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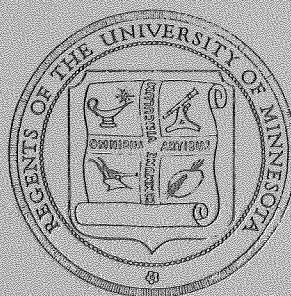
September 1982

Economic Growth in Minnesota Compared
To Neighboring States and the Nation as a Whole

by

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by John D. Helmberger*

Business spokesmen and many politicians have been telling us for years that Minnesota's economy has lagged behind that of neighboring states and the U.S. as a whole. Periodically since 1969, I have collected data to determine whether this was true.^{1/} The first time I was expecting some lag and wanted to measure the lag. There wasn't any lag. Minnesota's economy had done better than the nation as a whole and generally better than its neighbors. After that I expected no lag and found none.

The increased activity of the "unkind-to-business climate" folks together with the biggest recession since before World War II and the state's budget problems made me expect that the lag wolf was really at our door this time. Also the proportion of the state's population that believes that there is a lag is clearly much higher now than it has been anytime in the post war

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- ^{1/} (1) "Economic Growth in Minnesota", Minnesota Agricultural Economist, University of Minnesota, John D. Helmberger, with others, 1969.
- (2) "Economic Growth in Minnesota", A Staff Paper, Department of Agricultural and Applied Economics, University of Minnesota, John D. Helmberger, 1972.
- (3) "Economic Growth in Minnesota, Compared to Neighboring States and the U.S.", Staff Paper P74-15, Department of Agricultural and Applied Economics, University of Minnesota, John D. Helmberger and Terri Erickson, 1974.
- (4) "Minnesota's Economy Compares Favorably to that of Neighboring States and the U.S.", Minnesota Agricultural Economist, No. 565, March, 1975, John D. Helmberger and Terri Erickson.
- (5) Economic Growth in Minnesota Compared to Neighboring States and the Nation as a Whole and Projections to 1980 and 1990, Special Report 66, 1978, Agricultural Extension Service, University of Minnesota, Terri Erickson and John D. Helmberger.

period. But what are the facts? Unfortunately the data to determine whether there is a lag compared to other states is available only after a lag. We have used the latest published data we could find. What has happened to the growth in Minnesota's population, total personal income, per capita personal income, employment in manufacturing, non-agricultural employment, the rate of unemployment, and total net farm income in Minnesota relative to the rest of the country and to neighboring states? ^{2/}

Population:

Between 1970 and 1980, the U.S. population grew by 11.4%. Minnesota's population grew by 7.1%. Evidence of a lag? Only three states east of Montana, Wyoming and Colorado and north of the Ohio River, namely Maine, New Hampshire and Vermont had a larger rate of growth than Minnesota. Minnesota grew faster than Wisconsin and faster than any of the other Plains States. (See Figure 1). All of the Southern and Western states grew faster. There is nothing Minnesota can do to make us a Sun Belt state.

Total Personal Income:

In comparing total personal income among states, the Department of Commerce uses three year averages. It does this because states vary considerably in the degree of reliance on agriculture. Any agricultural state may be made to look good or bad by carefully selecting one year to compare to another because of variation in weather, degree of reliance on particular farm products, and variation in farm prices. So we have compared three-

^{2/} Neighboring states in this paper, as in the earlier studies mentioned in footnote ^{1/}, is defined as the other Plains States, Iowa, Missouri, the Dakotas, Nebraska, and Kansas, and Wisconsin since it abuts Minnesota.

year averages with three-year averages. We have made the comparison over four periods for the U.S. and each of the states in the eight state area. From 1927-29 to 1979-81, Minnesota's personal income grew faster than the U.S. average and faster than the other seven neighboring states. This was also the case for the 1953-56 to 1979-81 period. From 1970-72 to 1979-81, Minnesota grew faster than the U.S. average and faster than neighboring states, except North Dakota. From 1974-76 to 1979-81, Minnesota grew faster than the U.S. average and faster than any of the neighboring states. (See Table 1.1). No comfort for the lag thesis here.

Per Capita Personal Income:

Per capita personal income is a better measure of a states's welfare than total personal income. From 1927-29 to 1979-81, Minnesota's per capita personal income grew faster than the U.S. average and faster than neighboring states, except for Iowa, the Dakotas and Kansas. From 1953-55 to 1979-81, and 1970-72 to 1979-81, Minnesota grew faster than the U.S. average, and faster than neighboring states, except for North Dakota. For the most recent period, 1974-76 to 1979-81, Minnesota grew faster than the U.S. average and faster than any of the neighboring states. In 1927-29, Minnesota's per capita income was lower than the U.S. average and lower than that of Wisconsin and Missouri. In 1979-81, Minnesota's was larger than the U.S. average and larger than that of other states in the area except Kansas. Kansas' relative success occurred before 1953-55. Minnesota has grown faster than Kansas since then. (See Table 1.2). No lag here.

