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Unlocking Prosperity: The Impact of UW System Universities on County Economies

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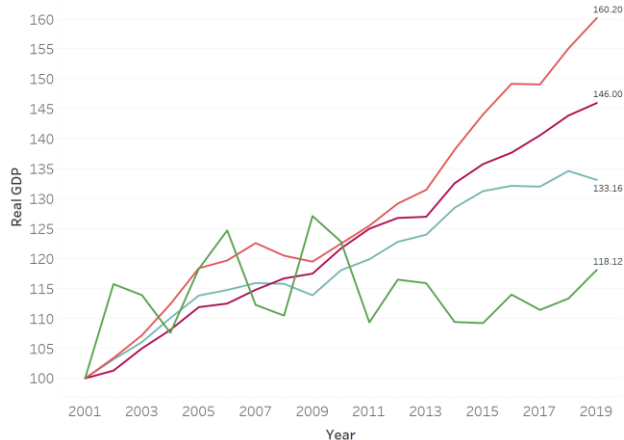
When we think about the value of higher education, we usually consider the personal benefits it offers – increased opportunity, stability, and higher income for individuals. While these individual advantages are undeniable, the impact of universities extends beyond the personal sphere and has a profound effect on the economies of the societies in which they reside.

When economic prosperity among Wisconsin counties is compared, the consideration of access to college education becomes significant, and the prosperity of counties with or without a UW system university is worth examining. It can be asserted that the UW system is renowned for the quality education it provides in Wisconsin and is capable of contributing to the economy through the stream of a skilled labor force.

County

- Average of Wisconsin Counties without a University
- Dane (UW-Madison)
- La Crosse (UW-La Crosse)
- UW System Counties Average

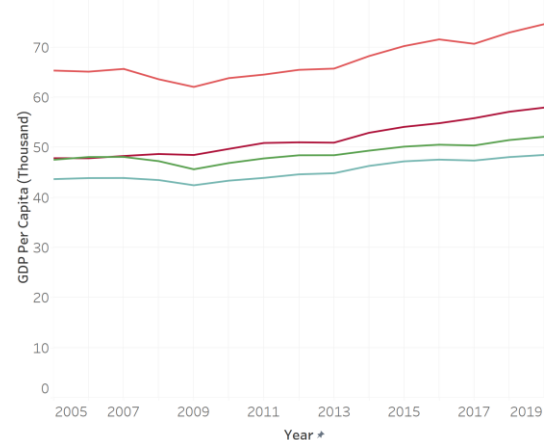
Real GDP Index



County

- All Wisconsin Counties
- Dane County
- La Crosse County
- UW System Counties

Trends in Real GDP Per Capita



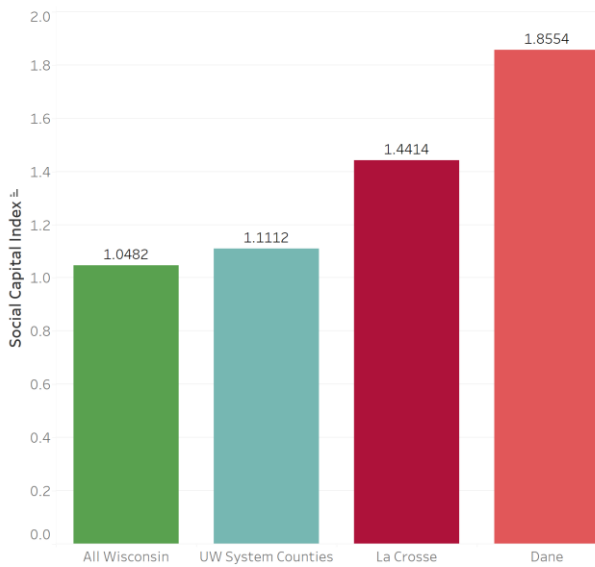
Research has found a positive correlation between counties hosting a University of Wisconsin (UW) system university and their enhanced and sustained economic growth. For instance, in 2019, La Crosse County, home to UW–La Crosse, had notably higher figures in both real GDP index (U.S. Bureau of Economic Analysis) and per-capita GDP (U.S. Bureau of Economic Analysis), having 146 and \$58,000 per capita respectively. Similarly, Dane County, where the largest UW university, UW–Madison, resides, showcased impressive growth with 160 and \$75,000 per capita in these economic indicators, surpassing the averages observed in counties across Wisconsin.

