

Alarm bells are sounding over the lack of robust job growth in the state's two largest cities.

A recent study commissioned by the Omaha-based Aksarben Foundation indicated that job growth in Omaha and Lincoln lagged behind its peer cities, such as Sioux Falls, Des Moines and Oklahoma City.

An analysis by old buddy Henry Cordes in the Omaha World-Herald found that the number of jobs in Nebraska's top cities grew by 0.3% and 0.4%, respectively, from 2020-24. That's quite a bit less than the 1.8% job growth in Sioux Falls and the 1.2% growth in Des Moines.

The Aksarben report calculated that had Omaha and Lincoln seen employment grow at the same rate as its peers, the two cities would have added 68,000 more jobs and generated up to \$800 million in additional state taxes.

With 60% of the state's jobs and wages based in those two cities, that's pretty stunning stuff.

Why Omaha and Lincoln are being lapped by its competitors was unclear. Job growth nationally has lagged in recent months, but others are doing better.

The report offered several suggestions:

Brain Drain. Nebraska in recent years has seen more people with bachelor's degrees and higher leaving the state than moving here. In 2020, the net loss was 4,610 individuals, according to a report by the University of Nebraska at Omaha Center for Public Affairs Research. Brain drain, the report suggested, makes companies look elsewhere to expand.

Why the brain drain? I'd say it's a lack of high-paying jobs college grads want, and the age-old lure of "bright lights, big cities" being more exciting than the Cornhusker State.

High Taxes. Omaha business leaders, who make up the Aksarben Foundation, blamed the state's high property taxes and relatively high income taxes for some of the sluggish job growth. They also called for more incentives for businesses (don't we already give millions and millions?).

But Des Moines taxes are higher, the World-Herald article pointed out, so why was its job growth so much better?

Promotion. I saw recently that the state tourism director who adopted the pitch line, "Honestly, Nebraska: it's not for everyone," resigned. That motto brought some attention to the state, but I thought it also gave some people one more reason not to visit or live here.

Overall, we Nebraskans are a pretty humble bunch. We're not braggers like those big-hats in Texas, and we don't celebrate our cheese and beer like those in Wisconsin and Minnesota.

But I do think we have some work to do to promote our "Good Life" state and talk up its advantages. That probably means spending more money for promotion.

We have great public schools, low crime and ample open spaces. (I really appreciate the latter attribute after battling bumper-to-bumper, moving-at-a-crawl traffic on a recent visit to scenic Colorado. Somehow, I didn't see beauty in the back end of the car ahead of me.)

We have a tremendous work ethic, a strong bond with our neighborhoods and communities, and a low cost of living. And the best volleyball in the land, along with a getting better football team.

It's a tough environment for companies right now. There's uncertainty about raw materials due to tariffs, and

the shortage of workers is being exacerbated, to some extent, by the crackdown on immigrants.

But we have many attributes that ought to be attractive to job growth. We've got some work to do.

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