Employment in Manufacturing:

The lag thesis folks usually want to talk about manufacturing, since it is more mobile over time than other kinds of economic activity. From 1950-1979, Minnesota's manufacturing employment grew at a faster rate than the

U.S. average (more than twice as fast) and faster than Wisconsin, Iowa and Missouri but slower than the four prairie states, the Dakotas, Nebraska, and Kansas, all four of which have much smaller bases. From 1960-79, the same thing holds except that Minnesota also grew faster than Nebraska and at about the same rate as did Kansas. For the 1970-79 period, Minnesota's manufacturing employment grew at a faster rate than the U.S. average and faster than any of the states in the area except the Dakotas and Kansas. However, the Dakotas have such low bases from which to grow that Minnesota's absolute growth in manufacturing employment, 63,900, was well more than three times as large as for the Dakota's combined, 17,800. (See Table 1.3 and figures 2 and 4). In 1979, Minnesota ranked 20 in manufacturing employment among the 51 states, including D.C. South Dakota ranked 45 and North Dakota 48.

But how are we doing lately? Percentage changes in personal income to labor and proprietors engaged in manufacturing between 1979 and 1980 and between 1980 and 1981 are given in Table 1.4. Minnesota's income from this source grew 6.4% between 1979 and 1980, the same rate as for the U.S. In the eight state area, South Dakota, Nebraska and Kansas grew faster, North Dakota less than half as fast. Between 1980 and 1981, the U.S. rate of growth (11.1%) was faster than Minnesota's (10.7%) but Minnesota's rate was faster than any of the neighboring states except South Dakota (12.4%) and Kansas (12.3%). Minnesota's absolute growth was larger than that for South Dakota and Kansas combined because of their smaller bases. Small comfort for the lag thesis here.

Non-Agricultural Employment:

Minnesota's non-agricultural employment grew 34.7% between 1970 and 1979 (16.4% between 1976 and 1979) compared to 26.2% (24%) for the U.S. Between 1970 and 1979, Minnesota grew faster than the other states in the eight state

area except for the Dakotas and Kansas. Between 1976 and 1979, Minnesota grew faster than any of the other seven. (See Tables 1.5 and 1.6). No lag here.

Unemployment:

In April of 1982, the U.S. unemployment rate was 9.4% (9.8% in July) compared to Minnesota's 7%. Minnesota's unemployment rate was lower than that of Wisconsin, Iowa and Missouri but larger than that of the Dakotas, Nebraska, and Kansas. States in which agriculture is relatively important tend to have lower unemployment rates. Our farmers are not unemployed - just badly employed. Only one state east of the Mississippi, Connecticut, had a lower rate of unemployment than Minnesota.

Nine states west of the Mississippi had a lower rate of unemployment. (See Figure 3). We can't expect to have full employment when the country is experiencing the deepest recession since the Depression of the 30's. The shaded states in Figure 3 had a April 1982 rate of unemployment in excess of the U.S. average. According to the U.S. News and World Report (Aug. 16, 1982, p. 9), California would be shaded for July, 1982.

Total Net Farm Income:

Between 1949-51 and 1978-80, the U.S. net farm income increased 86.52% while Minnesota's increased 140.50% much the highest rate in the eight state area except for Wisconsin (157.51%). (See Table 1.7).

True, Minnesota's economy is not doing well now (1982) but lag is a relative term. The nation is not doing well. A tortoise that is leading the pack in a race of tortoises and increasing its lead is not lagging even though it is running slower than a hare which is running last in a race of hares and falling further behind. A tortoise which is gaining on the other tortoises is not lagging - even if it be bringing up the rear.

The State of the State's Budget:

Something needs to be mentioned relative to the sorry condition of Minnesota's State Budget. The problems are due primarily to the nation-wide (world-wide?) recession. But the other states have the recession also but many (most) have less of a budgetary problem. This calls for explanation. Minnesota's tax structure is more income elastic than that of most states, which means that Minnesota's tax collections are more sensitive to changes in income than is the average state. Minnesota has a relatively more progressive income tax and it relies more on that tax which is the most income elastic of taxes. Minnesota also permits the deductibility of federal income taxes from the state tax base, which most other states do not do. During an inflationary recession this deductibility has a sharp negative effect on the state's income tax collections. Minnesota also indexed its income tax which the federal government and most other states have not done. I am not arguing that we should not have indexed the tax but it helps to explain our budgetary problems.^{3/} Also, Minnesota's sales tax is more income elastic than it is for most other states since Minnesota exempts food (at home), clothing, and drugs from the tax. These are precisely the items for which sales hold up relatively well during a recession when sales of taxable items such as durables fall sharply. Just as a recession puts the state in a bind because of our tax structure, when recovery comes our budgetary problems will disappear or at least compare favorably with other states.

^{3/} See Robert A. Crider, The Impact of Recession on State and Local Finance, Academy of Contemporary Problems, Urban and Regional Development Series, No. 6, 1501 Neil Avenue, Columbus, Ohio 43201.

