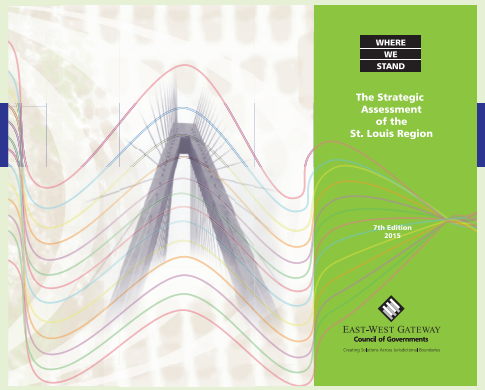


The Strategic Assessment of the St. Louis Region

7th Edition, 2015

WHERE WE STAND

The 7th Edition of *Where We Stand* (WWS) presents 222 rankings comparing St. Louis to the 50 most populated metropolitan areas in the United States. Since 1992 East-West Gateway has produced WWS to ignite discussion and help guide decision making. WWS covers a range of topics important to the region including demographics, the economy, and education. This edition includes 90 new measures on topics such as innovation, segregation, and economic opportunity.

This document is a portion of the full publication.
Download additional chapters, the entire *Where We Stand* publication, and/or WWS data at www.ewgateway.org/wws.

Introduction

This publication was supported, in part, by a grant provided from the U.S. Department of Transportation through the Missouri Department of Transportation and the Illinois Department of Transportation. The opinions, findings, and conclusions expressed in this publication are those of the authors and not necessarily those of the Missouri Highways and Transportation Commission, the Illinois Department of Transportation, the Federal Highway Administration, or the Federal Transit Administration.

The East-West Gateway Council of Governments (EWG) hereby gives public notice that it is the policy of the agency to assure full compliance with Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987, Executive Order 12898 on Environmental Justice, and related statutes and regulations in all programs and activities. Title VI requires that no person in the United States of America shall, on the grounds of race, color, sex, or national origin, be excluded from the participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which EWG receives federal financial assistance. Any person who believes they have been aggrieved by an unlawful discriminatory practice under Title VI has a right to file a formal complaint with EWG. Any such complaint must be in writing and filed with EWG's Title VI Coordinator within one hundred eighty (180) days following the date of the alleged discriminatory occurrence. For more information, or to obtain a Title VI Discrimination Complaint Form, please see our web site at http://www.ewgateway.org/TitleVI or call (314) 421-4220 or (618) 274-2750.

WHERE
WE
STAND

Introduction

Guide to Where We Stand

Where does the St. Louis region stand compared to peer metropolitan regions? This strategic assessment of the St. Louis region, *Where We Stand*, addresses that question by providing data on the economic, social, fiscal, and physical aspects of the 50 metropolitan regions in the United States with the largest populations. These regions are our domestic competition and are generally a consistent yardstick to gauge "Where We Stand."

Since 1992, East-West Gateway has ranked St. Louis among its peer metropolitan regions. This 7th Edition of *Where We Stand* continues to provide objective, reliable, and verifiable data that can be used to assess the health and competitiveness of the St. Louis region. The document includes 222 *Where We Stand* (WWS) tables. A consistent format and terminology is used for all of the WWS tables.

Reading the WWS Tables

Peer Regions: The WWS tables compare St. Louis among the 50 metropolitan regions in the United States with the largest populations. Previous editions of WWS compared St. Louis to 29 or 34 peer regions. The number of peer regions was expanded to include additional regions that have similar size populations and compete with St. Louis for jobs and residents. See page 3 for a map of the 50 peer regions.

Midwest Regions: Each WWS table highlights St. Louis along with nine other regions that are located in the Midwest. They are the regions that are geographically close to St. Louis and share similar histories and patterns of development with the St. Louis region.

United States or Peer Average: When possible, each WWS table provides data for the United States. When data for the United States as a whole is not available or if the table is comparing absolute values and not relative values (such as ratios or percentages), a weighted average for the peer regions is included.

MSAs: Unless otherwise noted, data in the WWS tables are for Metropolitan Statistical Areas (MSAs). An MSA is a federally designated geography that groups counties in the United States together based on population and commuting patterns. See Page 5 for more detail on MSAs. The terms "MSAs," "regions," "peer regions," and "metro areas" are used interchangeably throughout this report.

East-West Gateway Region: Data for some of the supplemental tables and charts are for the "East-West Gateway Region," also referred to as the "EWG Region." This is the 8-county region that East-West Gateway Council of Governments serves, including the city of St. Louis and Franklin, Jefferson, St. Charles, and St. Louis counties in Missouri and Madison, Monroe, and St. Clair counties in Illinois.

Rank Order: For consistency, the peer regions are presented from highest to lowest numeric value in all WWS tables. The ordering of the data is not meant to suggest any positive or negative judgment associated with a given measure.

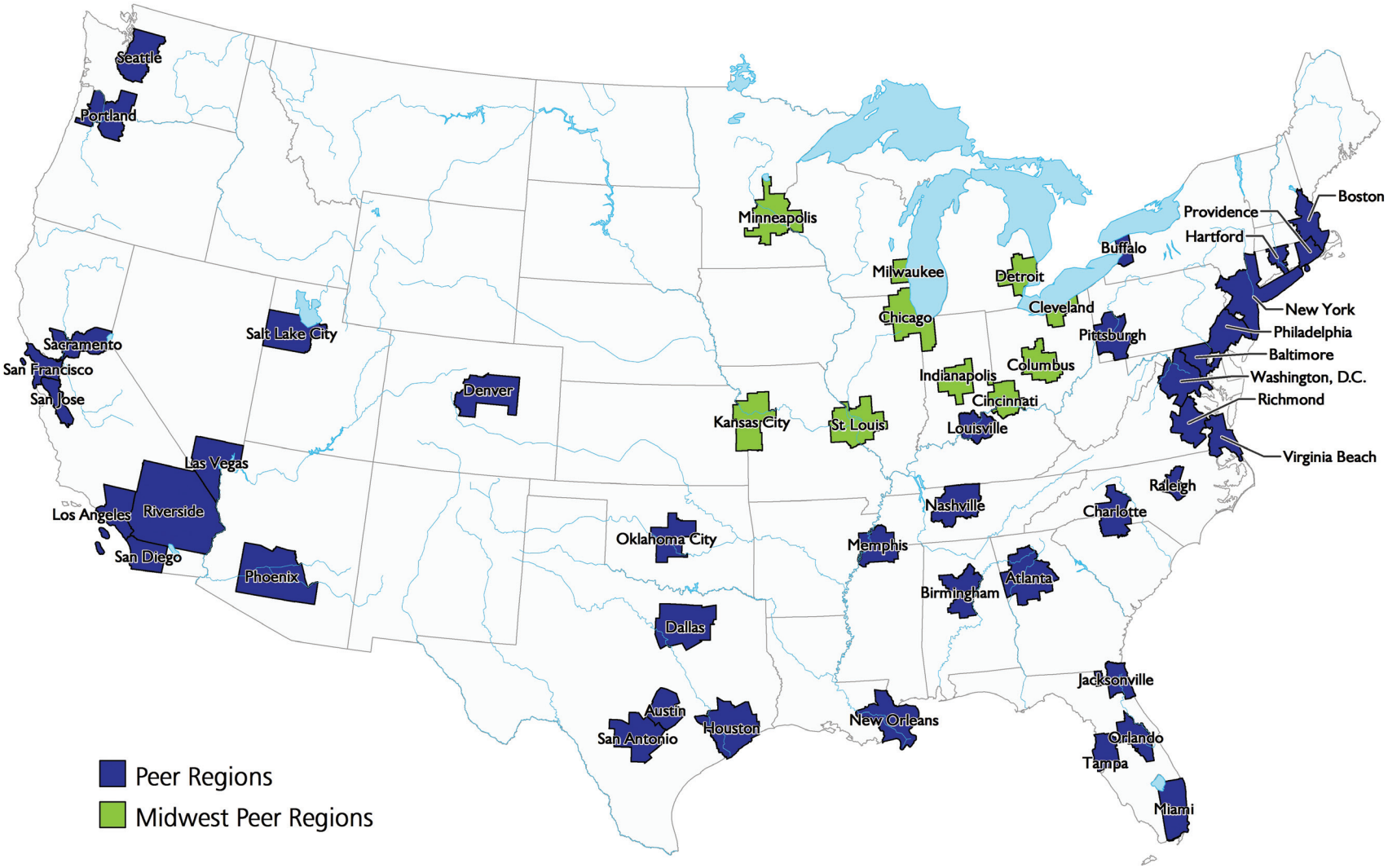
In the WWS tables most data are rounded to the tenths place value (one digit after the decimal point) for presentation purposes. When possible the rank of the regions is based on the rounded value (to the hundredth, thousandth, or more place value). In some instances there appears to be a tie between regions according to the value in the table, but the rank of the regions is based on the unrounded value. When peer regions have the same value according to the source data they are assigned the same rank.

