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Sowing the seeds of wealth

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For generations, inventors and entrepreneurs thrived in Ohio. It was here, after all, where the phonograph, traffic signal, vacuum cleaner and tens of thousands of other ingenious gadgets germinated from an idea into a product.

In more recent times, however, the state's entrepreneurial culture corroded. The latest evidence comes with the Ewing Marion Kauffman Foundation's index of entrepreneurial activity.

That benchmark, a leading indicator of business creation, showed that the Midwest trailed the rest of the nation. An average of 290 out of 100,000 adults created new businesses each month across the nation. In Ohio, however, that number was closer to 220, a drop from last year. The ranking placed Ohio 40th among the 50 states.

Several groups designed to help launch new businesses in this region are showing signs of success - notably, Jumpstart and BioEnterprise. The state also has some programs that help high-technology start-ups during their earliest, and most vulnerable, stages.

Ohio's underperformance is rooted in many areas and won't be fixed overnight. Part of the solution includes improving educational attainment in the state. It also means attracting skilled and legal immigrants, and focusing resources on groups that face larger hurdles when setting up businesses - such as women and minorities. That's especially true in an industry like construction.

Lt. Gov. Lee Fisher, who doubles as Ohio's development director, says every department in state government is working to advance economic development, and that the state will measure its progress against statistical indicators such as employment growth, productivity and personal income. Those benchmarks are important. But as they keep an eye on how the state is doing, leaders must also remember how important it is to encourage and gauge entrepreneurship.

When more people create businesses here, the state will thrive.

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