Table 1.1 Comparison of total personal income for the U.S., Minnesota, and neighboring states, selected years

Area	1	2	3	4	5	6	7	8	9
	Income, 3 year averages					Change			
	1927-29	1953-55	1970-72	1974-76	1979-81*	1927-29 to 1979-81	1953-55 to 1979-81	1970-72 to 1979-81	1974-76 to 1979-81
	-----millions of dollars-----					-----percent-----			
United States	81,827	293,779	872,599	1,266,490	2,170,652	2553	639	148.76	71.39
Wisconsin	1,891	6,386	18,039	26,416	44,158	2235	591	144.79	67.16
Plains States	7,376	24,144	66,108	96,296	161,558	2090	569	144.38	67.77
Minnesota	1,485	5,255	15,687	22,860	39,983	2592	661	154.88	74.90
Iowa	1,354	4,344	11,356	17,266	27,443	1927	532	141.66	58.94
Missouri	2,195	7,124	19,021	26,307	44,239	1915	521	132.58	68.16
North Dakota	294	790	2,210	3,594	5,976	1932	656	170.40	66.28
South Dakota	286	888	2,299	3,322	5,549	1840	525	141.37	67.04
Nebraska	768	2,190	6,139	9,124	14,735	1819	573	140.02	61.50
Kansas	995	3,552	9,396	13,822	23,633	2275	565	151.52	70.98

Sources: 1: Data for 1927-29 from Personal Income by States; Supplement to Survey of Current Business, Department of Commerce, 1956, p. 38 and p. 140.

2: Data for 1953-55, Survey of Current Business, Department of Commerce, August 1969, p. 14.

3: Data for 1974-76, Survey of Current Business, Department of Commerce, April 1977, p. 20.

4: Data for 1979-81, Survey of Current Business, Department of Commerce, April 1982, p. 48.

Table 1.2: Comparison of Per Capita Personal Income for the U.S., Minnesota and Neighboring States, Selected Years.

	1	2	3	4	5	6	7	8	9
	Income, 3 year averages					Change			
Area	1927-29	1953-55	1970-72	1974-76	1979-81	1927-29 to 1979-81	1953-55 to 1979-81	1970-72 to 1979-81	1974-76 to 1979-81
	-----millions of dollars-----					-----percent-----			
United States	682	1,822	4,233	5,943	9,555	1301	424	125.72	60.78
Wisconsin	653	1,775	4,029	5,749	9,375	1336	428	132.68	63.07
Plains States	560	1,667	4,005	5,760	9,398	1578	464	134.66	63.16
Minnesota	584	1,688	4,075	5,813	9,812	1580	481	140.78	68.79
Iowa	551	1,643	3,971	6,025	9,426	1611	474	137.37	56.45
Missouri	610	1,748	4,026	5,514	8,989	1374	414	123.27	63.02
North Dakota	436	1,292	3,517	5,626	9,120	1992	606	159.31	62.10
South Dakota	418	1,356	3,409	4,860	8,058	1828	494	136.37	65.80
Nebraska	562	1,629	4,068	5,908	9,374	1568	475	130.43	58.67
Kansas	535	1,739	4,159	6,057	9,983	1766	474	140.03	64.82

Sources: 1: Data for 1927-29 from Personal Income by States, p. 38 and p. 142.

2: Data for 1953-55, Survey of Current Business, August 1969, p. 15.

3: Data for 1974-76, Survey of Current Business, April 1977, p. 20.

4: Data for 1979-81, Survey of Current Business, April 1982, p. 48.

Table 1.3 Employment in manufacturing for the U.S., Minnesota and neighboring states, selected years

Area	1	2	3	4	5	6	7	8	9	10
	Employment							Change		
	1950	1960	1970	1975	1977	1978	1979	1950 to 1979	1960 to 1979	1970 to 1979
	-----thousands-----							-----percent-----		
United States	15,241	16,796	19,366	18,323	19,683	20,476	20,973	37.6	24.9	8.30
Wisconsin	434.5	460.4	500.9	507.0	540.4	569.7	592.5	36.4	28.7	18.29
Minnesota	200.3	229.2	318.7	312.9	339.3	360.4	382.6	91.0	66.9	20.05
Iowa	154.9	177.1	216.0	230.4	245.6	252.5	258.0	66.6	45.7	19.44
Missouri	356.5	395.6	449.4	405.3	439.6	456.8	459.7	28.9	16.2	2.29
North Dakota	6.1	6.5	9.9	16.2	15.3	15.7	16.6	172.1	155.4	67.68
South Dakota	11.6	13.0	15.8	19.8	23.4	24.9	26.9	131.9	106.9	70.25
Nebraska	51.8	66.5	84.5	85.4	90.6	94.1	99.1	91.3	49.0	17.28
Kansas	97.2	118.4	137.2	164.2	172.9	185.9	198.0	103.7	67.2	44.31

Source: Handbook of Labor Statistics, Reference Edition, 1980, U.S. Department of Labor, BLS, table 73, p.152 for U.S. total; table 80, pp.164-166 for states and regions. 1950-1979 data. The data for earlier years have been revised to fit the 1972 Standard Industrial Classification Manual. The handbook does the revision, see p.166.

Table 1.4: Percentage Changes 1979-80 and 1980-81 in Personal Income to Labor and Proprietors Engaged in Manufacturing.

