



The need for new and renewed institutions:

Rethinking, remaking and restoring Minnesota's real "miracle"

by Sean Kershaw

What Gertrude Stein said about her hometown of Oakland, Calif. could perhaps be said about our policy conversations in Minnesota: there's no "there" there. We're having the wrong debate—and missing the right opportunity in the process. We routinely make two mistakes about the role of institutions in public policy.

First, we talk about public policy as if it just happens. As if it's just the result of white papers, conferences, program proclamations, and/or heroic leadership. But there are no "accidents" in public policy. Policy outcomes don't magically appear like food at a restaurant. There are recipes, a cook, a kitchen, and a supply chain somewhere close by. Real people in real institutions follow real policies and make real governing decisions that produce real public results. We may or may not like these results, but they are no accident. Institutions everywhere make policy happen.

Second, we act as if our existing institutions are sufficient for the future: that our current schools, healthcare, and transportation policies and institutions can get us to 2020. These institutions aren't ready for 2020, and they aren't sustainable in a society that will change as much in the next 25 years as it has in the last 100 years.

Our never-ending debate about taxes and our romanticism about the "Minnesota Miracle" are distracting symptoms of these problems.

If we want different policy outcomes, a healthier democracy—and more miracles—we need a different policy debate. If we don't strengthen the ability of all institutions to respond to new policy opportunities in the future, we'll forever be putting policy Band-Aids on pressing issues and wondering why our "solutions" don't solve problems.

Institutions and investments

Workplaces, non-profits, congregations, schools, governing bodies, and foundations each have a civic purpose in Minnesota: to sustain democratic values, solve problems democratically, and build the democratic leadership capacity of

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Minnesotans. And when these institutions don't fulfill their democratic role, we're obligated as citizens to change them so we can sustain democracy for the next generation.

Given this, why are we spending so much time arguing about how much to "invest" in our existing policy institutions? Investing more won't help if we aren't getting a return on our investment. Let's talk about institutional innovations first.

Take education as an example. Public education is critical to the success of our democracy and our economy. But when you consider the need for higher ed readiness, our current K-12 system doesn't work for more than 50 percent of our students. And the connection between more money and better outcomes is weak at best. To make matters worse, costs for public schools are increasing at twice the rate of inflation. How long can we afford to continue to pay more for the same insufficient outcomes? Our K-12 system is financially and academically unsustainable.

Our transportation system is also in crisis. And while everyone agrees we need to spend more in the short term on projects, if we don't improve our transportation pricing mechanisms (from tolls to tax allocations) we'll be in the same situation again in 10 years after wasting billions of dollars.

And as for healthcare, as former state health Commissioner Jan Malcolm's recent presentations have shown us, we have a thriving set of institutions designed to treat us when we're sick, but we don't have the institutional policies and practices to

sufficiently improve our overall wellness before we're sick. It's cheaper in the long term to invest in wellness.

Policy productivity

As Minnesotans, we're proud of Target and its "expect more, pay less" motto for many of the same reasons we're proud of our public policy legacy: both have their roots in innovation, creativity, and improved productivity. Target didn't succeed on the philosophy of "pay more, get the same," (the consequence of spending more on ineffective institutions right now) or "pay less, get less" (the consequence of spending less on institutions that sustain our quality of life).

Pressures from the retiring baby boomers on our pension, healthcare, and long-term care institutions, coupled with the educational needs of the next generation, are likely to produce real long-term fiscal constraints. We can't assume we'll have extra money anyway.

How do we create new schools, or redefine "schooling" for the 40 percent of students failing now, and the workers who will need retraining in the future? How can we reform our transportation pricing mechanisms to be more efficient and encourage innovation and effective choices? How do we promote wellness in our healthcare systems and in our lifestyle choices? How can we get more with current spending?

We can call this increasing our "policy productivity." And this is a much better place to focus our energy than the tired arguments about cutting or raising taxes that have dominated our policy conversations for the past unproductive 10 years.

This approach is also in keeping with the true spirit of our Minnesota Miracle, which wasn't the work of God or of tax collectors, but the product of a healthy civic infrastructure and innovative civic leadership in all institutions. Our future success depends on both to get us there. ●

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