

## **CATO grades America's governors; Quinn receives an 'F'**

By Brady Cremeens  
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INDIANAPOLIS – In a new report issuing grades of America's governors in terms of the success of their fiscal policies, Illinois' Gov. Pat Quinn receives an 'F,' but some dismiss the study as "political production."

[The report card](#) <sup>[1]</sup>, based on a study from the libertarian CATO Institute, graded each of the 50 governors on how they dealt with tax and spending issues in their state. Governors who reduced taxes and spending received stronger grades, while governors who increased taxes and spending received poorer ones.

"Five years of [Quinn's] tax-and-spend approach has harmed the economy and not solved the state's budget problems" the study says. The report card cited Quinn's personal and corporate income tax rate increases, as well as the state's debt and pension liability crises as reasons for the failing grade.

This year's report card is CATO's 12th such letter grade assessment of America's governors and evaluates seven different areas of tax and spending growth to determine a governor's strength and weaknesses when it comes to fiscal policy.

Perhaps interesting to many Illinoisans following the competition between the Prairie State and neighboring Hoosier State for businesses and jobs was Indiana Mike Pence's 'A' grade.

Pence was one of four governors in the country to receive an 'A' and CATO denotes the state's 5 percent reduction in the personal income tax rate, as well as cuts to corporate income tax and abolition of the inheritance tax. Pence also signed a bill last year that does away with property taxes on business equipment.

Nicole Kaeding is a budget analyst for the CATO Institute and one of the authors of the Grading America's Governors report card. She said good grades are awarded to those who reduce the influence of the state on the lives of its constituents.

Kaeding said Quinn's call to extend the promised temporary income tax increase was the biggest detriment to his overall score.

“It can be hard to compare certain states to others,” she said. “There can be geographic differences or weather differences, etc. Comparing North Dakota to California is a bit different because the states vary so greatly in what they offer.”

But comparing Indiana to Illinois “can be more fruitful,” Kaeding said, because they share many agricultural and climate similarities, with very few geographical differences between the states.

“Even the people tend to be very similar,” she said

Quinn’s overall grade of 32 – placing him solidly in the middle of the ‘F’ group – is 39 points lower than Pence’s 71.

Economics is a difficult subject to grasp, Kaeding notes, but that doesn’t mean we can’t learn a lot through these comparisons.

“There seems to be a correlation between taxes and government spending and economic growth,” she said. “Since Pence took office in 2013, Indiana’s economy has grown about twice as fast as Illinois’. They’ve created jobs at about twice the rate of Illinois.”

Kaeding says people should pay attention to the decisions their elected officials make, because it affects the lives of everyone in the state.

“It’s complicated and complex,” Kaeding said. “But there clearly is a relationship and policy decisions matter.”

Governors Pat McCrory of North Carolina, Sam Brownback of Kansas and Paul LePage of Maine were the other governors to receive CATO’s top grade of ‘A.’

The common theme among ‘A’ graders, the study notes, is an ability to exercise fiscal restraint.

“All four proposed or signed into law large tax cut packages in their state while also holding the down the growth of state spending,” the study says.

David Madland is the managing director of economic policy at the Center for American Progress. He said reports like this are too simple and leave out many factors that affect a state’s economy.

“Report cards like this aren’t very useful for telling us how a governor is doing,” Madland says. “It leaves too many questions and varying factors unanswered. It also takes a subjective opinion on whether certain policies are bad and doesn’t pay attention to the fact that they might be working, or working slowly, or are an improvement over what came before.”

Madland dismissed Quinn’s ‘F,’ along with the other grades, as wishful thinking.

“This is more of a political production than a research paper,” he said. “It’s an ideological statement from a group that sees very little role for government anywhere.”

The study makes a point to note that the grades don't simply praise Republicans and scorn Democrats, as three Democrat governors – New York's Cuomo, West Virginia's Tomblin and Rhode Island's Chafee – both received solid 'B' grades – higher than 12 other Republican governors.

In addition to Gov. Quinn, eight other governors received an 'F' grade. The governor with the lowest score was California's Jerry Brown, who scored 19 points.