Area	Percent Change 1979-1980	Percent Change 1980-1981
United States	6.4	11.1
Wisconsin	4.1	7.2
Plains States	4.9	9.8
Minnesota	6.4	10.7
Iowa	4.3	9.2
Missouri	2.2	8.5
North Dakota	2.4	9.9
South Dakota	15.1	12.4
Nebraska	6.7	7.8
Kansas	7.6	12.3

Source: Survey of Current Business, Department of Commerce, April, 1981, p. 39 and April, 1982, p. 48.

Table 1.5: Employees on Nonagricultural Payrolls for the U.S., Minnesota and Neighboring States, Selected Years.
(in thousands)

Area	1960	1970	1976	1979	Increase 1960-79	Percent Increase 1960-79	Increase 1970-79	Percent Increase 1970-79	Percent Increase 1976-79
United States	54,189	70,880	79,382	89,482	35,293	65.1	18,602	26.2	24.0
Wisconsin	1,192	1,530	1,726	1,965	773	64.8	435	28.4	13.8
Plain States									
Minnesota	959	1,315	1,521	1,771	812	84.7	456	34.7	16.4
Iowa	680	877	1,037	1,128	448	65.9	251	28.6	8.8
Missouri	1350	1,688	1,798	2,003	653	48.4	315	18.7	11.4
North Dakota	127	164	215	244	117	92.1	80	48.8	13.5
South Dakota	143	175	219	240	97	67.8	65	37.1	9.6
Nebraska	384	484	572	627	243	63.3	143	29.5	9.6
Kansas	560	679	835	947	387	69.1	268	39.5	13.4

Source: Handbook of Labor Statistics, BLS, Department of Labor, December, 1980, p.151, pp. 161-164.

Table 1.6: Employees on Nonagricultural Payrolls by State, Selected Years (in thousands)

Area	1960	1970	1979	Changes 1960-79	Percent Changes 1960-79	Changes 1970-79	Percent Changes 1970-79	1976	Changes 1976-79	Percent Changes 1976-79
United States	54189	70880	89482	35293	65.1	18602	26.2	79382	10100	12.7
Maine	277.5	332.2	416.3	138.8	50.0	84.1	25.3	375.3	41	10.9
New Hampshire	200.7	259.9	377.4	176.7	88.0	117.5	45.2	313.4	64	17.0
Vermont	107.9	147.9	197.2	89.3	82.8	49.3	33.3	168.4	28.8	17.1
Massachusetts	1904.7	2261.7	2598.5	693.8	36.4	336.8	14.9	2323.5	275	11.8
Rhode Island	291.7	344.1	400.0	108.3	37.1	55.9	16.2	366.7	33.3	9.1
Connecticut		1197.5	1400.9	485.5	53.0	203.4	17.0	1239.7	161.2	13.0
New York	6181.9	7156.4	7174.6	992.7	16.1	18.2	0.3	6789.5	385.1	5.7
New Jersey	2017.1	2608.2	3031.7	1014.6	50.3	423.5	16.2	2753.1	278.6	10.1
Pennsylvania	3715.4	4351.6	4830.6	1115.2	30.0	479	11.0	4512.8	317.8	7.0
Delaware	153.9	216.8	256.3	102.4	66.5	39.5	18.2	236.7	19.6	8.3
Maryland	894.7	1349.2	1620.1	725.4	81.1	270.9	20.1	1498.3	121.8	8.1
District of Columbia	501.6	566.7	618.5	116.9	23.3	51.8	9.1	575.8	42.7	7.4
Virginia	1017.6	1518.9	2098.4	1080.8	106.2	579.5	38.2	1848.1	250.3	13.5
West Virginia	460.0	516.5	645.6	185.6	40.3	129.1	25.0	596.3	49.3	8.3
North Carolina	1195.5	1782.7	2376.9	1181.4	98.8	594.2	33.3	2082.7	294.2	14.1
Georgia	1051.1	1557.5	2114.1	1063	101.1	556.6	35.7	1839.1	275	15.0

Table 1.6: Employees on Nonagricultural Payrolls by State, Selected Years (in thousands) Continued

Area	1960	1970	1979	Changes 1960-79	Percent Changes 1960-79	Changes 1970-79	Percent Changes 1970-79	1976	Changes 1976-79	Percent Changes 1976-79
South Carolina	582.5	842	1177.8	595.3	102.2	335.8	39.9	1038.1	139.7	13.5
Florida	1320.6	2152.1	3379.7	2059.1	155.9	1227.6	57.0	2784.3	595.4	21.4
Kentucky	653.6	910.1	1244.9	591.3	90.5	334.8	36.8	1103.1	141.8	12.9
Tennessee	925.4	1327.6	1785.1	859.7	92.9	457.5	34.5	1575.4	209.7	13.3
Alabama	776.4	1010.5	1362.8	586.4	75.5	352.3	34.9	1207.0	155.8	12.9
Mississippi	404.0	583.9	838.6	434.6	107.6	254.7	43.6	727.5	111.1	15.3
Ohio	3147.3	3880.6	4495.2	1347.9	42.8	614.6	15.8	4094.5	400.7	9.8
Indiana	1431.4	1849.0	2259.7	828.3	57.9	410.7	22.2	2023.8	235.9	11.7
Illinois	3537.9	4345.6	4862.5	1324.6	37.4	516.9	11.9	4565.7	296.8	6.5
Michigan	-----	-----	3627.8	-----	-----	-----	-----	-----	-----	---
Wisconsin	1191.9	1530.4	1964.8	772.9	64.8	434.4	28.4	1725.9	238.9	13.8
Minnesota	958.8	1315.3	1770.7	811.9	84.7	455.4	34.6	1526.8	249.9	16.4
Arkansas	367.6	536.2	749.9	382.3	104.0	213.7	39.9	660.0	89.9	13.6
Louisiana	783.0	1033.6	1497.6	714.6	91.3	464	44.5	1314.4	183.2	13.9
Oklahoma	577.1	762.6	1089.3	512.2	88.8	326.7	42.8	931.1	158.2	17.0
Texas	2539.5	3624.9	5603.2	3063.7	120.6	1978.3	54.6	4683.7	919.5	19.6
New Mexico	236.3	292.6	461.5	255.2	95.3	168.9	57.7	390.0	71.5	18.3
Iowa	680.1	876.9	1128.3	448.2	65.9	251.4	28.7	1036.9	91.4	8.8