It is particularly interesting to highlight the growth in the Real GDP Index from the U.S. Bureau of Economic Analysis as it incorporates crucial aspects such as labor trends, revenue, and the value of production. These elements are directly influenced by a skilled labor force, further

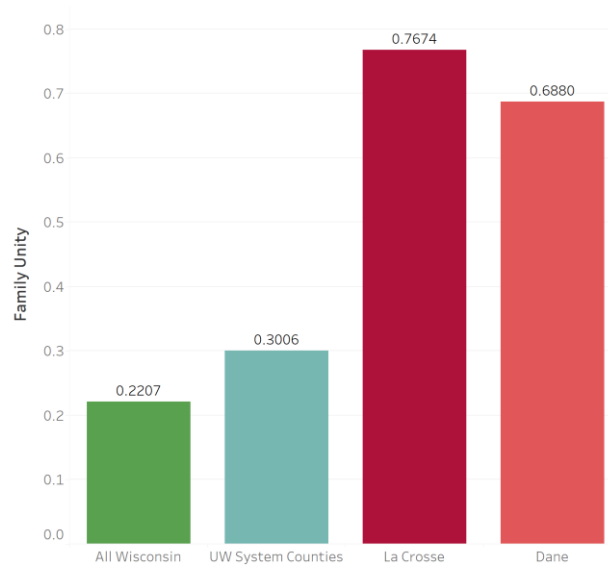
emphasizing the pivotal role that universities in the Universities of Wisconsin (UW) system play in shaping economic prosperity.

While GDP is an important measure of economic prosperity, it primarily focusses on monetary values. To gain a more comprehensive understanding of a thriving economy, it is crucial to look at social capital which focuses on interpersonal connections and values that improve society's functionality. The social capital index (United States Congress, Joint Economic Committee) for counties encompasses family unity, community health, and institutional health. UW system counties consistently rank higher on the social capital index than Wisconsin's average, with La Crosse and Dane Counties leading the way.

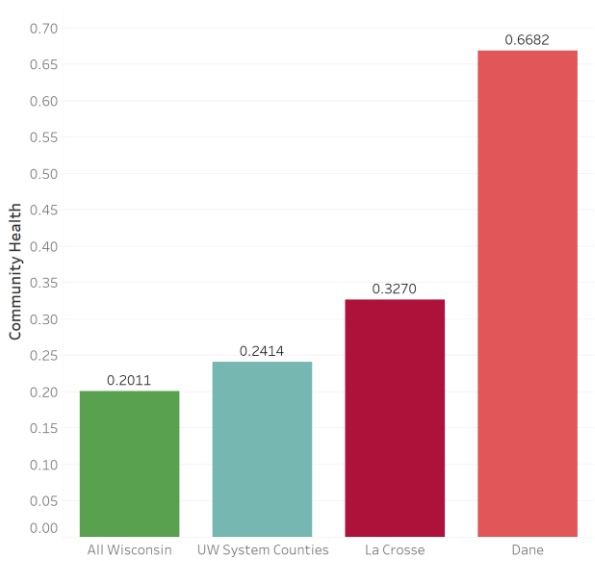
Social Capital Index



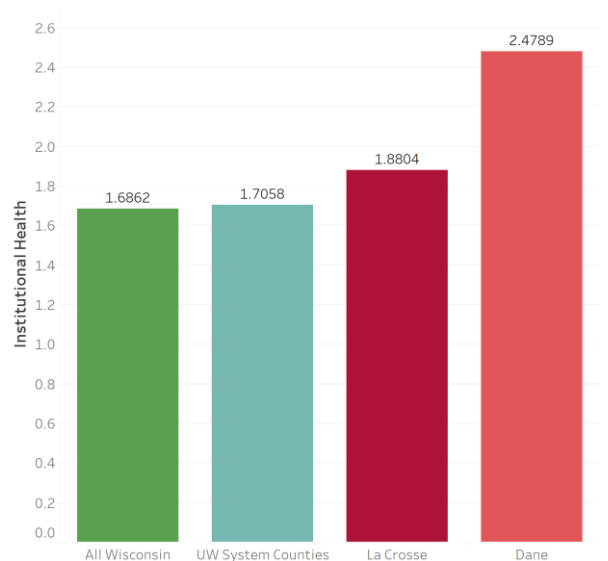
Family Unity



Community Health



Institutional Health



When we look at the family unity index, which considers factors such as the proportion of births to unmarried women, the percentage of married women, and the share of children residing in single-parent families, we find that La Crosse County takes the lead, closely followed by Dane County. Notably, both counties significantly outperform the averages for family unity observed in Wisconsin and UW counties. Furthermore, in the community health index, assessed through factors including the presence of non-profit organizations, religious congregations, and the strength of informal civil society, Dane County leads. Meanwhile, La Crosse County maintains a commendable position above the average of UW system counties, which in turn surpasses the Wisconsin state average. Similarly, when examining institutional health, which is measured by factors encompassing voting participation, census response rates, and confidence in public institutions, both Dane County and La Crosse County demonstrate higher rankings compared to UW system counties and the Wisconsin state average.

Counties hosting UW Universities consistently display stronger economies than their counterparts without such institutions. As we move forward, it becomes important to explore the specific contributions that these universities make to their communities and analyze the mechanisms that explain their contributions.