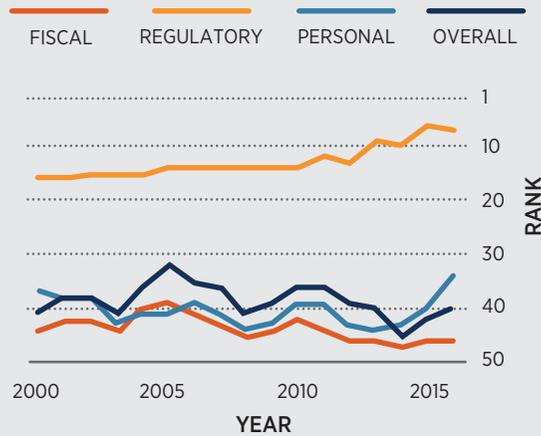


MISSISSIPPI

2016 RANK
40th



POLICY RECOMMENDATIONS

- **Fiscal:** Cut spending on health and hospitals, where Mississippi is the third most liberal-spending state, and also on education and public welfare, where the state spends well more than the national average, as a share of the economy. Reduce government employment, and reduce state taxes, especially on sales and business income.
- **Regulatory:** Liberalize insurance by moving to a “no-file” system like Wyoming’s.
- **Personal:** Reduce incarceration by abolishing mandatory minimums for nonviolent offenses and allowing prisoners to petition for clemency under the new rules.



Population, 2017
2,984,100

Net Migration Rate
-3.4%



State Taxes, Percent of Personal Income, FY 2017
6.79%

Local Taxes, Percent of Personal Income, FY 2015
3.10%

Partisan Lean, 2016
R +8.7



Real Per Capita Personal Income, 2016, in 2009 \$
\$37,222

Real Personal Income Growth, CAGR, 2000-15
2.3%

ANALYSIS

Mississippi is a typical Deep South state in that its economic freedom far outstrips its personal freedom. But the state’s worst dimension is actually fiscal policy, and its economic policies are worse than those of all its neighbors, including Louisiana and Alabama. Personal freedom in the state is no longer terrible.

Mississippians’ overall tax burden is a bit above average nationally at 9.9 percent, but local taxes are quite low. This fiscal centralization goes along with a lack of choice among local government (less than 0.4 per 100 square miles). Debt is much lower than average, but government employment and consumption are far higher than average. State and local employment is 17.7 percent of private sector employment.

Like most southern states, Mississippi does well on land-use and labor-market freedom. In 2011-12 it also finally enacted a limited eminent domain reform. It has no minimum wage and has a right-to-work law. However, it does have an E-Verify mandate and restricts property owners from banning guns in parking lots. In 2011-12 a telecommunications deregulation bill was passed, but the state lacks statewide cable franchising. Occupational licensing is less extensive than average, but nurses and dental hygienists enjoy little practice freedom. The state strictly regulates insurance rates, hospital construction and moving companies’ rates, and pricing during disasters. Its civil liability system used to be much worse than average, but it is now actually quite a bit better than average. The state reformed punitive damages and abolished joint and several liability in 2002 and 2004.

Personal freedom has gone up in Mississippi, even leaving aside the federalization of mar-

riage policy. However, it suffers from a notoriously awful criminal justice system despite a decrease in incarceration in 2016. The state imprisons its population at a rate one and a half standard deviations above the national average, even adjusting for its high crime rate. Drug arrests are very high and have actually gone up recently after falling for years from their 2008 high. Other victimless crime arrests are below average. The state asset forfeiture law is mediocre, but it doesn’t matter anyway because local law enforcement enthusiastically pursues adoptions from the Department of Justice. The state did reform its civil asset forfeiture law in 2017. Marijuana law is illiberal. One can get a life sentence for a single marijuana offense not involving minors. There are mandatory minimums for low-level cultivation, the “decriminalization law” is a ruse because local governments may criminalize possession, and the mostly harmless psychedelic *Salvia divinorum* is also banned. Gun laws used to be stricter than might be expected but are now some of the best in the country. Permitless open carry was reinstated in 2013-14, and permitless concealed carry was enacted in 2016. There is no duty to retreat, and silencers are now permitted. Alcohol freedom is below average. The state monopolizes liquor stores, wine direct shipping is banned, and wine and spirits are unavailable in grocery stores. Legal gambling is more open than in the average state. Educational freedom is about average. A very limited voucher law was enacted in 2011-12 and liberalized since, but public school choice is extremely thin. Tobacco freedom is above average, as smoking bans leave plenty of exceptions, and cigarette taxes are not too high. The state banned same-sex marriage at year-end 2014, but the *Obergefell* decision has since eliminated that restriction. Raw milk sales were legalized since our fourth edition.