Table 1.6: Employees on Nonagricultural Payrolls by State, Selected Years (in thousands) Continued

Area	1960	1970	1979	Changes 1960-79	Percent Changes 1960-79	Changes 1970-79	Percent Changes 1970-79	1976	Changes 1976-79	Percent Changes 1976-79
Missouri	1350.1	1668.0	2002.9	652.8	48.4	334.9	20.1	1797.8	205.1	11.4
Nebraska	384.4	484.3	626.8	242.4	63.1	142.5	29.4	572.1	54.7	9.6
Kansas	560.2	678.8	946.7	386.5	69.0	267.9	39.5	834.8	111.9	13.4
North Dakota	126.8	163.6	243.5	116.7	92.0	79.9	48.8	215.0	28.5	13.3
South Dakota	142.7	175.4	240.2	97.5	68.3	64.8	36.9	218.6	21.6	9.9
Montana	165.0	199.1	284.9	119.9	72.7	85.8	43.1	251.1	33.8	13.5
Wyoming	96.5	108.3	202.9	106.4	110.3	94.6	87.3	156.5	46.4	29.6
Colorado	520.9	750.2	1217.3	696.4	133.7	467.1	62.3	1003.4	213.9	21.3
Utah	263.1	357.0	553.9	290.8	110.5	196.9	55.2	462.8	91.1	19.7
Arizona	333.8	547.4	970.9	637.1	190.9	423.5	77.4	758.7	212.2	28.0
Nevada	103.4	203.3	383.1	279.7	270.5	179.8	88.4	279.8	103.3	36.9
California	4896.0	6946.2	9637.8	4741.8	96.9	2691.6	38.7	8153.6	1484.2	18.2
Hawaii	188.8	293.7	396.6	207.8	110.1	102.9	35.1	349.2	47.4	13.6
Idaho	155.2	207.8	337.2	182	117.3	129.4	62.3	291.0	46.2	15.9
Washington	812.7	1079.4	1576.0	763.3	93.9	496.6	46.0	1283.1	292.9	22.8
Oregon	509.7	710.5	1051	541.3	106.2	340.5	47.9	878.5	172.5	19.6
Alaska	56.6	93.1	168.3	111.7	197.4	75.2	80.8	171.7	- 3.4	- 2.0

Source: Handbook of Labor Statistics, BLS, Department of Labor, December 1980, p. 151 and pp. 161-163.
(Data not available for Michigan for 1960 and 1970 and 1976).

Table 1.7 Total net farm income in Minnesota, neighboring states, and the U.S., selected years