Sources and Notes: Additional notes on the *Where We Stand* tables are included at the end of each chapter. Notes include definitions of terms and additional information about data sources.

Additional *Where We Stand* publications can be found at www.ewgateway.org .

Email wws@ewgateway.org with feedback, questions, or to subscribe to the WWS email list.

St. Louis and Our Peer Regions



Introduction

Population and Land Area

Population

The WWS peer regions are the 50 Metropolitan Statistical Areas (MSAs) in the United States with the largest populations as of 2014. Population of the peer regions ranges from 1.1 million in Buffalo to 20.1 million in New York. The average population among the peer regions is 3.5 million persons.

St. Louis is just below the average but has a larger population than most of the peers. St. Louis ranks as the 19th most populated MSA in the United States with a population of 2.8 million.

Most of the peer Midwest regions have a smaller population than St. Louis. The population of Chicago (9.6 million) is two to six times larger than that of the other peer Midwest regions.

Land Area

The size of the peer regions varies greatly. Covering 27,263 square miles, Riverside is twice as large as the 2nd largest MSA and more than 18 times larger than the smallest MSA (Milwaukee). The St. Louis region ranks 9th with a land area of 7,863 square miles.

Population

2014

1	**New York**	**20,092,883**
2	Los Angeles	13,262,220
3	Chicago	9,554,598
4	Dallas	6,954,330
5	Houston	6,490,180
6	Philadelphia	6,051,170
7	Washington, D.C.	6,033,737
8	Miami	5,929,819
9	Atlanta	5,614,323
10	Boston	4,732,161
11	San Francisco	4,594,060
12	Phoenix	4,489,109
13	Riverside	4,441,890
14	Detroit	4,296,611
15	Seattle	3,671,478
Peer Average		**3,497,725**
16	Minneapolis	3,495,176
17	San Diego	3,263,431
18	Tampa	2,915,582
19	**St. Louis**	**2,806,207**
20	Baltimore	2,785,874
21	Denver	2,754,258
22	Charlotte	2,380,314
23	Pittsburgh	2,355,968
24	Portland	2,348,247
25	San Antonio	2,328,652
26	Orlando	2,321,418
27	Sacramento	2,244,397
28	Cincinnati	2,149,449
29	Kansas City	2,071,133
30	Las Vegas	2,069,681
31	Cleveland	2,063,598
32	Columbus	1,994,536
33	Indianapolis	1,971,274
34	San Jose	1,952,872
35	Austin	1,943,299
36	Nashville	1,792,649
37	Virginia Beach	1,716,624
38	Providence	1,609,367
39	Milwaukee	1,572,245
40	Jacksonville	1,419,127
41	Memphis	1,343,230
42	Oklahoma City	1,336,767
43	Louisville	1,269,702
44	Richmond	1,260,029
45	New Orleans	1,251,849
46	Raleigh	1,242,974
47	Hartford	1,214,295
48	Salt Lake City	1,153,340
49	Birmingham	1,143,772
50	**Buffalo**	**1,136,360**

Source: U.S. Census Bureau, Population Estimates

Land Area

In square miles, 2014

1	**Riverside**	**27,263**
2	Phoenix	14,566
3	Dallas	9,278
4	Atlanta	8,686
5	Denver	8,346
6	New York	8,294
7	Houston	8,258
8	Las Vegas	7,891
9	**St. Louis**	**7,863**
10	Salt Lake City	7,684
11	Minneapolis	7,637
12	San Antonio	7,313
13	Kansas City	7,256
14	Chicago	7,197
15	Portland	6,684
16	Nashville	6,302
17	Washington, D.C.	6,244
18	Seattle	5,872
Peer Average		**5,574**
19	Oklahoma City	5,512
20	Pittsburgh	5,281
21	Birmingham	5,280
22	Sacramento	5,094
23	Miami	5,077
24	Charlotte	5,067
25	Memphis	4,984
26	Los Angeles	4,848
27	Columbus	4,796
28	Philadelphia	4,602
29	Richmond	4,576
30	Indianapolis	4,306
31	Austin	4,220
32	San Diego	4,207
33	Cincinnati	4,169
34	Detroit	3,888
35	Louisville	3,578
36	Boston	3,487
37	Orlando	3,478
38	New Orleans	3,202
39	Jacksonville	3,201
40	Virginia Beach	2,691
41	San Jose	2,679
42	Baltimore	2,601
43	Tampa	2,513
44	San Francisco	2,471
45	Raleigh	2,118
46	Cleveland	1,997
47	Providence	1,587
48	Buffalo	1,565
49	Hartford	1,515
50	**Milwaukee**	**1,455**

Source: Missouri Census Data Center, MABLE/GeoCORR

Defining MSAs

Currently, there are 381 Metropolitan Statistical Areas (MSAs) in the United States. Each MSA has an urbanized area with a population of at least 50,000 (also referred to as "urban area" or "core"). Counties that contain the urbanized area are considered central counties. Any adjacent, or outlying, counties qualify as part of an MSA if 25 percent of employed residents in that county commute to the central counties for work or at least 25 percent of workers in that county reside in the central counties.[1]

Redefining MSAs

After each decennial census, the U.S. Office of Management and Budget (OMB) adjusts the boundaries of MSAs. The most recent MSA boundary delineations are based on the U.S. Census 2010 population estimates, journey-to-work data, and OMB standards published in the Federal Register on June 28, 2010. The current MSA boundary delineations were published and went into effect on February 28, 2013.[2]

Effects of Boundary Changes

To understand the effect of the boundary change the table on this page shows the difference (percent change) between the current population and land area (2014) based on the 2013 boundary delineations as well as what the population and land area would be if the 2009 boundaries had remained in effect. The boundary revisions recognize changes in population and commute patterns in 19 of the 50 peer regions. One or more counties were added to nine of the MSAs, at least one county was removed from five MSAs, and the remaining five had a combination of counties added and removed.

St. Louis is one of the MSAs where one county was removed from the delineation. As a result, the 2014 population is 0.9 percent less and the land area is 8.8 percent less than if Washington County would have remained part of the MSA.

Use of Data with Different Boundary Delineations

Readers should be aware of the MSA boundary changes when using data presented in the 7th Edition of *Where We Stand* as well as when comparing with data in earlier editions of the publication and other publications. Data was adjusted to the current MSA boundaries in this edition whenever possible. In some cases it is not possible to adjust the boundaries. These instances are noted in the "sources and notes" pages at the end of each chapter.

Comparison of Metropolitan Statistical Areas (MSAs) Based on 2009 and 2013 Delineations

In 2013 the U.S. Office of Management and Budget (OMB) adjusted the boundaries of MSAs. The following are the *Where We Stand* peer MSAs where the boundary adjustment added or removed counties. The table shows the difference (percent change) between the current population and land area (2014) based on the 2013 delineation and what the population and land area would be if the 2009 boundaries had remained in effect.

	Number of Counties		Population	Land Area
Peer MSAs with boundary adjustment from 2009 to 2013	Added	Removed	Percent change due to 2009 to 2013 boundary changes, 2014 population	Percent change of land area in square miles due to 2009 to 2013 boundary changes, 2014
Atlanta	1		0.3	4.2
Charlotte	5	1	24.9	64.2
Cincinnati	1	1	-0.7	-5.1
Columbus	2		3.3	20.9
Dallas	2	1	0.8	3.9
Houston		1	-0.4	-6.4
Indianapolis	1		7.1	11.7
Kansas City		1	-1.2	-7.3
Louisville	1	2	-3.8	-13.0
Memphis	1		0.6	8.9
Minneapolis	3		2.0	26.7
Nashville	1		5.0	10.8
New Orleans	1		1.8	8.2
New York	2		3.5	24.0
Richmond		3	-3.9	-19.5
Salt Lake City		1	-3.3	-19.6
St. Louis		**1**	**-0.9**	**-8.8**
Virginia Beach	1	1	0.3	2.3
Washington, D.C.	2		0.9	11.5

Source: Missouri Census Data Center; U.S. Census Bureau, Population Estimates

1 Office of Management and Budget, Federal Register, 2010 Standards for Delineating Metropolitan and Micropolitan Statistical Areas, 28 June 2010.

2 Office of Management and Budget, OMB Bulletin No. 13-01, 28 February 2013.

St. Louis 15-County MSA

The St. Louis Metropolitan Statistical Area (MSA), as designated by the federal Office of Management and Budget in 2013, includes the 15 counties depicted in the map on page 7. The eight counties that appear in dark blue are those served by East-West Gateway Council of Governments.

The St. Louis MSA includes the following counties:

The central counties: Jefferson, St. Charles, and St. Louis counties and the city of St. Louis in Missouri along with Madison, Monroe, and St. Clair counties in Illinois

The outlying counties: Franklin, Lincoln, and Warren counties in Missouri along with Bond, Calhoun, Clinton, Jersey, and Macoupin counties in Illinois

See page 5 for definitions of MSA, central counties, and outlying counties.

