



## **FACT SHEET**

### **Restoring Prosperity: Transforming Ohio's Communities for the Next Economy**

**Ohio is well-positioned to compete in the next economy, which must be export-oriented, low-carbon, innovation-fueled, and metro-led:**

#### Export-oriented

- Ohio's exports have risen every year for the past 11 years
- Brazil and China are the state's 3rd and 4<sup>th</sup> largest trading partners
- Exports to Brazil rose 47 percent from 2007 to 2008
- Columbus, Cincinnati, Dayton, and Youngstown are above the 100 largest metro average for service export intensity—Columbus and Cincinnati are in the top quarter

#### Low Carbon

- Ohio is seventh in the nation for total green technology patents for 1998–2007, with particular strengths in battery technology, hybrid system technology, and fuel cell technology patents
- The Pew Center on the States finds Ohio's number of clean energy jobs grew by more than 7 percent between 1998 and 2007, even as the overall number of jobs in the state contracted by 2 percent

#### Innovation-fueled

- Cincinnati has a patent rate nearly double that of the U.S. as a whole, while Cleveland's is also well above the national level
- Ohio is in the top 10 nationally for science and engineering doctorates awarded; academic research and development spending; and for small business innovation research awards

#### Metro-led

- The seven Ohio metros that are in the top 100 metros nationally (Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo, and Youngstown) house 70 percent of the state population and account for 80 percent of the state GDP
- These seven metros also account for slightly more than 75 percent of the state's patenting activity, and 82 percent of its knowledge jobs
- All 16 of the state's metropolitan areas constitute 81 percent of the population, 84 percent of the state's jobs, and 87 percent of the state's GDP
- Almost every Ohioan lives within an hour's drive of an urbanized area



**Ohio, and its metros, still face challenges and need to do more to: 1) build on innovation, human capital, infrastructure, and quality places in the state’s metropolitan areas; 2) catalyze transformative changes in government; and 3) engage with and lead the federal government**

Build on innovation, human capital, infrastructure, and quality places:

- Third Frontier’s ten-year term ends in 2012 – state leaders have had to borrow 2012 funds to spend in 2010 and 2011. It takes 20 or 30 years for efforts like Third Frontier to reach maximum effect
- In 2008, 40 percent of surveyed Ohio employers had a hard or very hard time finding qualified workers. Even in the current recession, a third of industrial companies surveyed in Cleveland reported challenges finding skilled labor
- Less than one percent of total transportation spending in the state goes to public transit
- Every major Ohio city, except Columbus, has lost significant shares of its peak population, from 20 percent in Toledo to more than 50 percent in Cleveland and Youngstown. Most cities show greater population loss between 2000 and 2007 than in the preceding decade

Catalyze transformative changes in governance

- Ohio (and other states’) revenues are unlikely to return to pre-2007 levels until 2013 at the earliest, and perhaps as late as 2016
- Ohio ranks 47<sup>th</sup> in the nation in the share of elementary and secondary education spending for instruction, and 9<sup>th</sup> in the share that goes to administration. Ohio’s share of spending on school district administration is 49 percent higher than the national average
- Local government payroll in Ohio is 17.5 percent above the average of peer states (IL, IN, KY, MI, PA, WV) while state payroll is 16.6 percent lower. As a percentage of per capita income, Ohioans have the 9<sup>th</sup> highest local tax burden in the U.S., but rank only 34<sup>th</sup> for state taxes

Engage with the federal government

- The FY 2011 federal budget request calls for millions of dollars in programs that could help Ohio gain in the next economy: \$34 million for an Energy Innovation Hub on advanced batteries and energy storage – a strength in Ohio; \$75 million to directly support regional innovation clusters plus another \$267 million across various agencies that could support these clusters; and close to \$700 million to support regional planning to coordinate transportation and land use

For more information about this report and the Restoring Prosperity Initiative, please contact Lavea Brachman, Co-Director, Greater Ohio Policy Center at 614-224-0187, ext. 311 or [lbrachman@greaterohio.org](mailto:lbrachman@greaterohio.org).