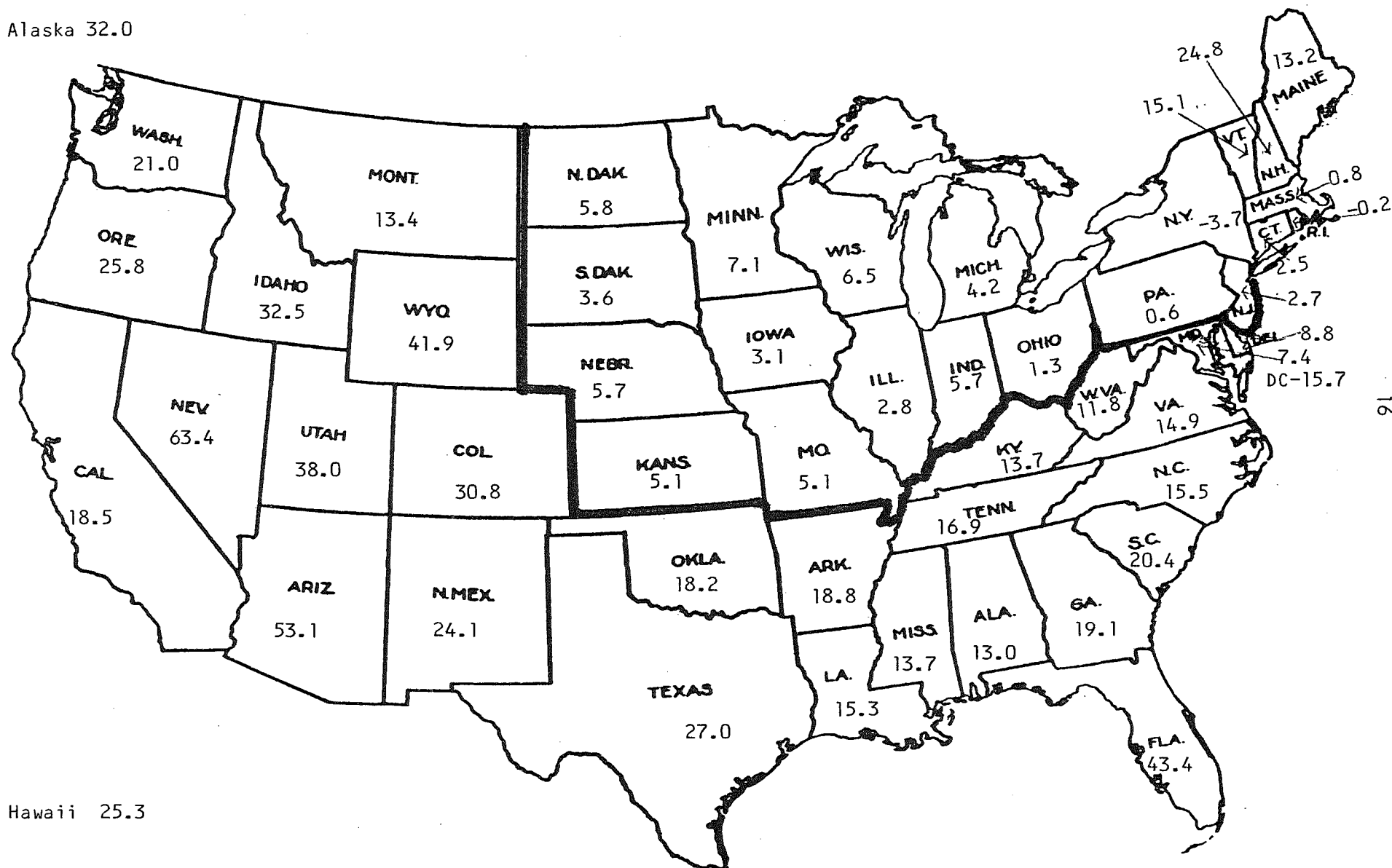
Area	1 1949	2 1950	3 1951	4 1949-51 Average	5 1978	6 1979	7 1980	8 1978-80 Average	9 Change 1949-51 to 1978-80
	-----millions of dollars-----								percent
United States	12,780	13,648	15,934	14,121	26,458	32,697	19,860	26,338	86.52
Wisconsin	447.6	435.0	601.8	494.8	1015.3	1453.7	1353.5	1274.2	157.51
Plains States	2,802.2	3,663.1	3,709.1	3,391.5	6474.6	7321.3	2964.0	5586.6	64.72
Minnesota	493.3	512.0	663.9	556.4	1420.6	1437.3	1156.5	1338.1	140.50
Iowa	725.3	1,055.4	1,017.2	932.6	1947.2	1585.8	554.4	1362.5	46.09
Missouri	492.1	563.8	568.1	541.3	857.4	1224.3	306.3	796.0	47.05
North Dakota	176.3	262.0	245.4	227.9	496.2	382.7	88.6	322.5	41.51
South Dakota	157.8	245.8	339.0	247.5	427.4	525.7	191.7	381.6	54.18
Nebraska	361.6	530.5	468.4	453.5	621.0	916.4	129.2	555.5	22.50
Kansas	395.8	493.6	407.1	432.2	704.8	1249.1	537.3	830.4	92.13

Source: Economic Indicators of the Farm Sector: State Income and Balance Sheet Statistics, 1980, Economic Research Service, USDA, pp.59-84.