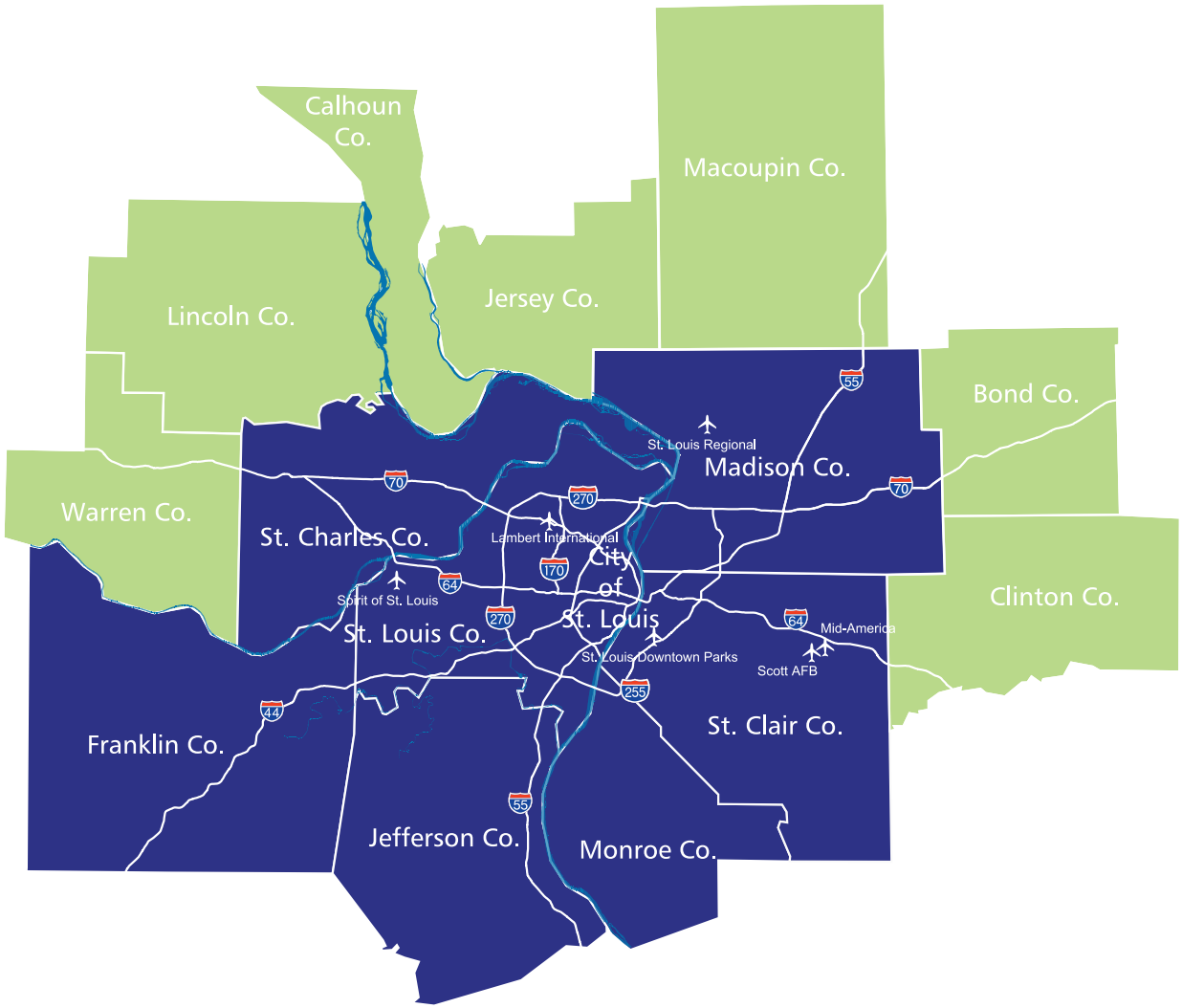
Population and Land Area by County

St. Louis Metropolitan Statistical Area (MSA), 2014

County	Population	Land Area, in square miles
Missouri		
Franklin	102,084	923
Jefferson	222,716	657
Lincoln	54,249	627
St. Charles	379,493	560
St. Louis	1,001,876	508
Warren	33,253	429
City of St. Louis	317,419	62
Illinois		
Bond	17,269	380
Calhoun	4,956	254
Clinton	37,857	474
Jersey	22,571	369
Macoupin	46,453	863
Madison	266,560	716
Monroe	33,722	385
St. Clair	265,729	658
St. Louis MSA	**2,806,207**	**7,863**

Source: Missouri Census Data Center; U.S. Census Bureau, Population Estimates

St. Louis 15-County MSA



The map depicts the St. Louis Metropolitan Statistical Area, as designated by the federal Office of Management and Budget in 2013. The city of St. Louis and the surrounding seven counties that appear in dark blue are the region served by the East-West Gateway Council of Governments.

WHERE WE STAND

Introduction

St. Louis in the Global Economy

The Last Half Century

This edition of *Where We Stand* coincides with the 50th anniversary of the founding of the East-West Gateway Coordinating Council, later renamed the East-West Gateway Council of Governments (EWG). For nearly half of those years, EWG has been producing *Where We Stand: The Strategic Assessment of the St. Louis Region* as a way of measuring the competiveness and health of the metropolitan area.

Over the last 50 years the major changes in the national and global economy have had a range of impacts on the St. Louis region and where it stands compared to its peer regions. *Where We Stand* (WWS) measures and ranks many of these aspects of life in the St. Louis region, including population, government, education, health, and transportation. All of which are factors in the region's economy.

Economics has been called the dismal science, often justifiably so. Citing employment statistics, government budget deficits, interest rates, theories on currency exchange, and economic schools of thought is not an easy way to hold anyone's attention. Yet how the economy ebbs and flows has a significant effect on how people spend their time and how well or poorly they live.

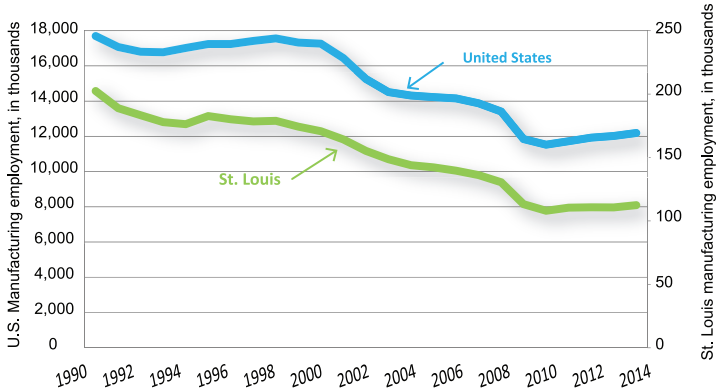
The economy matters in fundamental and inescapable ways. It is the outcome of where people work, how they spend their money, and who they are. It also has a top-down dynamic where decisions made on the local, state, federal, and global level affect how—and if—people work. Tracking the trends and switchbacks of the economy is not an obscure academic pursuit; it's paying attention to the ongoing social and commercial story of how people live and what they do.

In the last half century, the world economy has changed significantly. Domestically, the manufacturing sector has declined, though it remains important, while financial and service sectors have risen in prominence. Internationally, the end of the regime of fixed exchange rates and the emergence of a new global division of labor have made dramatic changes in geographic patterns of production, while generating a series of financial crises caused by speculative bubbles. Technologically, few would have imagined the ubiquity of computers in homes and offices, let alone the Internet or cellular devices.

Decline in Manufacturing

Changes in the world economy have affected all regions, and workers in the new economy have been forced to adapt to new realities. However, these changes have not affected all regions or all segments of society equally. The decline of domestic manufacturing is one change that affected the St. Louis region, as well as other regions that had large manufacturing sectors, more than many of the other regions in the country. Similar to what is seen on many of the WWS tables in this publication, St. Louis follows the trend seen for the country as whole on manufacturing employment. From 1990 to 2010 both saw annual decreases in manufacturing employment, almost every year. St. Louis experienced a 47 percent decrease in manufacturing employment and the United States, a decrease of 35 percent over the time period. From 2010 to 2014 there were minimal increases in manufacturing employment—4 percent for St. Louis and 6 percent for the United States.

Manufacturing Employment
St. Louis MSA and United States, 1990 to 2014



Source: Bureau of Economic Analysis

Employment of Men Aged 20 to 29
City of St. Louis and St. Louis County; 1970, 1980, and 1990

	Percent of white males	Percent of black males
	1970	
Employed in Manufacturing	28.8	32.9
Employed in non-manufacturing	55.1	37.5
Not Employed	16.2	29.6
	1980	
Employed in Manufacturing	21.6	17.1
Employed in non-manufacturing	62.0	45.3
Not Employed	16.4	37.6
	1990	
Employed in Manufacturing	18.3	10.1
Employed in non-manufacturing	65.0	49.8
Not Employed	16.7	40.1

Source: Ruggles et al., Integrated Public Use Microdata Series database.

i For all employment numbers in this section, Wage and Salary Employment is used as reported by the Bureau of Economic Analysis.

