



Analytics

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Since Delaware has had 15 consecutive years of conservative governors followed by 18 years of progressive governors, it is an interesting case study. Do the differences in the governance philosophies have consequences for Delaware's economy?

A simple answer to this question is to consider the differences in the major measures of economic performance for Delaware between these two time periods. While this simple approach doesn't control for all intervening factors, both periods saw two national recessions and, according to the Tax Foundation, the state and local tax burdens were similar.

As shown below, the Delaware economy was far more robust during the conservative years than during the progressive years. Output and personal income grew more than 60% faster during the conservative period, while per capita income and employment grew over 100% faster. The unemployment rate was slightly lower during the progressive period and the poverty rates were essentially the same.

Economic Measures of Performance	Conservative Governors 1977-92	Progressive Governors 1992-2011
Output (nominal Gross State Product) - compound (cmpd) growth rate	9.3%	5.9%
Personal income - cmpd growth rate	8.4%	4.8%
Per capita personal income - cmpd growth rate	7.2%	3.4%



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Wage & salary employment - cmpd growth rate	2.1%	0.8%
Unemployment rate - average	5.8%	4.6%
Poverty rate - average	9.7%	9.4%

If Delaware citizens are interested in more economic opportunity, including greater personal income and more alternatives for employment, the conservative approach to state governance appears to be superior.

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