Figure 1: Percent Increase in Population by States, 1970-1980

U.S. 11.4%

Alaska 32.0



Hawaii 25.3

Source: Statistical Abstract of the U.S., 1981, Table 8, p. 9

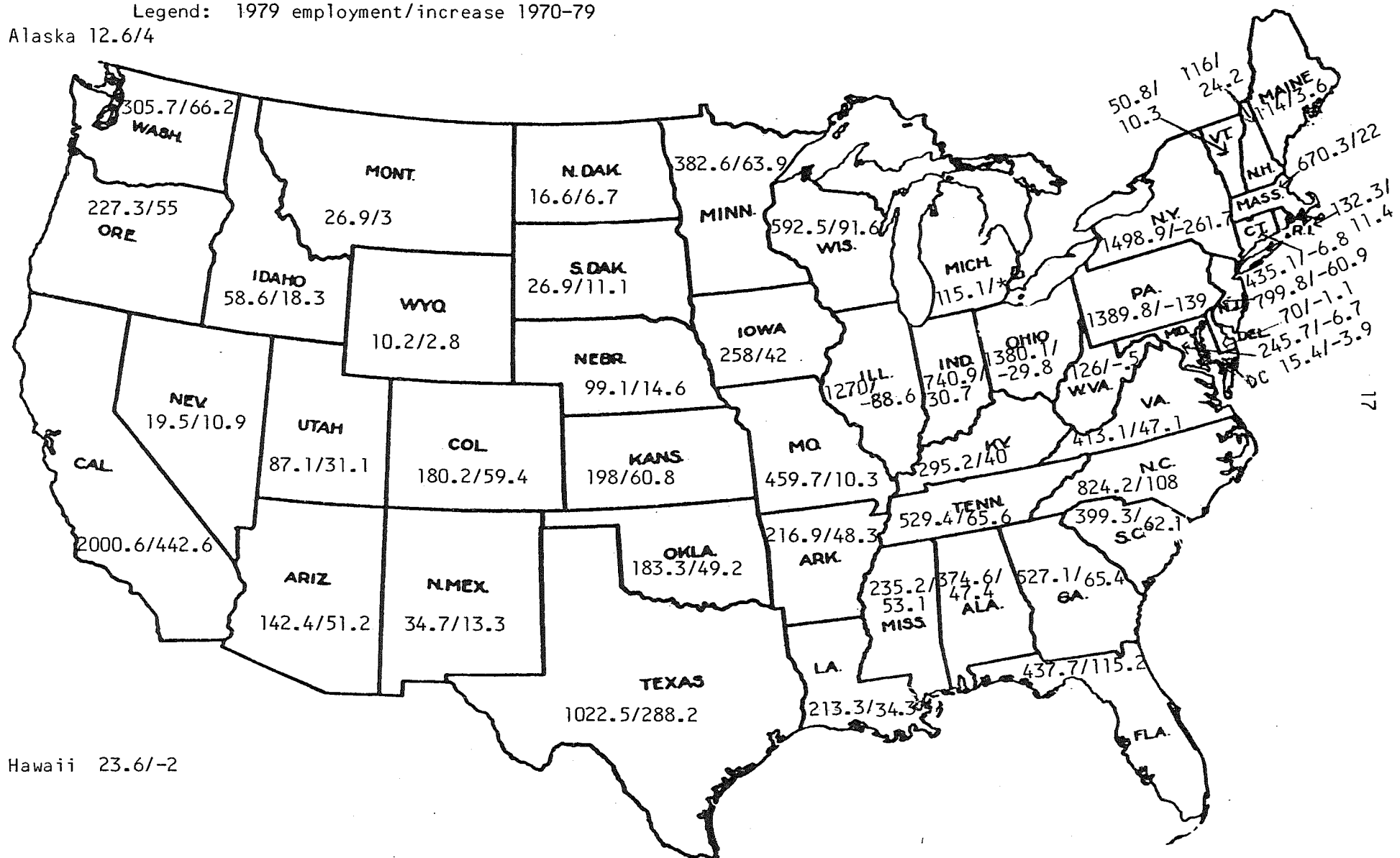
Note that in the entire northeast and midwest, only the population of the 3 northern New England states grew faster than did Minnesota's.

Figure 2: Manufacturing Employment by States, 1979, and Absolute Increase in Such Employment Between 1970 and 1979.
(In thousands for states)

U.S. 1979: 20,973,000, Increase 1970-79: 1607

Legend: 1979 employment/increase 1970-79

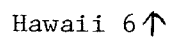
Alaska 12.6/4



* Data unavailable

Source: Handbook of Labor Statistics, BLS, Department of Labor, December 1980. p. 152 and pp. 164-166

Arrows indicate unemployment went up (↑) or down (↓) or (→) no change from March 1982
Shaded areas have unemployment in excess of U.S. average

