

Discover the Hidden Faces of the USA

How about a trip to Paris, Texas or to Florence, Oregon?

You might even be surprised by Charleroi, Pennsylvania or come across Antwerp, Ohio, small towns offering an off-the-beaten-path familiarity to the Belgian tourist tired of the Yellowstone and Times Square.

Some 200,000 Belgians emigrated to this vast country since 1820 and left their mark; farmers, miners, crafts people, and skilled workers from the Walloon glass industry or the Flemish textile mills.

Just like all other settler groups, they stuck together at first, and so gave their region a unique character, a culture and appearance as different from other US regions as the Balkans are from Scandinavia.

Look at the State of Virginia, a member of the Union since 1787, a slave state then, known the world over for its prime tobacco, the proud home of the earliest (1607) settlers and of George Washington.

How could this state even remotely resemble Oregon, a northwestern state four time zones away, covered by huge forests, shaped by the imposing Rocky Mountains, producing some of the best wines I have ever tasted, and under British authority up to 1848?

While most people familiar with the vast expanse of the United States understand its geographic diversity (landscape and climate), they find it very comfortable to deal with just one currency, one language, one cell phone network, credit cards welcome everywhere and familiar benchmarks (from Burger King to Starbucks to Hampton Inn) in the most remote places.

For the Belgian entrepreneur, however, seeking to emulate the spirit of the earlier settlers, the hidden diversity of the various American states often comes as a surprise.

50 Shades of USA

For starters, every single state, has been crafted by its history, natural resources and climate. The latest one, Hawaii, only joined the Union in 1959, 172 years after Delaware, the first state to ratify the Constitution.

Next, every single US state has a republican (with a small "r") government, meaning one with three branches of government (executive, legislative and judicial). In all 50 states but one (Nebraska), the legislative branch has two chambers (House and Senate). Importantly, all states handle their own affairs, except for those delegated to the federal government.

In other words, if states reluctantly tolerate the federal government, they still influence a wide range of affairs: *education, health insurance, most of the laws, economic development, welfare and employment rules, financial institutions, environment, energy, consumer protection, housing, agriculture...*

Shaping the health, welfare and education of their people, steering the economy, stimulating or hindering businesses and in countless other ways, the 50 US states have achieved success, failure, and everything in between.

To illustrate how every state tells a story quite different from the America stereotypes prevailing abroad, 19 states have abolished the death penalty, with more to come. The life expectancy at



birth is of 86.2 years in Minnesota, and 74.1 in Montana, a full 12 years less. Median household income is \$70,004 in Maryland, \$36,919 in Mississippi and on average, \$50,502 for the entire United States.

Even more important than the present day disparities, in every American state and region **things are changing fast and in different directions**. Housing prices are recovering in a spectacular way in Florida, Arizona, Nevada... after the real estate meltdown of 2008. Employment in 2014 grew over 3% in states like Utah, Texas, Florida and Nevada, and more than 5% in North Dakota.

Some states see their population shrink through aging and emigration, while others attract certain categories of people: senior citizens in Florida and Arizona, young workers in North Dakota and Texas, high tech specialists in California or Colorado.

Oklahoma's economy grew 4.2% in 2014, while Wyoming's expansion was 7.6%.

If average weekly wages remain stuck at a low \$794 in Montana and \$826 in Maine, workers make \$1,321 in New York and \$1,315 in Massachusetts.

Why is this important to the Belgian entrepreneur?

Whether you are looking at a first-time US market penetration, the expansion and consolidation of your US "beachhead", investing in logistics or production assets, setting up a joint-venture or the acquisition of a US company, your decisions need to be based on knowledge, not on fortuitous encounters.

Even if people or potential partners you have met coincidentally in the United States may help, your best decisions are usually made when you have a choice, when you can line up several options, and are able to choose the best ones among them.

Some distribution channels cater to the suburban affluent, others to progressive big city environmentalists.

In some areas, low wages could mean very low productivity, while high wages might reflect a crucial shortage of qualified workers.

In some regions your family or employees will thrive, in others a harsh winter will shut down your business for weeks.

Virginia, North Carolina and Georgia, all on the east coast, are among the top 4 US states ranking best in "regulatory environment", a crucial component of the business friendly climate you would like to operate in. Do you really want to go through California's jungle of earthquake-related rules and specifications, easily adding 20% to the cost of your greenfield production plant?

New York, arguably the most expensive US city, combines high labor costs and powerful unions, an unwelcome familiarity among a wealth of more attractive features.

Decisions, decisions... they are not that difficult to make once you possess all the relevant information.

With my best wishes for a sunny month of August.

Bruno

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