Per Capita Income

1969

1	**San Francisco**	**5,321**
2	Washington, D.C.	5,242
3	New York	4,950
4	San Jose	4,875
5	Los Angeles	4,823
6	Hartford	4,735
7	San Diego	4,733
8	Las Vegas	4,725
9	Chicago	4,706
10	Seattle	4,645
11	Detroit	4,487
12	Cleveland	4,486
13	Boston	4,473
14	Minneapolis	4,417
15	Sacramento	4,400
16	Philadelphia	4,336
17	Milwaukee	4,313
18	Miami	4,312
19	Denver	4,279
20	Baltimore	4,187
21	Portland	4,153
22	Dallas	4,149
23	**St. Louis**	**4,098**
24	Kansas City	4,068
25	Indianapolis	4,067
26	Virginia Beach	4,010
27	Buffalo	3,990
United States		**3,930**
28	Riverside	3,922
29	Providence	3,889
30	Cincinnati	3,886
31	Houston	3,865
32	Columbus	3,833
33	Phoenix	3,831
34	Oklahoma City	3,826
35	Pittsburgh	3,821
36	Atlanta	3,817
37	Richmond	3,810
38	Louisville	3,729
39	Jacksonville	3,717
40	Orlando	3,661
41	Tampa	3,544
42	San Antonio	3,510
43	Salt Lake City	3,508
44	New Orleans	3,491
45	Raleigh	3,461
46	Nashville	3,441
47	Charlotte	3,398
48	Austin	3,342
49	Memphis	3,227
50	**Birmingham**	**3,193**

Source: Bureau of Economic Analysis

Deindustrialization exacted a disproportionate cost on African-American workers, and has contributed to lasting racial disparities, in St. Louis as well as in the United States as a whole.

In the 1970s, St. Louis lost 8 percent of its manufacturing jobs. In the 1980s, the region lost another 12 percent. The loss of relatively high-paying jobs affected many workers throughout the St. Louis region, but the impact was felt most by young African-Americans seeking to enter the labor market during those years. In 1970, 16 percent of white males in their 20s were not employed, compared to 30 percent of black males. Thus, the ratio of black to white unemployment was 1.8 for this age group. Blacks were somewhat more likely to hold manufacturing jobs. Some 29 percent of white men were employed in manufacturing, compared to 33 percent of black men. Nearly half of employed young black men worked in manufacturing, compared to about a third of young white men.

By 1980, only 17 percent of black men aged 20 to 29 were employed in manufacturing, a loss of more than 15 percentage points. The percentage of young white men employed in manufacturing dropped less, from 29 percent to 22 percent. The rate of joblessness for young black men shot up to 38 percent, a rate 2.4 times that of young white men. By 1990, only 10 percent of young black men were employed in manufacturing. Non-employment for young black men surpassed 40 percent, a rate 2.4 times higher than that of white men the same age.[1]

Trends were similar in the rest of country, but the percentage of African-Americans employed in manufacturing decreased more in the core of St. Louis than in the United States as a whole. The percentage of African-Americans employed in manufacturing in St. Louis decreased 22.8 percentage points while it decreased 11.8 percentage points in the United States from 1970 to 1990.

This is one way the deindustrialization of the United States continues to affect the daily lives of St. Louisans. The remainder of this discussion describes how St. Louis and peer regions have fared in the economic upheavals of the last 50 years. This brief history of the U.S. economy provides context to the regional comparisons of the 50 regions that are used in this edition of *Where We Stand*. These regions are currently the metropolitan areas with the largest populations and are the ones that St. Louis competes with for jobs and residents. Each region has been affected by the policies discussed in their own way. How they have been affected can be seen in some of the rankings on topics covered in WWS.

The 1970s

The quarter century following World War II was something of a golden age for both the American economy and the St. Louis economy. The end of the war left the United States as the world's leading manufacturer. In 1969, St. Louis was among the 10 metropolitan areas with the largest number of people employed in manufacturing.

Together, these 10 regions employed seven million manufacturing workers, more than a third of the U.S. total. Aside from Los Angeles, St. Louis was the southernmost of these manufacturing powerhouses.[ii] In terms of per capita income, St. Louis ranked about in the middle of the 50 largest Metropolitan Statistical Areas (MSA), and was about 4 percent higher than the United States as a whole in 1969.[2, iii]

ii The others were New York, Chicago, Philadelphia, Detroit, Boston, Cleveland, Pittsburgh and Minneapolis.
iii Nominal dollars for per capita income is used in all of the WWS tables and discussion in this section. There was no adjustment for inflation.

WHERE WE STAND

Introduction

St. Louis in the Global Economy

During this time period, business cycles in the United States were managed using the ideas of John Maynard Keynes; increases in government deficits, with monetary loosening to keep interest rates in check, were the prescriptions for economic downturns.[3] Labor unions were strong and wage growth was robust, consistent with Henry Ford's belief that high wages stimulate domestic spending, and thereby fuel the economy.[4] Internationally, stability was maintained through a system of fixed exchange rates known as the Bretton Woods regime, after the New Hampshire town where the monetary agreement was forged. The linchpin of this system was a pledge by the U.S. government to purchase gold, on demand, at a price of $35 per ounce.[5]

By the late 1960s, the system was beginning to come apart. Foreign competition, particularly from Germany and Japan, was eating away at U.S. manufacturing dominance, which contributed to a declining U.S. current account balance. This, in combination with federal deficits from the Vietnam War, led to an accumulation of foreign reserves of dollars that was out of proportion to world demand for U.S. products. This raised questions about the ability of the U.S. government to make good on its pledge to purchase gold.[6] In 1971, President Richard Nixon suspended convertibility of gold into dollars. The entire system of pegged exchange rates collapsed within two years, allowing currency values to float freely in international markets. In subsequent decades, fluctuations in currency values would play a major role in shaping both national and regional economies.

The 1970s is often characterized as the era of "stagflation," with low economic growth rates combined with rising price levels. An oil embargo by the Organization of Petroleum Exporting Countries (OPEC) in 1973-74 raised fuel prices and contributed to rising price levels,[7] although an increase in money supply also contributed to inflation.[8]

Although the 1970s are remembered as years of poor economic performance, U.S. manufacturing employment hit its all-time high in 1979. There was, however, a dramatic shift from traditional manufacturing centers. In 1969, 9.7 percent of all wages in the U.S. manufacturing sector were paid to workers in the New York region. By 1979, New York's share of manufacturing wages had dropped to 7.3 percent. Similar reductions took place in regions such as Boston, Providence, Hartford and Buffalo. Meanwhile, Houston saw its share of manufacturing wages rise from 0.9 percent of the U.S. total to 1.4 percent, an increase of more than 58 percent. Other regions in the Sun Belt, and particularly in Texas, enjoyed similar growth.[9] Memphis and Birmingham, the two regions with the lowest income per capita in 1969, registered the largest growth in per capita income in the 1970s.

In the 1970s, employment growth in St. Louis was sluggish, with the region ranking 42nd out of 50. The number of jobs in St. Louis increased 12 percent, about half the U.S. growth rate. Much of the increase is attributable to the entry of women into the workforce since the region actually saw a slight decrease in population during the 1970s. Despite the stagnation of population and employment levels, St. Louisans did not become noticeably poorer. Per capita income growth was the same as that for the United States, and ranked higher than many other suffering manufacturing centers.

Change in Per Capita Income

Percent Change, 1969-1979

1	**Houston**	**178.6**
2	Memphis	157.4
3	Birmingham	156.7
4	Austin	155.2
5	Denver	151.1
6	Richmond	150.7
7	New Orleans	150.1
8	Oklahoma City	149.9
9	Raleigh	148.4
10	Pittsburgh	147.1
11	Portland	146.4
12	Phoenix	145.4
13	Kansas City	144.2
14	Dallas	143.5
15	Tampa	143.3
16	Nashville	141.8
17	Salt Lake City	141.7
18	San Jose	141.6
19	Charlotte	139.6
20	Milwaukee	138.9
21	Riverside	138.5
22	Minneapolis	137.3
23	Baltimore	137.3
24	Jacksonville	137.1
25	Atlanta	136.9
26	Seattle	136.8
27	Miami	136.2
28	Washington, D.C.	135.2
29	Detroit	134.7
United States		**134.4**
30	San Francisco	134.4
31	**St. Louis**	**134.2**
32	Orlando	133.5
33	Sacramento	133.3
34	Cincinnati	132.8
35	San Antonio	131.9
36	Indianapolis	130.9
37	Columbus	130.7
38	Louisville	130.1
39	Cleveland	128.6
40	Los Angeles	127.8
41	Chicago	127.7
42	Virginia Beach	127.3
43	Philadelphia	126.2
44	Buffalo	125.9
45	Hartford	122.1
46	Providence	120.7
47	Boston	120.6
48	Las Vegas	119.6
49	San Diego	117.1
50	**New York**	**115.9**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 1969-1979

