

Indiana: A state of in search of itself

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September 7, 2005

Indiana is a state suffering from myths, a state whose reality is largely unknown both within and beyond its borders.

For a century, the state has been considered an agricultural state when its reality has been as a manufacturing state. Hoosiers and citizens of other states refer to Indiana as part of the corn belt ignoring the massive steel and automotive parts industries in the state. Local economies that have depended on manufacturing for decades are still thought of as farm-serving towns. Workers, who derive the bulk of their income from factory jobs, imagine themselves as independent farmers because they own some acreage and plow or harvest after working hours at the plant of some global firm.

This myth of agriculture retards the growth of the state. Indiana is one of the great industrial states of the nation and a very urbanized state. It has specialized in the production of durable goods and the parts that go into them. But the agricultural image leads investors to neglect Indiana as a good place for new business development. The state has many excellent, good-sized communities with fine amenities, but they get little attention. Indianapolis and its suburbs compare most favorably with other metropolitan areas of similar size in the arts and in the quality of residential options, but few Americans know this.

Part of this neglect comes from a second myth: Indiana is an old-industry state, part of the rust belt. Again myth lags reality. Those who know that Indiana is a major industrial state, often focus on erroneous images of the steel and motor vehicle industries. They neglect the immense investments and major productivity gains of those industries in recent years. Indiana manufacturing firms have raised output and cut employment dramatically since a low point in the early 1980s.

This change then came up against another myth: you don't need a decent education to get a good job in Indiana. The ease of getting a high-paying job in a factory during the mid- to late-20th century, meant that many young Hoosiers neglected their education, dropped out of high school and took "temporary" unskilled jobs "waiting to get on" at local factories.

But as noted above, those same factories were cutting back on employment, modernizing, and in need of a more sophisticated workforce. The myth of low education expectations took its toll on the state's public education system. Where once Indiana was among the most progressive leaders in education, the state failed to keep up and was left with a poorly educated workforce unaware of its deficiencies.

Here another myth came into play. Indiana likes to think of itself as a state in which local governments are of consequence. The idea is the often repeated maxim that governments closest to the people do the best job of governing. However, in Indiana, all significant power lies with the state legislature. This part-time group of 150 members controls the strings of power. It decides exactly what can be done or not done by specific counties. There is no semblance of home-rule in Indiana for counties, cities or towns. The gerrymandering of districts assures incumbents of re-election and little new thinking enters the halls of the General Assembly. The governor's veto can be over-ridden by a majority of the legislature, negating the efficacy of that office.

The final myth is that nothing ever changes in Indiana. Although there are powerful forces of inertia in Indiana, change is pervasive. Whereas parts for durable goods used to be a major output of the state, today parts for non-durable humans (knees, hips, stents, pacemakers) are becoming a leading output of the state. Pharmaceuticals have been of consequence for decades, but today new alliances between the industry and the states leading universities (Indiana and Purdue) have created new research efforts at the forefront of medicine.

Indiana's taxes are low by national standards which gives the state fiscal room to raise the quality of public services, if the legislature has the political courage to increase tax rates. Public support for improved education is both strong and sincere which augurs well for the future.

Indiana is a state that is trying to escape its myths and find a new reality.