While the United States is not gaining jobs as rapidly as in previous recoveries, Ohio still has fewer jobs than when the recession ended and than when it began. While the country is losing manufacturing jobs and gaining jobs in lower-paying sectors, Ohio is losing manufacturing jobs and failing to gain the same levels of employment in other areas. While the nation is seeing very slow wage growth, Ohio’s median wage has actually declined for four straight years.

Changes are needed in both state and national policy if we are to foster an economy that does more for working people and their families.

Policymakers in Washington and Columbus have pursued destructive ideas. These include slashing taxes for the wealthiest; stifling the domestic public sector while growing the military budget and the deficit; distributing economic development largesse with little regard for outcomes; promoting trade agreements that lack basic standards for our trading partners; eliminating environmental standards and promoting sprawl; and failing to invest in the future. These approaches exemplify what we call a low road in public policy.

We conclude with just three bold ideas that would put us on a high road.

I. **Excellent Education**: Many economists have begun to understand what educators have long known. Initial investments in children’s development lead to lifetime gains that more than pay for themselves. We should provide universal high quality pre-kindergarten education to all American children; support excellent public schools in both low- and high-income communities; make college affordable for all students who qualify; and offer lifelong learning opportunities that people can access while in their careers. To learn more, click on education at www.epinet.org.

II. **Efficient Energy**: Our short-sighted energy policy makes us dependent on foreign oil; pollutes the environment; hurts our urban centers; eats up our precious green space; sucks resources out of the domestic economy; and steers our foreign policy. Instead, we should embrace the ideas of the new Apollo Alliance, a bold plan to invigorate our economy and free us from dependence on foreign oil within a generation. It would diversify our energy sources by having state and local government purchase from renewable sources like wind, solar, biomass, and geothermal energy. Ohio, with our world-class manufacturing infrastructure and workforce, is poised to be a lead beneficiary from this approach. We can also require that all buildings with any public financing are constructed in ways that will guarantee low energy use and high performance, generating high-skill construction employment in the short term and huge energy savings in the long term. Finally we can reduce sprawl by imposing smart growth policies that revitalize our cities, reduce automobile use, create jobs, preserve the countryside, and make communities more vibrant. To learn more, go to: www.apolloalliance.org.
III. **Equitable and Adequate Taxes:** At both the state and federal level, we have slashed taxes for the wealthiest, shifted taxes from corporations to individuals, and offered profligate tax abatements with little regard to accountability or outcomes. Instead of the mish-mash of state and local taxes that now take a higher share of a middle- or low-income family’s paycheck than of a millionaire’s, we suggest the five R’s. Restore a federal estate tax with a state component. Resist the misguided tax and expenditure limitation that Secretary of State Ken Blackwell now threatens to put on the 2006 ballot. Require localities to limit tax abatements, which have little effect on site location decisions. Reduce reliance on sales, excise and property taxes which take higher shares from modest-income families. Rely instead on income taxes which draw more from those most able to pay. For more, check out the Institute on Taxation and Economic Policy’s guide to fair taxes, at [http://www.itepnet.org/guide.htm](http://www.itepnet.org/guide.htm).

Working people and their families in Ohio and America deserve more reasons to celebrate on Labor Day and every day. Embracing these creative solutions is smart policy and good policy, and it’s long overdue.