1	**Las Vegas**	**97.2**
2	Phoenix	82.9
3	Orlando	81.4
4	Houston	75.0
5	Austin	71.1
6	San Jose	69.0
7	Tampa	61.3
8	Denver	55.6
9	Salt Lake City	55.1
10	Miami	51.9
11	Sacramento	48.5
12	Raleigh	48.2
13	Dallas	42.9
14	Portland	42.6
15	Riverside	40.8
16	San Diego	40.6
17	Oklahoma City	39.8
18	Atlanta	38.2
19	Nashville	34.2
20	Los Angeles	32.7
21	Minneapolis	32.3
22	New Orleans	29.8
23	Richmond	28.2
24	Columbus	27.3
25	Charlotte	26.0
26	Jacksonville	25.9
27	Washington, D.C.	25.8
28	Seattle	25.7
29	Birmingham	25.0
United States		**23.7**
30	Memphis	23.0
31	San Antonio	22.6
32	Kansas City	21.5
33	San Francisco	19.3
34	Milwaukee	18.5
35	Hartford	18.3
36	Cincinnati	17.5
37	Indianapolis	16.2
38	Virginia Beach	14.8
39	Louisville	14.2
40	Boston	14.1
41	Baltimore	13.7
42	**St. Louis**	**11.9**
43	Providence	10.2
44	Chicago	10.1
45	Detroit	9.7
46	Pittsburgh	7.8
47	Cleveland	5.1
48	Philadelphia	3.0
49	Buffalo	2.8
50	**New York**	**1.2**

Source: Bureau of Economic Analysis

St. Louis in the Global Economy

Change in Per Capita Income

Percent Change, 1979-1989

1	**Boston**	**142.7**
2	Raleigh	134.0
3	Hartford	132.4
4	New York	132.4
5	Providence	123.5
6	Charlotte	121.1
7	Richmond	119.3
8	Tampa	116.6
9	Atlanta	116.1
10	Philadelphia	115.5
11	Orlando	114.5
12	Jacksonville	114.3
13	Nashville	112.5
14	Miami	111.6
15	Baltimore	111.5
16	Washington, D.C.	109.7
17	Columbus	106.9
18	San Jose	106.4
19	Louisville	106.2
20	San Francisco	105.7
21	Birmingham	105.5
22	Memphis	105.3
23	**St. Louis**	**104.2**
24	Minneapolis	103.9
25	Cincinnati	102.8
United States		**102.4**
26	Buffalo	102.4
27	Indianapolis	101.8
28	Virginia Beach	100.0
29	San Diego	99.4
30	Chicago	98.5
31	Cleveland	96.6
32	Austin	96.0
33	Seattle	94.2
34	Milwaukee	94.2
35	Detroit	93.8
36	Phoenix	93.4
37	Pittsburgh	93.3
38	Kansas City	92.8
39	Denver	92.7
40	Dallas	92.4
41	San Antonio	92.2
42	Sacramento	91.8
43	Los Angeles	90.8
44	Riverside	86.7
45	Portland	85.5
46	New Orleans	84.5
47	Las Vegas	83.4
48	Salt Lake City	80.7
49	Oklahoma City	75.4
50	**Houston**	**72.7**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 1979-1989

1	**Orlando**	**82.2**
2	Las Vegas	59.9
3	Tampa	58.1
4	Riverside	53.5
5	Austin	52.2
6	Phoenix	52.1
7	Raleigh	50.8
8	Atlanta	48.4
9	Sacramento	44.3
10	San Diego	42.7
11	Jacksonville	40.7
12	Miami	37.8
13	Washington, D.C.	36.9
14	Dallas	36.0
15	Seattle	35.6
16	Virginia Beach	30.8
17	San Jose	30.7
18	Charlotte	30.2
19	Nashville	29.4
20	San Antonio	28.4
21	Columbus	25.6
22	Salt Lake City	24.6
23	Richmond	23.9
24	Los Angeles	23.2
25	Minneapolis	23.2
26	Boston	21.7
27	Hartford	20.8
28	Portland	20.1
29	Memphis	19.7
30	San Francisco	19.6
31	Baltimore	18.5
United States		**18.2**
32	Indianapolis	18.1
33	Cincinnati	17.3
34	Denver	16.7
35	Philadelphia	15.5
36	Kansas City	15.2
37	New York	14.2
38	Providence	13.1
39	**St. Louis**	**12.9**
40	Houston	12.7
41	Birmingham	12.0
42	Louisville	11.6
43	Oklahoma City	10.2
44	Milwaukee	9.0
45	Chicago	7.6
46	Detroit	5.5
47	Buffalo	3.4
48	Cleveland	1.2
49	New Orleans	-0.7
50	**Pittsburgh**	**-4.0**

Source: Bureau of Economic Analysis

The 1980s

In an effort to curb inflation, the U.S. Federal Reserve Bank embarked on a tight money policy in 1979. Influenced by the monetarist theories of Milton Friedman, the Federal Reserve under Paul Volcker reduced the growth of money supply.[10] Interest rates spiked, and the worst recession since 1929, as of that time, occurred in 1981-82. The dollar appreciated relative to other currencies in international markets, wreaking havoc on the nation's manufacturing competitiveness. Some 2.4 million manufacturing jobs were lost from 1979 through 1983.

The nation began climbing out of the recession through traditional Keynesian means—an easing of monetary policy, accompanied by massive government deficits caused by increased military spending and tax cuts.[11] But the economy was still sluggish, particularly the manufacturing sector. In 1985 at the Plaza Hotel in New York, Treasury Secretary James Baker and finance ministers from Japan and Western Europe announced a plan, which became known as the Plaza Accord. The plan aimed to revive U.S. manufacturing by a devaluation of the dollar.[12] The resulting devaluation revived, or at least stabilized, U.S. manufacturing for another decade.

The Plaza Accord worked, possibly too well, as the devaluation of the dollar led to capital flight from U.S. markets. A second accord announced at the Louvre in 1987 aimed to avert a complete collapse of the dollar.[13] In subsequent years, the Japanese central bank helped stabilize the dollar by encouraging Japanese investors to buy dollar-denominated assets.[14]

The second half of the 1980s also saw the ascendance of leveraged buyouts, aided partly by financial deregulation earlier in the decade.[15] Investors raised large quantities of money by issuing high-risk "junk" bonds, with proceeds used to take over companies, often over the objections of the companies' management. The trend reached its climax in the purchase of RJR Nabisco in 1988 for $30 billion. Corporate raiders such as Carl Icahn and T. Boone Pickens became famous during this era. Icahn's 1988 hostile takeover of TWA, with its hub in St. Louis, had a lasting impact on the region.

Financial deregulation allowed savings and loans to purchase large amounts of junk bonds which were issued for the purpose of speculating in commercial real estate. The S&L crisis of the late 1980s was epitomized by Charles Keating's takeover of Lincoln Savings and Loan Association, and his subsequent use of deposits for risky investments. The junk bond craze culminated in the collapse of the investment banking firm Drexel Burnham Lambert following numerous illegal acts by Drexel employee Michael Milken.

The 1980s represented a revival of the financial sector, and regions that specialized in financial services generally prospered during the decade. From the 1970s to the 1980s, Boston, New York, Hartford, and Providence all jumped from being among the 10 regions with the smallest change in per capita income (1969-1979) to being among the 10 with the largest increases (1979-1989). A steep drop in oil prices in 1986 hurt Houston, Oklahoma City, and New Orleans. Sun Belt cities sometimes saw gains in population but not in per capita income. Las Vegas and Riverside were among the 10 regions with the largest gains in employment but among the 10 regions with smallest gains in per capita income.

St. Louis continued to be a relatively slow growth region, ranking 39th out of 50 for employment growth. It was in the middle of the pack, at 23rd out of 50 for growth in per capita income, where it once again tracked the national average. The region avoided the exuberant highs of the speculative booms in commercial real estate, as well as the worst of the succeeding busts.

Introduction

St. Louis in the Global Economy

The 1990s

A mild recession in the early 1990s was brought about, at least partly, by restrictive monetary policy aimed at reducing inflation.[16]

After 1995, several factors worked together to create record run-ups in stock prices. First, Japan and Germany, with manufacturing sectors battered by the low dollar, successfully pressed for relief. The Plaza Accord was quietly abandoned, and the dollar was allowed to rise. Second, to maintain low currency values, Asian governments made massive purchases of U.S. government securities, leading to a steep reduction in long-term interest rates. Third, the Japanese central bank reduced interest rates to near zero. This created the possibility of a lucrative "carry trade," in which investors could borrow cheap Yen for the purpose of buying U.S. assets. Finally, low long-term interest rates prompted an explosion of corporate debt, much of which was used for corporate stock repurchases conducted for the purpose of raising stock prices.[17]

The convergence of these factors led to a huge influx of funds into the stock market. Following the explosion of share prices in Netscape's Initial Public Offering, many of these investment dollars were funneled to stocks related to information technology, and particularly the newly developing Internet. In the rush to buy up technology stocks, values became divorced from actual earnings. Economists Eli Ofek and Matthew Richardson estimate that in several Internet-related sectors, the price of stocks exceeded earnings by factors of more than 1,000.[18] The decoupling of earnings from stock prices led Alan Greenspan, Chairman of the Federal Reserve, in 1997 to caution investors against "irrational exuberance," a warning that went largely unheeded. Later, some government officials would attempt to rationalize the divorce between earnings and stock prices by theorizing about a "new economy" brought on by information technology.

