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## **Maryland's Economic Competitiveness Trails Nation's Leaders, Study Finds**

ROCKVILLE, MD—Since tax increases were implemented in 2008, Maryland's economic competitiveness has fallen significantly behind the country's economic leaders, according to a new study co-written by Donna Arduin, the former budget chief for California governor Arnold Schwarzenegger and Florida governor Jeb Bush, and Wayne H. Winegarden Ph.D., both of whom are now with Arduin, Laffer & Moore Econometrics. The report, "Improving Maryland's Economic Competitiveness: Policy Reforms to Promote Economic Prosperity," is being published by the Maryland Public Policy Institute in Rockville, Md.

States fiercely compete with one another: they compete for jobs, businesses, and people. States with stable tax and economic environments, and with low costs, will be more attractive than states with high or unpredictable tax environments and high costs. Maryland now clearly falls into the latter category, according to Arduin and Winegarden.

In the near-term, the struggling Maryland economy and resulting decline in state tax revenues create even greater pressure for more tax increases in order to maintain state spending commitments. While the state stretches to afford its desired spending commitments, Maryland's citizens shoulder that burden in all policy areas and in daily life.

Maryland should focus on creating a more competitive economic environment that encourages greater work, savings, and investment in the state and aligns the state's expenditure commitments with its ability to afford them. This blueprint, according to its authors and the Maryland Public Policy Institute, provides policy guidance that will help Maryland increase its economic competitiveness, raise its sustainable long-run economic growth rate, and accelerate income and jobs growth in the state.

The full report can be viewed online at: [http://www.mdpolicy.org/research/pubID.229/pub\\_detail.asp](http://www.mdpolicy.org/research/pubID.229/pub_detail.asp)

Founded in 2001, The Maryland Public Policy Institute is a nonpartisan public policy research and education organization that focuses on state policy issues. The Maryland Public Policy Institute's work can be found on the Internet at [www.mdpolicy.org](http://www.mdpolicy.org).

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