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## Wisconsin's Border Counties

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## Wisconsin's Border Counties

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Wisconsin's Kenosha County is now classified as part of the Chicago Metropolitan Area by the U.S. Census Bureau. Even Racine County has been classified this way by some analysts. In Wisconsin's Northwest, St. Croix County (which includes Hudson) has long been classified as part of the Minneapolis-St. Paul metropolitan area, and Pierce County is now included as well. The well-being of these border counties depends more on the economic well-being of Chicago and Minneapolis than on the Wisconsin economy.

The reason for these classifications is that many residents of these counties now work elsewhere in the Chicago and Minneapolis metropolitan areas. These residents have chosen to live in Wisconsin rather than in Illinois or Minnesota. It is not clear whether their choices were driven by a lower cost of real estate, a preference for exurban living or a preference for Wisconsin's services such as schools.

In the case of Racine and Kenosha, some dual-career families may have chosen to live between Milwaukee and Chicago, but in the case of Minneapolis, there is no strong draw from a major Wisconsin city to offer a counter-force to the draw from Minneapolis.

Commuters tend to have higher than average incomes, and in some cases have incomes that are substantially higher. They bring to the area where they live no smokestacks, just their paychecks. An appropriate economic development strategy for Wisconsin's suburban counties should be built on enhancing their exurban images in the eyes of Chicago and Minneapolis to attract high-income professionals. The economic development strategies for these counties should be quite different from the strategies suitable for Madison, Milwaukee or rural Wisconsin.

The possible long-term advantages from a metropolitan suburban strategy can be learned by looking at older cities in other states whose metropolitan boundaries spread across state lines. Connecticut lies between Boston and New York. Its personal income is the highest in the United States. Connecticut has an old industrial base of hardware and firearms and a modern manufacturing base in defense equipment, including nuclear submarines, jet engines and helicopters. Hartford was once the insurance capital of America, but many of its insurance firms have now been bought by financial conglomerates in much the way that Milwaukee's banks and some of Wisconsin's insurance companies have been purchased.

Connecticut's recent growth has been strong in Fairfield County, however, which is not a home to Connecticut's traditional economic base. Fairfield County's reputation as a high-income bedroom community of New York began with the railroads in the 1890s and grew strongly in the 1920s when automobile commuting became popular.

The presence of many high-income professionals in southern Connecticut led it to become the home of many small independent financial firms. These firms began as retail offices serving a market of wealthy citizens, but grew into a self-contained group of firms specializing in private investments. Greenwich, Connecticut, now rivals Wall Street as a home to the nation's hedge fund industry. Many young workers in the hedge fund industry live in New York City and commute to work in Greenwich.

The lesson in this for Wisconsin is that economic development down the road may be enhanced by attracting high-income professionals to live in the state today. With communication technology developing rapidly, it is becoming more and more possible for jobs to follow people as they did in Connecticut, rather than just the other way around. Today's bedroom community can become tomorrow's financial center.

To facilitate this kind of growth, Wisconsin's border counties should be especially concerned with the quality of their schools and the protection of their pastoral environment so as to remain attractive places to live. Border communities should be planting trees today that will give their shady downtown streets of the future an attractive, well-heeled look. They should be protecting the few old downtown buildings they have. When Illinois residents cross the border into Wisconsin, they should feel they have entered a protected land. Urban design, street layouts and the use of old downtown spaces can all eventually convey the feeling of "Don't you wish you lived here."

Transportation to Chicago should be facilitated in every way possible. Parking at the train stations should be attractive and inexpensive. The old stations themselves should be restored and maintained, and they should provide comfortable, convenient places to wait. Transportation to Milwaukee's Mitchell Field should be easy. Getting to O'Hare should be as easy from southeast Wisconsin as it is from elsewhere in suburban Chicago.

Even Milwaukee could benefit from thinking of itself as a spoke on Chicago's hub. Milwaukee has recently taken care of its downtown and it now offers attractive living for young highly educated professionals, though few people outside Milwaukee know this. The convenience of commuting from Milwaukee to Chicago by Amtrak could be publicized in Chicago. A dual-career couple with jobs in Madison and Chicago could split the commute and have a vibrant urban life by living in Milwaukee. Milwaukee does not think of itself as a bedroom community but a shift toward that kind of thinking could exploit opportunities for jobs to follow people rather than the other way around.