The late 1990s represented a second golden age, albeit short-lived. After abandoning the Plaza Accord, it took a couple of years for higher exchange rates to kick in, allowing manufacturing a brief reprieve. High stock prices created paper wealth, which allowed an increase in consumer spending. This spending, in turn, stimulated both the U.S. and the world economies. Paul Volcker drily observed in 1999 that "the fate of the world economy is now totally dependent on the growth of the U.S. economy, which in turn is dependent on the stock market, whose growth is dependent upon about 50 stocks, half of which have never reported any earnings."[19]

The regions that prospered the most in the 1990s, not surprisingly, were those most associated with technology. San Jose, San Francisco, Austin, and Seattle all landed among the 10 regions with the largest growth in per capita income from 1989 to 1999.

Both major regions in Tennessee, Memphis and Nashville, saw increases in per capita income during the 1990s. Tourism played a role in both cities, with hotels and amusement among the fastest growing industries. At the other end of the spectrum, Los Angeles, Riverside, and Miami were all regions that experienced large influxes of foreign immigrants, many of whom would land in low-wage jobs. St. Louis, again, was a slow-growth region, ranking 39th out of 50 for employment growth. For per capita income, however, St. Louis was about in the middle, and grew slightly faster than the United States.

Change in Per Capita Income

Percent change, 1989-1999

1	**Austin**	**88.1**
2	San Jose	79.6
3	Salt Lake City	72.6
4	Seattle	72.2
5	Nashville	70.7
6	Memphis	68.9
7	San Francisco	68.6
8	Denver	67.9
9	Houston	65.9
10	Charlotte	63.5
11	Birmingham	63.4
12	Atlanta	61.4
13	Cincinnati	61.0
14	San Antonio	60.3
15	Raleigh	60.2
16	Dallas	60.2
17	Indianapolis	60.0
18	Minneapolis	59.7
19	Louisville	59.5
20	Portland	59.3
21	Kansas City	59.0
22	Pittsburgh	58.9
23	Milwaukee	58.4
24	Columbus	58.1
25	Boston	57.5
26	New Orleans	56.9
27	Detroit	56.6
28	Chicago	56.4
29	**St. Louis**	**53.9**
United States		**53.4**
30	San Diego	53.3
31	Philadelphia	53.3
32	Baltimore	53.0
33	Las Vegas	52.3
34	Washington, D.C.	51.4
35	Jacksonville	50.8
36	Sacramento	50.1
37	Cleveland	50.0
38	New York	49.6
39	Phoenix	49.6
40	Tampa	49.0
41	Oklahoma City	47.2
42	Buffalo	45.5
43	Providence	45.4
44	Virginia Beach	44.7
45	Orlando	44.4
46	Hartford	43.6
47	Richmond	43.2
48	Los Angeles	43.1
49	Miami	39.8
50	**Riverside**	**29.1**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 1989-1999

1	**Las Vegas**	**90.9**
2	Austin	67.9
3	Phoenix	49.3
4	Raleigh	47.8
5	Salt Lake City	47.6
6	Orlando	44.8
7	Atlanta	38.4
8	Denver	37.2
9	Dallas	36.2
10	Portland	35.7
11	Riverside	35.6
12	Nashville	34.3
13	San Antonio	33.4
14	Tampa	33.2
15	Houston	31.6
16	Charlotte	28.9
17	Sacramento	28.0
18	Seattle	27.4
19	Columbus	24.8
20	Jacksonville	24.3
21	Oklahoma City	23.7
22	Minneapolis	23.7
23	Indianapolis	23.2
24	Louisville	22.6
25	Miami	22.4
26	Kansas City	21.4
27	Memphis	20.7
28	Cincinnati	20.3
29	Birmingham	19.0
United States		**17.1**
30	San Jose	16.8
31	San Diego	14.9
32	Richmond	14.5
33	Milwaukee	14.3
34	Chicago	13.4
35	Detroit	12.2
36	San Francisco	11.4
37	New Orleans	10.9
38	Washington, D.C.	10.7
39	**St. Louis**	**10.3**
40	Cleveland	9.9
41	Pittsburgh	9.9
42	Virginia Beach	8.5
43	Philadelphia	5.5
44	Baltimore	5.5
45	Boston	4.6
46	Buffalo	1.4
47	New York	1.3
48	Providence	1.1
49	Los Angeles	-0.4
50	**Hartford**	**-5.2**

Source: Bureau of Economic Analysis

St. Louis in the Global Economy

Change in Per Capita Income

Percent change, 1999-2006

1	**New Orleans**	**62.8**
2	Oklahoma City	51.2
3	Virginia Beach	43.6
4	Baltimore	42.4
5	Miami	41.5
6	San Diego	41.1
7	Los Angeles	40.5
8	Jacksonville	40.1
9	Salt Lake City	39.0
10	Washington, D.C.	39.0
11	Houston	38.8
12	Boston	38.6
13	Phoenix	37.7
14	Birmingham	37.7
15	Providence	37.5
16	San Francisco	37.1
17	Philadelphia	36.9
18	Pittsburgh	36.7
19	New York	35.6
20	Sacramento	35.1
21	Richmond	35.1
22	Las Vegas	34.2
23	Tampa	33.5
24	Hartford	33.4
United States		**33.3**
25	Orlando	32.4
26	San Antonio	32.3
27	Riverside	31.7
28	**St. Louis**	**31.3**
29	Milwaukee	31.1
30	Denver	30.4
31	Chicago	30.1
32	Louisville	29.9
33	Buffalo	29.8
34	Cincinnati	29.7
35	Minneapolis	29.5
36	Dallas	28.9
37	Seattle	28.4
38	Kansas City	27.9
39	San Jose	27.4
40	Columbus	27.1
41	Cleveland	26.8
42	Charlotte	26.8
43	Nashville	26.7
44	Portland	26.1
45	Indianapolis	25.0
46	Memphis	24.8
47	Atlanta	24.2
48	Raleigh	23.0
49	Detroit	19.2
50	**Austin**	**19.0**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 1999-2006

1	**Las Vegas**	**37.3**
2	Riverside	33.8
3	Phoenix	23.2
4	Orlando	21.1
5	Raleigh	16.8
6	Sacramento	15.6
7	Austin	14.5
8	Miami	13.6
9	Jacksonville	13.4
10	Washington, D.C.	12.1
11	San Diego	11.9
12	San Antonio	11.4
13	Houston	11.2
14	Tampa	9.5
15	Charlotte	9.5
16	Salt Lake City	9.4
17	Nashville	9.1
18	Atlanta	8.2
19	Dallas	8.2
20	Portland	7.6
21	Virginia Beach	7.0
22	Richmond	6.8
23	Denver	6.3
24	Oklahoma City	6.3
25	Baltimore	5.9
United States		**5.3**
26	Seattle	5.2
27	Indianapolis	5.1
28	Minneapolis	4.7
29	Los Angeles	4.3
30	Philadelphia	3.9
31	Columbus	3.9
32	Providence	3.4
33	New York	2.9
34	Birmingham	2.8
35	Kansas City	2.8
36	Memphis	1.9
37	Cincinnati	1.8
38	Hartford	1.6
39	Louisville	0.8
40	**St. Louis**	**0.7**
41	Pittsburgh	0.7
42	Chicago	0.1
43	Boston	-0.2
44	Milwaukee	-1.6
45	Buffalo	-1.7
46	San Francisco	-3.0
47	Cleveland	-5.5
48	Detroit	-7.6
49	San Jose	-10.0
50	**New Orleans**	**-20.4**

Source: Bureau of Economic Analysis

The Housing Bubble

The technology-centered NASDAQ stock exchange reached its peak in March 2000 with the NASDAQ composite more than 10 times higher than its level a decade earlier. The bubble was deflated when a series of poor earnings reports prompted a mass selloff. Within two years, the NASDAQ composite had lost more than 75 percent of its value, with some major technology companies suffering even more severe losses. The evaporation of paper wealth, a continued slide in manufacturing industries, and a further hit to stocks following the 9/11 attacks pushed the U.S. economy into a mild recession.

The Federal Reserve Board responded decisively to the economic downturn, cutting the federal funds rate from 6.5 percent in late 2000 to just 1 percent in January 2004. Long-term interest rates were pushed down by international investors seeking safe haven from the declining stock market.

