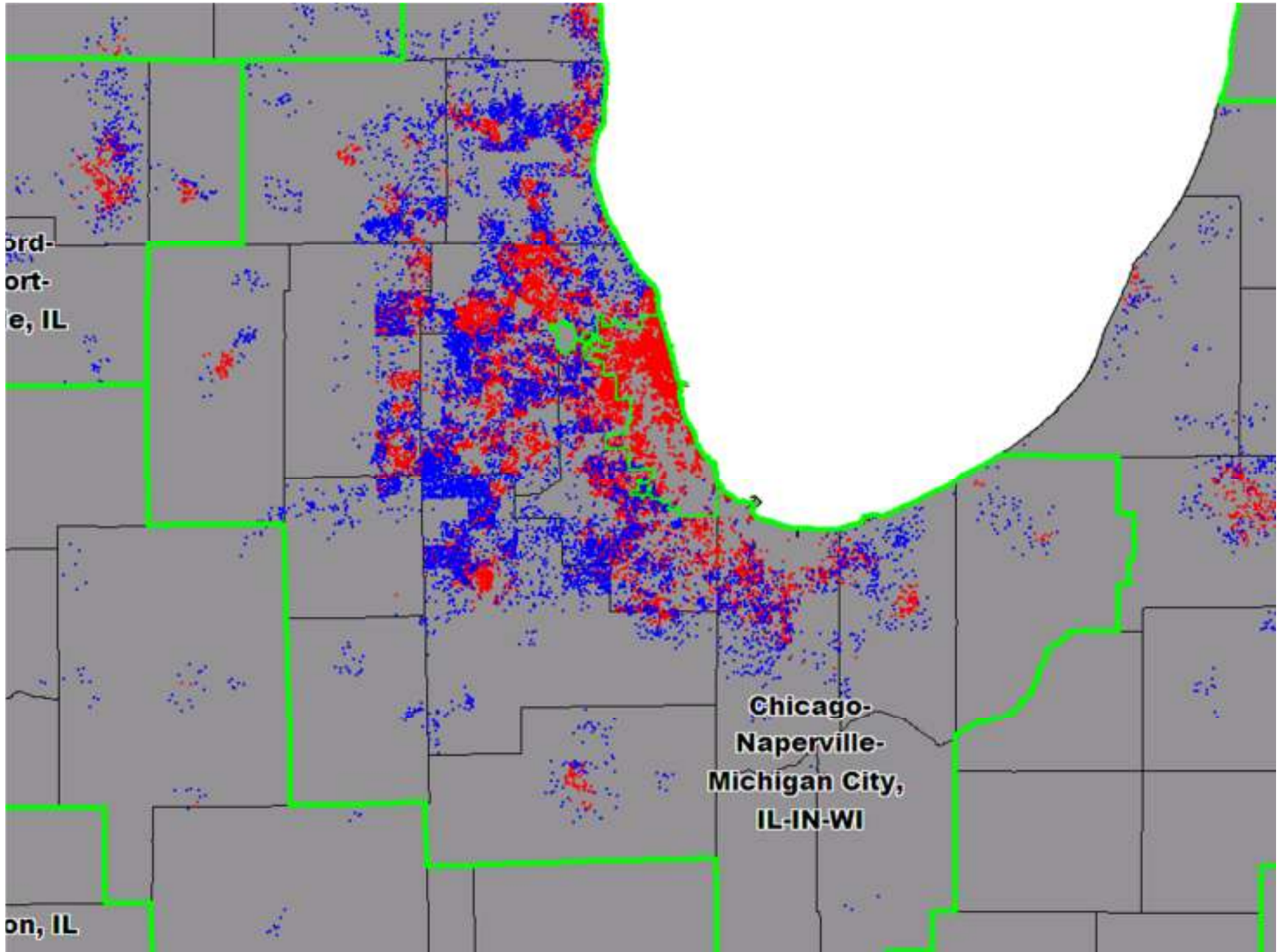
# Young talent is aggregating in urban regions