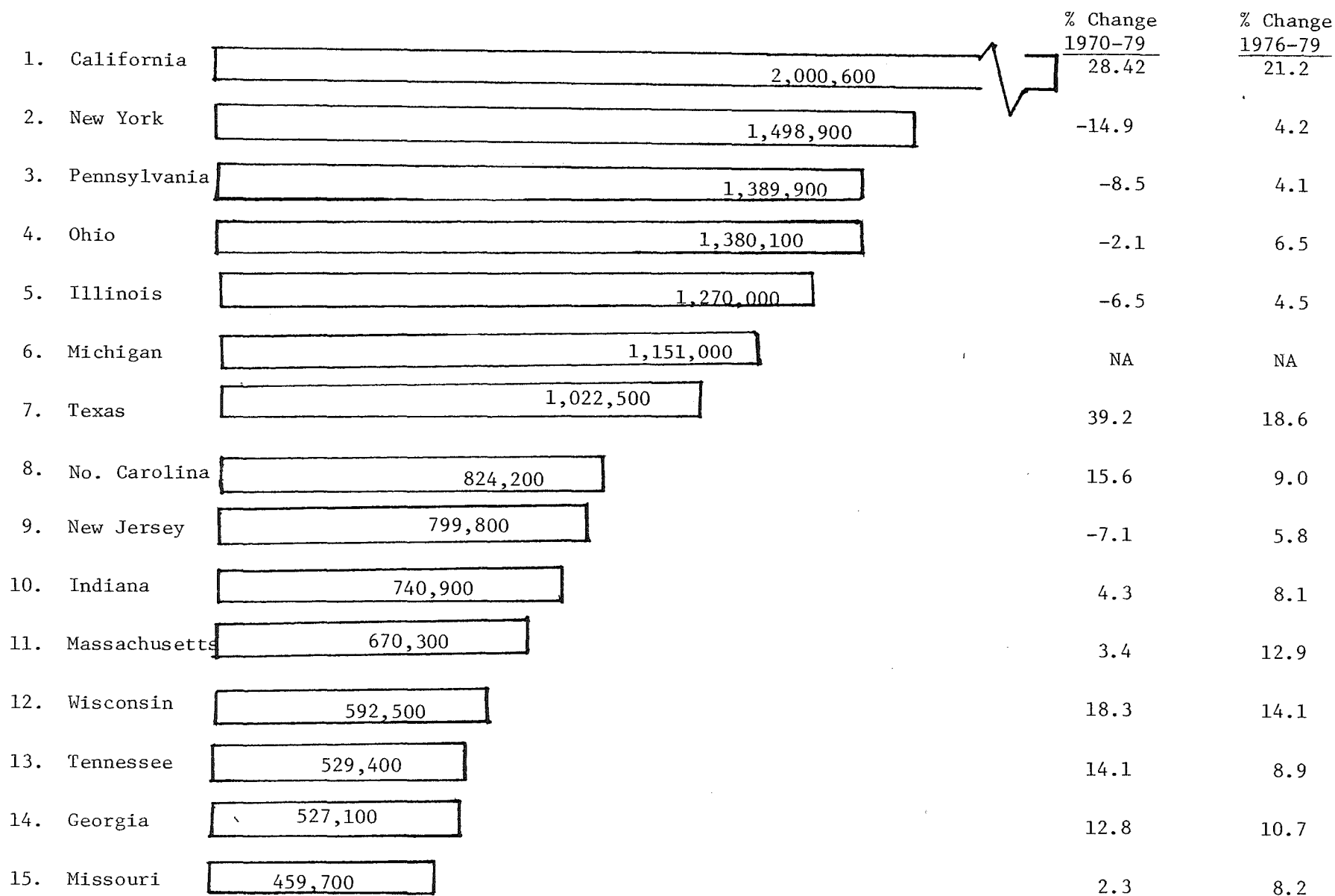


Source: Employment and Earnings, BLS, Department of Labor, June 1982, p. 23 and pp. 117-121.

Figure 4:

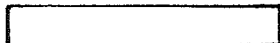
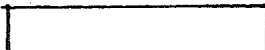


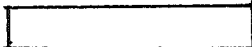


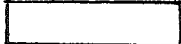

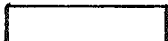


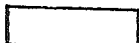

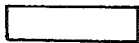

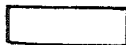


Manufacturing Employment by State in 1979 and Percentage Changes Between 1970-79 and 1976-79

1" = 300,000




















Manufacturing Employment by State in 1979 and Percentage Changes Between 1970-79 and 1976-79

1" = 300,000

1" = 300,000			% Change 1970-79	% Change 1976-79	
16.	Florida		437,700	35.7	23.6
17.	Connecticut		435,100	-1.5	9.6
18.	Virginia		413,100	12.9	6.6
19.	South Carolina		399,300	17.3	7.6
20.	Minnesota		382,600	20.1	19.0
21.	Alabama		374,600	14.5	10.1
22.	Washington		305,700	27.6	23.6
23.	Kentucky		295,200	15.7	8.0
24.	Iowa		258,000	19.4	10.3
25.	Maryland		245,700	-9.5	5.7
26.	Mississippi		235,200	29.2	7.4
27.	Oregon		227,300	31.9	17.3
28.	Arkansas		216,900	28.6	11.2
29.	Louisiana		213,300	19.2	9.2
30.	Kansas		198,000	44.3	18.8
31.	Oklahoma		183,000	36.7	17.4
32.	Colorado		180,200	49.2	24.7
33.	Arizona		142,400	56.1	34.8
24.	Rhode Island		132,300	9.4	7.6

Manufacturing Employment by State in 1979 and Percentage Changes Between 1970-79 and 1976-79

1" = 300,000

			% Change 1970-79	% Change 1976-79
35. West Virginia		126,000	-0.4	1.3
36. New Hampshire		116,000	26.4	22.8
37. Maine		114,000	3.3	11.2
38. Nebraska		99,100	17.3	12.7
39. Utah		87,100	55.5	23.2
40. Delaware		70,000	-1.5	2.6
41. Idaho		58,600	45.4	12.7
42. Vermont		50,800	25.4	23.9
43. New Mexico		34,700	62.1	14.5
44. Montana		26,900	12.6	13.5
45. South Dakota		26,900	70.3	21.2
46. Hawaii		23,600	-7.8	0.8
47. Nevada		19,500	126.7	50.0
48. North Dakota		16,600	67.7	2.5
49. District of Columbia		15,400	-20.2	0.7
50. Alaska		12,600	46.5	22.3
51. Wyoming		10,200	37.8	21.4
U.S. Total		20,973,000	8.3	10.4

Source: Handbook of Labor Statistics, 1980, BLS, Department of Labor, p. 152 and pp. 164-166.