Several factors converged to encourage a dramatic increase in housing values.[20] First, low long-term interest rates encouraged first-time buyers to enter the market. Second, the same low interest rates encouraged homeowners to refinance. Some of the decrease in monthly payments was used for consumption, a practice sometimes derided as using one's home as an ATM. Third, financial companies relaxed lending standards to offer loans to homes that would not qualify for prime mortgages. These risky loans, in turn, were underwritten thanks to a baroque system of mortgage-backed securities sold to pension funds and other institutional investors seeking high rates of return. The Financial Crisis Inquiry Commission concluded that lax regulatory supervision contributed to the proliferation of risky mortgages, as did a failure of credit rating agencies.[21]

The regions that prospered most during the housing boom were those with the largest booms in construction of new homes, and those that saw the greatest increases in home prices. The 15 regions with the largest growth in jobs in this period (1999 to 2006) were almost all in the Sun Belt, with four in Florida, three in California, three in Texas, and Las Vegas and Phoenix ranking 1st and 3rd, respectively. Regions that had benefitted most from the dot-com bubble tended to perform poorly during the housing bubble, with San Francisco and San Jose both becoming two of the 8 regions with a decrease in employment. The continued slide of manufacturing hurt the traditional Rust Belt regions, with Detroit, Cleveland, Buffalo, and Pittsburgh all among the 10 regions with the lowest employment growth. St. Louis ranked 40th with a very small increase in employment.

New Orleans, affected by Hurricane Katrina, saw a massive outmigration, mostly of low-income residents. This accounts for New Orleans seeing both the largest decrease in employment, and the largest increase in per capita income.

Several cities that experienced high employment growth during the housing boom also experienced low growth in income. Raleigh, Atlanta, and Nashville all experienced robust job growth but were among the 10 regions with the smallest increase in per capita income. St. Louis ranked about in the middle in terms of income growth, growing somewhat more slowly than the United States, avoiding most of the excesses of the housing boom.

WHERE WE STAND

Introduction

St. Louis in the Global Economy

The Great Recession

The bursting of the housing bubble, and the resulting financial crisis, ushered in the sharpest economic downturn since the Great Depression of the 1930s. Officially, the recession began in December 2007 and extended through June 2009. Nationally, employment losses continued through the end of 2009. From January 2008 through December 2009, seasonally-adjusted employment dropped from 138.4 million to 129.7 million, a loss of 8.7 million jobs.

The regions that suffered most from the bursting of the housing bubble were those that experienced the most giddy excesses: Las Vegas, Tampa, Riverside, Phoenix, and Miami were among the six regions with the steepest loss in employment. Reflecting the continuing decrease in manufacturing employment, Cleveland and Detroit were also among the regions with largest decreases in employment. Of the regions that managed to increase employment from 2006 to 2010, four of six were in Texas.

St. Louis lost about 5.4 percent of its jobs from 2006 through 2010. The region ranked about in the middle in terms of job loss. With respect to per capita income, St. Louis did a little better than most peer regions but experienced less growth than the United States as a whole.

As with earlier economic dislocations, the bursting of the housing bubble affected African-Americans disproportionately. Relaxed lending standards and lax oversight allowed predatory lenders to target minorities and African-American neighborhoods. Nationally, the foreclosure crisis has been linked to an increase in wealth disparities between black and white households. In the city of St. Louis and St. Louis County, there were more than 20,000 foreclosures between 2008 and 2010; foreclosures were disproportionately located in predominantly minority and low-income areas.[22]

African-Americans, and particularly men, were also disproportionately affected by employment losses during the recession. In the St. Louis region in 2010, only 62 percent of black men age 25-54 held a job. A black man was more than twice as likely to be without a job compared to a white man the same age. For women, the racial employment gap was lower, with black women 23 percent more likely to be without a job than white women.

Change in Per Capita Income

Percent change, 2006-2010

1	**Buffalo**	**14.8**
2	Providence	10.2
3	Pittsburgh	9.7
4	Virginia Beach	8.9
5	Hartford	8.5
6	Baltimore	8.4
7	New York	7.7
8	Philadelphia	7.6
9	San Antonio	7.1
10	Washington, D.C.	6.7
11	Boston	6.3
12	Kansas City	6.0
13	Nashville	6.0
United States		**5.3**
14	Cleveland	4.6
15	Milwaukee	4.5
16	Columbus	4.5
17	Austin	4.3
18	Minneapolis	4.1
19	**St. Louis**	**4.0**
20	Houston	3.4
21	Seattle	3.4
22	Sacramento	3.0
23	Dallas	3.0
24	Tampa	2.9
25	Richmond	2.9
26	Memphis	2.7
27	San Diego	2.6
28	Portland	2.6
29	Oklahoma City	2.5
30	Louisville	2.5
31	Chicago	2.1
32	Cincinnati	2.0
33	Los Angeles	2.0
34	Birmingham	1.7
35	New Orleans	1.7
36	Raleigh	1.7
37	Denver	1.6
38	San Jose	1.2
39	Indianapolis	1.1
40	Salt Lake City	1.0
41	Riverside	0.3
42	Detroit	0.3
43	Charlotte	-0.1
44	Jacksonville	-1.0
45	San Francisco	-1.6
46	Orlando	-1.7
47	Miami	-2.6
48	Atlanta	-4.3
49	Phoenix	-5.6
50	**Las Vegas**	**-8.7**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 2006-2010

1	**New Orleans**	**7.8**
2	Austin	6.2
3	Houston	4.0
4	San Antonio	3.5
5	Raleigh	1.3
6	Dallas	0.3
7	Oklahoma City	0.0
8	Washington, D.C.	-0.3
9	Boston	-0.9
10	Salt Lake City	-1.1
11	Pittsburgh	-1.4
12	Buffalo	-1.8
13	Denver	-2.0
14	New York	-2.1
15	Seattle	-2.7
16	Charlotte	-3.1
17	Baltimore	-3.1
18	Indianapolis	-3.2
19	Kansas City	-3.3
20	Columbus	-3.4
21	Hartford	-3.4
22	Richmond	-3.5
23	Philadelphia	-3.9
24	Louisville	-4.0
25	San Jose	-4.3
United States		**-4.5**
26	Minneapolis	-4.5
27	Nashville	-4.8
28	Portland	-4.9
29	**St. Louis**	**-5.4**
30	Cincinnati	-5.5
31	Virginia Beach	-5.6
32	San Francisco	-5.6
33	San Diego	-5.8
34	Milwaukee	-5.8
35	Chicago	-6.1
36	Atlanta	-6.3
37	Providence	-6.6
38	Orlando	-7.5
39	Birmingham	-7.5
40	Jacksonville	-7.7
41	Memphis	-7.8
42	Cleveland	-8.2
43	Sacramento	-8.5
44	Los Angeles	-8.6
45	Miami	-10.0
46	Phoenix	-10.8
47	Riverside	-11.2
48	Tampa	-12.0
49	Las Vegas	-12.3
50	**Detroit**	**-13.4**

Source: Bureau of Economic Analysis

Change in Per Capita Income

Percent Change, 2010-2013

1	**San Jose**	**23.0**
2	San Francisco	18.5
3	Houston	17.2
4	Oklahoma City	15.7
5	Austin	14.7
6	Columbus	14.2
7	Cleveland	14.0
8	Dallas	13.6
9	Sacramento	13.1
10	Seattle	13.0
11	San Diego	12.9
12	Denver	12.8
13	Nashville	12.8
14	Pittsburgh	12.8
15	Los Angeles	12.7
16	San Antonio	12.4
17	Cincinnati	12.3
18	Detroit	12.2
19	Salt Lake City	12.0
20	Buffalo	11.9
21	Portland	11.7
22	**St. Louis**	**11.6**
23	Charlotte	11.6
United States		**11.5**
24	Minneapolis	11.2
25	Boston	11.2
26	Indianapolis	11.1
27	Chicago	11.1
28	Memphis	11.0
29	Riverside	10.8
30	Richmond	10.6
31	Louisville	10.4
32	Birmingham	10.4
33	Kansas City	10.4
34	Atlanta	10.2
35	Philadelphia	10.0
36	Milwaukee	9.9
37	Baltimore	9.7
38	Providence	9.7
39	Phoenix	9.6
40	Jacksonville	9.2
41	Miami	9.2
42	New York	9.1
43	Raleigh	9.1
44	Hartford	9.0
45	Virginia Beach	8.6
46	Orlando	7.4
47	New Orleans	7.0
48	Washington, D.C.	6.0
49	Tampa	5.7
50	**Las Vegas**	**5.5**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 2010-2013

1	**San Jose**	**12.7**
2	Austin	12.3
3	San Francisco	11.5
4	Houston	10.8
5	Nashville	10.1
6	Raleigh	9.9
7	Salt Lake City	9.1
8	Riverside	8.8
9	Charlotte	8.7
10	Dallas	8.6
11	Denver	8.5
12	Los Angeles	8.5
13	Seattle	8.4
14	Orlando	8.0
15	Phoenix	7.4
16	Columbus	7.4
17	San Antonio	7.4
18	Detroit	7.3
19	Portland	7.1
20	Miami	7.0
21	Indianapolis	6.7
22	Sacramento	6.6
23	Oklahoma City	6.6
24	San Diego	6.0
25	Minneapolis	5.9
26	Atlanta	5.7
27	Louisville	5.6
28	Boston	5.4
29	Las Vegas	5.3
30	Tampa	5.2
United States		**4.9**
31	Baltimore	4.7
32	Richmond	4.7
33	New York	4.5
34	Chicago	4.4
35	Jacksonville	4.1
36	Kansas City	4.0
37	Birmingham	3.7
38	Cleveland	3.6
39	New Orleans	3.5
40	Milwaukee	3.4
41	Cincinnati	3.4
42	Pittsburgh	3.2
43	Washington, D.C.	3.0
44	Providence	3.0
45	Hartford	2.9
46	**St. Louis**	**2.5**
47	Philadelphia	2.4
48	Memphis	2.0
49	Buffalo	1.9
50	**Virginia Beach**	**0.6**