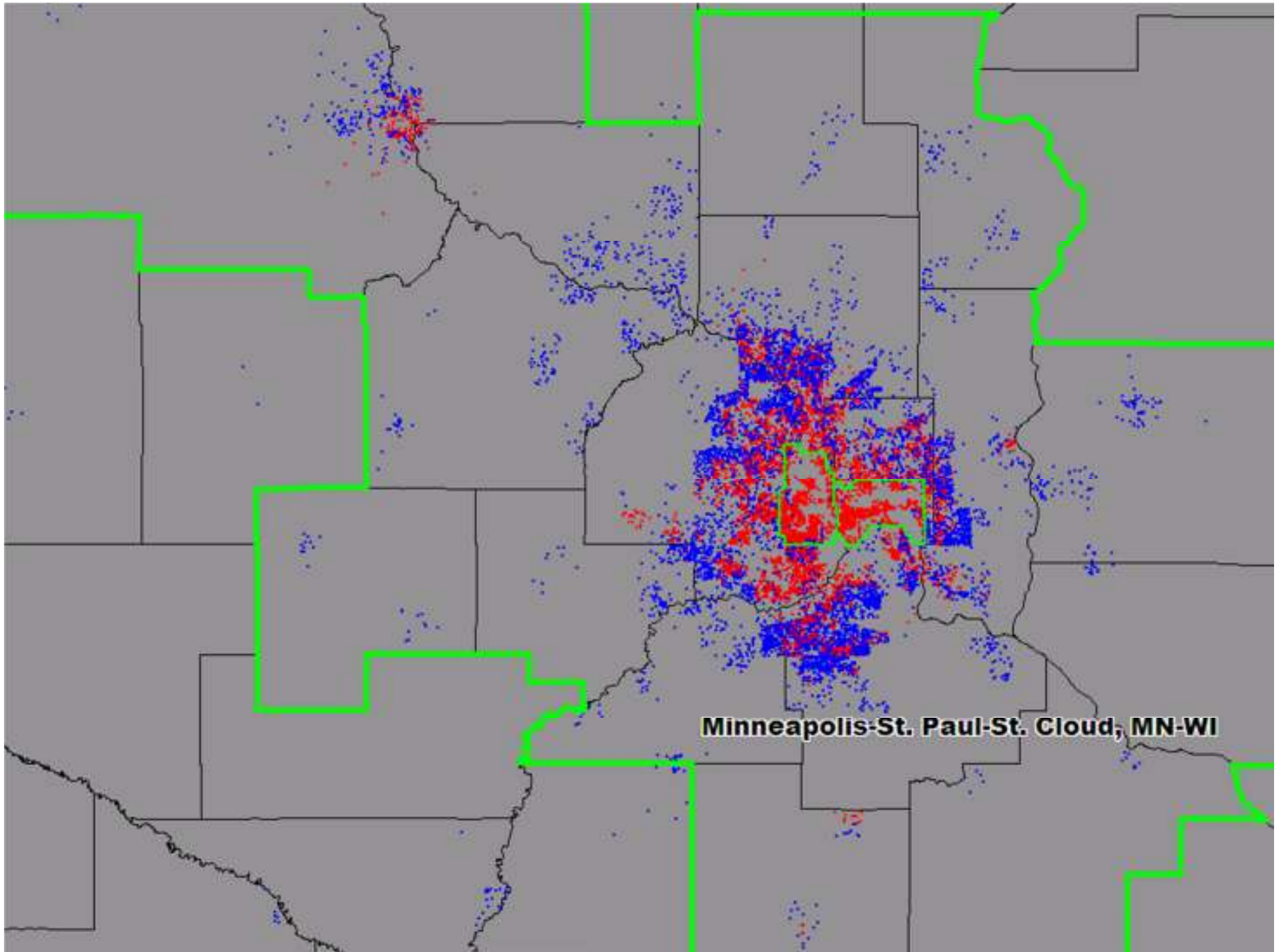
Younger college grads

Blue = With children

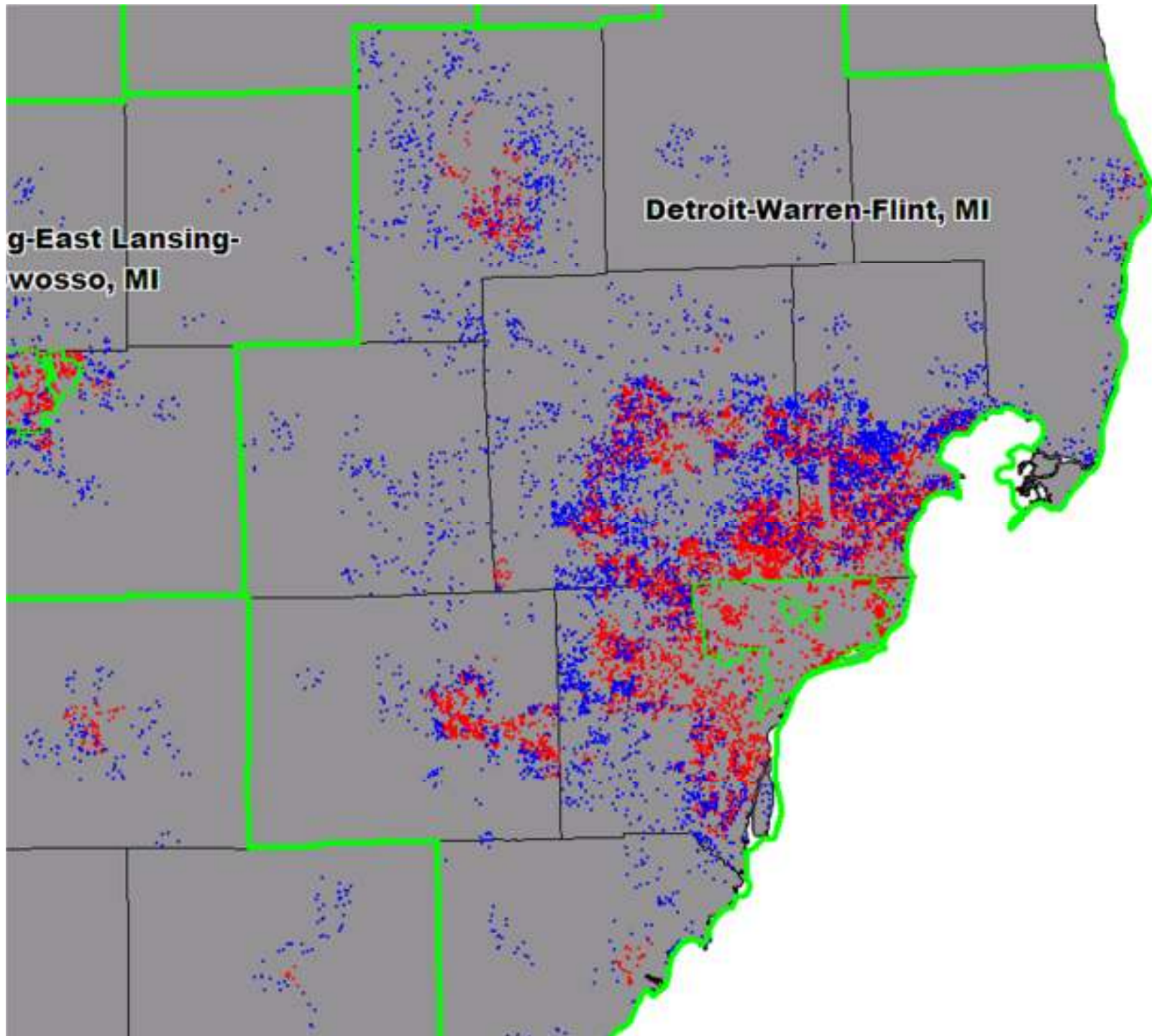
Red = Without children

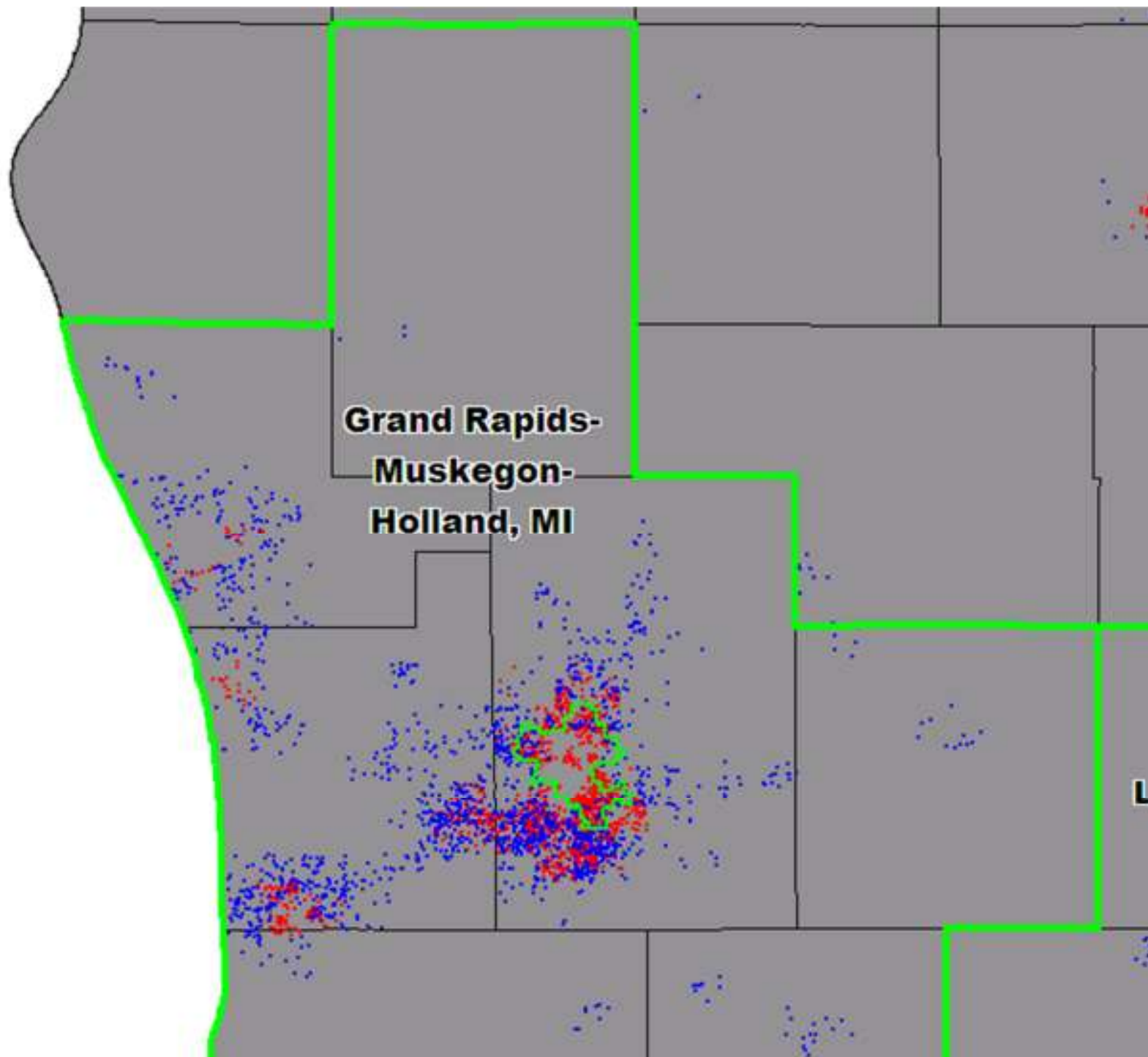