Source: Bureau of Economic Analysis

Per Capita Income

2013

1	**San Jose**	**69,205**
2	San Francisco	69,127
3	Boston	61,754
4	Washington, D.C.	61,507
5	New York	59,246
6	Hartford	55,355
7	Seattle	55,190
8	Baltimore	54,457
9	Philadelphia	52,503
10	Denver	51,946
11	Houston	51,930
12	San Diego	51,384
13	Minneapolis	51,183
14	Chicago	49,071
15	Pittsburgh	49,049
16	Los Angeles	48,425
17	Milwaukee	47,688
18	Dallas	46,989
19	Sacramento	46,499
20	Providence	46,345
21	Richmond	46,118
22	**St. Louis**	**45,992**
23	Nashville	45,759
24	Cleveland	45,747
25	Kansas City	45,558
26	Miami	45,377
United States		**44,765**
27	Austin	44,760
28	Virginia Beach	44,756
29	New Orleans	44,746
30	Buffalo	44,301
31	Oklahoma City	44,280
32	Raleigh	43,947
33	Cincinnati	43,923
34	Columbus	43,867
35	Portland	43,728
36	Jacksonville	43,149
37	Detroit	42,887
38	Birmingham	42,570
39	Indianapolis	42,542
40	Charlotte	41,645
41	Salt Lake City	41,547
42	Louisville	41,477
43	Atlanta	41,307
44	Memphis	40,987
45	Tampa	40,425
46	San Antonio	39,951
47	Phoenix	38,745
48	Las Vegas	37,457
49	Orlando	36,992
50	**Riverside**	**33,025**

Source: Bureau of Economic Analysis

Post-Recession

From 2010 through 2013, national employment levels increased 4.9 percent. In the post-recession period, the regions with highest growth, in both jobs and income, have specialized in two broad sectors: energy and technology. San Jose, San Francisco, and Austin are among the five regions with the largest employment and income growth.

In 2010, the computer systems design industry received 2 percent of all employee compensation. By 2013 the percentage jumped to 2.2 percent, a 14 percent increase. The smaller information and data processing services industry increased its share of compensation by 29.4 percent.[23]

Mining also expanded dramatically in this three year period, increasing its share of compensation by 20 percent. Government decreased its share of compensation by nearly 10 percent.

Conclusion

In the entire period from 1969 through 2013, the fastest growing region in terms of employment was Las Vegas, which increased its job count six fold. Las Vegas was also the slowest growing region in terms of per capita income, proof that employment growth isn't everything. Regions that specialize in advanced technology, such as San Francisco, San Jose, Boston, Seattle, and Austin, have seen the largest increase in per capita income over the decades. While these regions benefitted from far-sighted civic planning a generation or more ago, they also benefitted from hefty government contracts, and had the good luck of having at least one home grown company strike it big.

There are two kinds of regions that have lagged behind the rest of the country in income growth. The first is the traditional Rust Belt cities of Detroit and Cleveland, that were hardest hit by the contraction of U.S. manufacturing. The second are some of the boom regions, such as Las Vegas, Riverside, Orlando, and Phoenix, that increased population faster than income. St. Louis fared better than each of these regions with respect to per capita income growth.

Looking back over the last half century, the only constant seems to be economic turmoil. It is now clear that the last two great waves of prosperity were based on speculative bubbles, as opposed to sustainable economic growth. It is not clear what will drive the national and global economy in the years to come.

In St. Louis, there are two themes from the last 50 years. First, the region was severely affected by deindustrialization. Second, this has had a lasting effect on residents, particularly African-Americans. As shown in a later chapter, serious racial disparities continue to exist (see page 100). An African-American in the St. Louis region is more than three times as likely to live in poverty, compared to a white resident. A black worker is twice as likely to be unemployed. White household income is double that of blacks, and a black infant is more than three times as likely to die in the first year of life.

While the national and international economy may be largely outside of our control, the inclusiveness of our economy is within our ability to influence.

Several ongoing initiatives aim to give St. Louis long-term advantages in a changing economy while others are focusing on providing equal opportunities to all people in the region.

The Regional Chamber has highlighted the need to increase the number of college graduates in the workforce, and has offered a creative menu of ideas to help St. Louisans achieve their educational potential. The Mosaic Project recognizes the benefit that immigrants have had on other regional economies, and aims to attract a greater number of foreign workers to St. Louis. Numerous initiatives focus on enhancing the region's strengths in science and technology, including plant science and biomedical engineering. One example is the CORTEX district in the city of St. Louis that provides incubator space for innovative hi-tech startups, and has also attracted several established firms. A regional freight and logistics district is being formed to make the most of the region's assets in this growing industry.

For the Sake of All is bringing the social and economic factors associated with health disparities in the region to the forefront, igniting discussions around the region about solutions to the racial disparities that persist. The Ready by 21 collaborative is uniting philanthropic funders in an effort to strengthen and coordinate youth services throughout the region. The OneSTL plan outlines numerous strategies related to housing, community development, and opportunity, strategies backed by research and extensive public engagement. The data and information provided in this report are meant to provide leaders in the region, from grassroots organizers to chief elected officials, an idea of where St. Louis stands and what regions can serve as models as we move forward in an effort to prosper in the ever-changing global economy.

Change in Per Capita Income

Percent Change, 1969-2013

1	**San Jose**	**1,320**
2	Boston	1,281
3	Houston	1,244
4	Austin	1,239
5	Birmingham	1,233
6	Nashville	1,230
7	Baltimore	1,201
8	San Francisco	1,199
9	Pittsburgh	1,184
10	New Orleans	1,182
11	Memphis	1,170
12	Raleigh	1,170
13	Charlotte	1,126
14	Denver	1,114
15	Philadelphia	1,111
16	Richmond	1,110
17	New York	1,097
18	Providence	1,092
19	Seattle	1,088
20	Salt Lake City	1,084
21	Washington, D.C.	1,073
22	Hartford	1,069
23	Jacksonville	1,061
24	Minneapolis	1,059
25	Oklahoma City	1,057
26	Columbus	1,044
27	Tampa	1,041
United States		**1,039**
28	San Antonio	1,038
29	Dallas	1,033
30	Cincinnati	1,030
31	**St. Louis**	**1,022**
32	Kansas City	1,020
33	Virginia Beach	1,016
34	Louisville	1,012
35	Buffalo	1,010
36	Milwaukee	1,006
37	San Diego	986
38	Atlanta	982
39	Sacramento	957
40	Portland	953
41	Miami	952
42	Indianapolis	946
43	Chicago	943
44	Cleveland	920
45	Phoenix	911
46	Orlando	910
47	Los Angeles	904
48	Detroit	856
49	Riverside	742
50	**Las Vegas**	**693**

Source: Bureau of Economic Analysis

Change in Employment

Percent change, 1969-2013

1	**Las Vegas**	**663.1**
2	Austin	497.5
3	Orlando	479.3
4	Phoenix	389.7
5	Raleigh	329.3
6	Riverside	278.8
7	Tampa	244.4
8	Salt Lake City	236.6
9	Houston	232.7
10	Dallas	212.0
11	Sacramento	209.5
12	Atlanta	204.4
13	Denver	181.8
14	Miami	180.3
15	Nashville	166.7
16	San Antonio	159.9
17	San Diego	157.8
18	Portland	154.8
19	San Jose	150.5
20	Charlotte	143.9
21	Seattle	141.1
22	Jacksonville	139.9
23	Washington, D.C.	119.6
24	Oklahoma City	116.0
25	Columbus	115.1
26	Minneapolis	113.3
27	Richmond	96.3
28	Indianapolis	83.4
United States		**80.6**
29	Kansas City	75.6
30	Memphis	70.5
31	Los Angeles	68.4
32	Virginia Beach	65.6
33	Cincinnati	65.1
34	Birmingham	64.2
35	San Francisco	62.3
36	Louisville	59.7
37	Baltimore	52.7
38	Boston	51.3
39	Milwaukee	41.4
40	Hartford	36.8
41	**St. Louis**	**36.2**
42	Chicago	32.0
43	Philadelphia	28.5
44	New Orleans	27.1
45	Providence	25.2
46	New York	23.3
47	Pittsburgh	16.4
48	Detroit	11.6
49	Buffalo	6.1
50	**Cleveland**	**4.9**

Source: Bureau of Economic Analysis

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23 Bureau of Economic Analysis, National Income and Product Accounts, Table 6.2D.