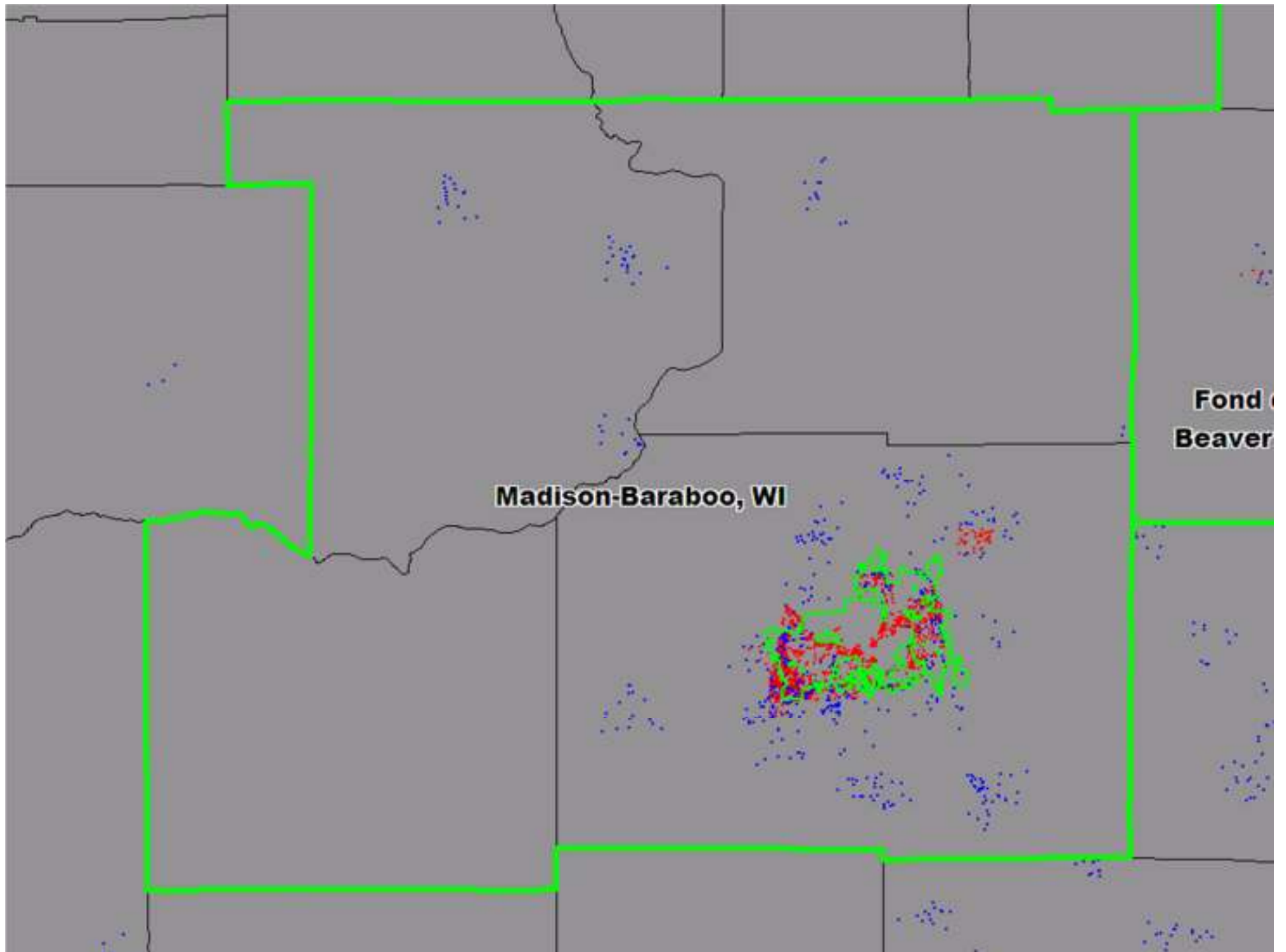


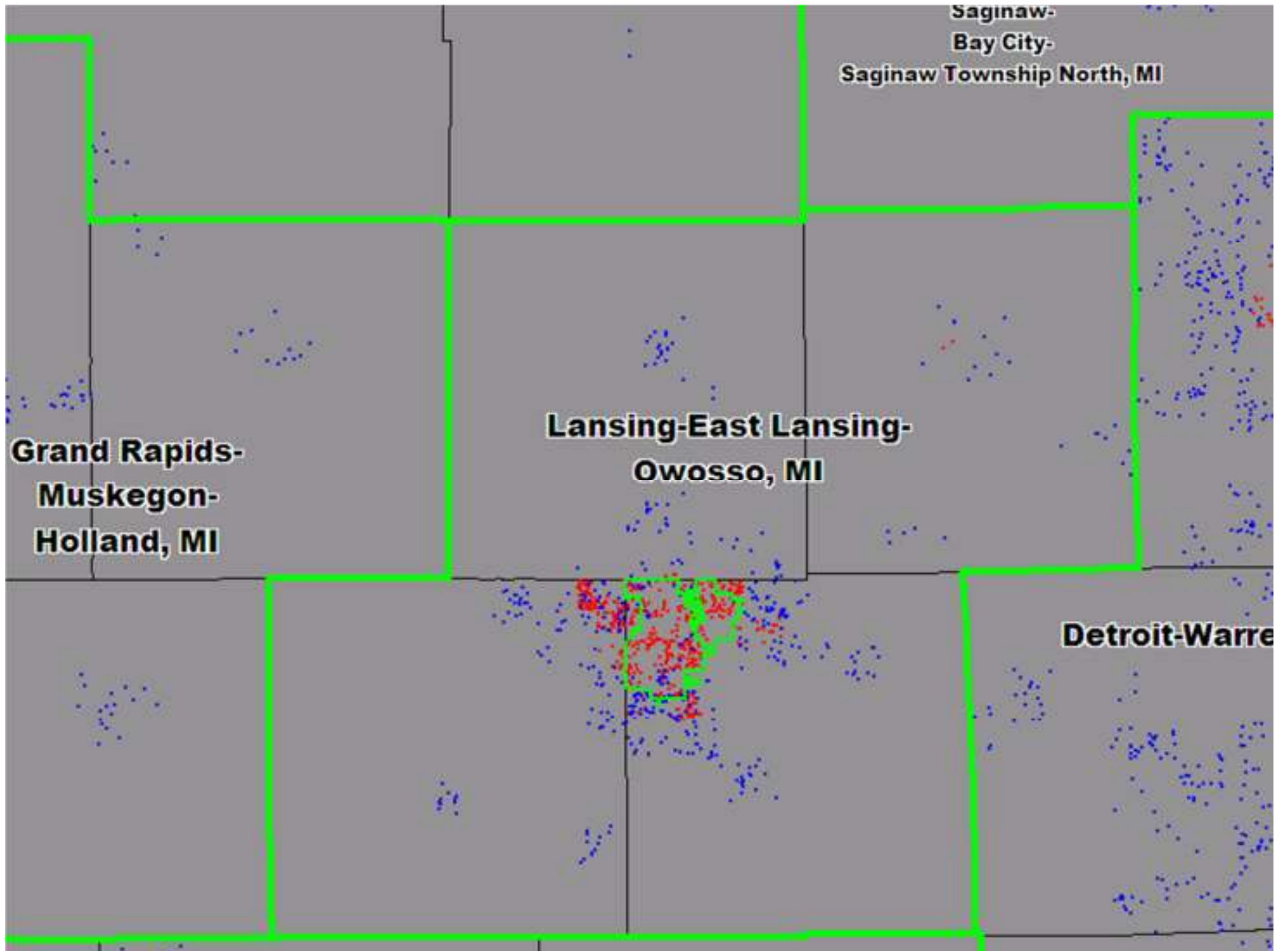
**Minneapolis-St. Paul-St. Cloud, MN-WI**











# Our recommendations

- Align Michigan culture with the flat world realities
- Create places where talent wants to live
- Ensure success of vibrant higher ed system
- Reinvent K-12 education to align with new realities
- Develop new public and – more importantly – private sector leaders

# Bottom line

We must get younger  
and better educated  
or  
we will get poorer

For more information about Michigan Future,  
our reports or what the media is saying,  
please visit our Web site at:

[www.MichiganFuture.org](http://www.MichiganFuture.org)

