

# Local Economic Outlook

Michael McKinnis

Department of Economics, Finance and  
Banking

Pittsburg State University

# Preliminary Information

- A recession is generally defined as a two quarter decline in gross domestic product (GDP).
  - Under this definition, the “Great Recession” in the U.S. lasted from December 2007 until June 2009.
- Most recent economic data from the Census Bureau comes from Q4 2012.
- Population data in non census years are estimates.

# Recessionary Job Creation/Loss

## Total Employment

|              | <u>2007</u>   | <u>2009</u>   | <u>Change</u>  |                |
|--------------|---------------|---------------|----------------|----------------|
| Allen        | 6,141         | 5,615         | (526)          | (8.6%)         |
| Bourbon      | 6,712         | 6,071         | (641)          | (10.6%)        |
| Cherokee     | 5,689         | 5,761         | 72             | <b>1.3%</b>    |
| Crawford     | 17,343        | 16,413        | (930)          | (5.4%)         |
| Labette      | 10,353        | 10,453        | <b>100</b>     | <b>1.0%</b>    |
| Neosho       | 8,254         | 7,084         | <b>(1,170)</b> | <b>(14.2%)</b> |
| <b>Total</b> | <b>54,492</b> | <b>51,397</b> | <b>(3,095)</b> | <b>(5.7%)</b>  |

Source: U.S. Census Bureau

# Post-Recession Job Creation/Loss

## Total Employment

|              | <u>2009</u>   | <u>2012</u>   | <u>Change</u> |               |
|--------------|---------------|---------------|---------------|---------------|
| Allen        | 5,615         | 5,662         | 47            | 0.8%          |
| Bourbon      | 6,071         | 5,726         | (345)         | (5.7%)        |
| Cherokee     | 5,761         | 5,339         | (422)         | (7.3%)        |
| Crawford     | 16,413        | 17,089        | <b>676</b>    | <b>4.1%</b>   |
| Labette      | 10,453        | 10,644        | 191           | 1.8%          |
| Neosho       | 7,084         | 6,506         | <b>(578)</b>  | <b>(8.2%)</b> |
| <b>Total</b> | <b>51,397</b> | <b>50,966</b> | <b>(431)</b>  | <b>(0.8%)</b> |

Source: U.S. Census Bureau

# Job Creation/Loss Since the Recession Started

|              | Total Employment |               |                       |
|--------------|------------------|---------------|-----------------------|
|              | <u>2007</u>      | <u>2012</u>   | <u>Change</u>         |
| Allen        | 6,141            | 5,662         | (479) (7.8%)          |
| Bourbon      | 6,712            | 5,726         | (986) (14.7%)         |
| Cherokee     | 5,689            | 5,339         | (350) (6.2%)          |
| Crawford     | 17,343           | 17,089        | (254) (1.5%)          |
| Labette      | 10,353           | 10,644        | <b>291 2.8%</b>       |
| Neosho       | 8,254            | 6,506         | <b>(1,748)(21.2%)</b> |
| <b>Total</b> | <b>54,492</b>    | <b>50,966</b> | <b>(3,526)(6.5%)</b>  |

Source: U.S. Census Bureau

# Pre- and Post-Recession Unemployment Rates

Not seasonally adjusted

|             | <u>Pre (Q4 2007)</u> | <u>Post (Q2 2009)</u> | <u>Change</u> |
|-------------|----------------------|-----------------------|---------------|
| <b>U.S.</b> | <b>4.6%</b>          | <b>9.1%</b>           | <b>4.5%</b>   |
| Allen       | <b>3.5%</b>          | 8.5%                  | 5.0%          |
| Bourbon     | 4.2%                 | <b>7.4%</b>           | <b>3.2%</b>   |
| Cherokee    | <b>4.4%</b>          | 9.1%                  | 4.7%          |
| Crawford    | 4.2%                 | 9.1%                  | 4.9%          |
| Labette     | 4.3%                 | 9.1%                  | 4.8%          |
| Neosho      | 3.6%                 | <b>9.2%</b>           | <b>5.6%</b>   |

Source: Bureau of Labor & Statistics

# Post-Recession Unemployment Rates

Not Seasonally Adjusted

|             | <u>Post (Q2 2009)</u> | <u>Today (Q3 2013)</u> | <u>Change</u> |
|-------------|-----------------------|------------------------|---------------|
| <b>U.S.</b> | <b>9.1%</b>           | <b>7.3%</b>            | <b>(1.8%)</b> |
| Allen       | 8.5%                  | 6.8%                   | <b>(1.7%)</b> |
| Bourbon     | <b>7.4%</b>           | <b>6.1%</b>            | (1.3%)        |
| Cherokee    | 9.1%                  | 7.9%                   | (1.2%)        |
| Crawford    | 9.1%                  | 6.3%                   | (2.8%)        |
| Labette     | 9.1%                  | <b>8.5%</b>            | <b>(0.6%)</b> |
| Neosho      | <b>9.2%</b>           | 7.8%                   | (1.4%)        |

Source: Bureau of Labor & Statistics

# Decline in Average Monthly Earnings During the Recession (2007 – 2009)

Inflation Adjusted

|          |              |              |
|----------|--------------|--------------|
| Allen    | \$167        | 6.7%         |
| Bourbon  | \$221        | 8.5%         |
| Cherokee | \$210        | 7.5%         |
| Crawford | <b>\$304</b> | <b>11.1%</b> |
| Labette  | <b>\$112</b> | <b>4.5%</b>  |
| Neosho   | <b>\$352</b> | <b>12.0%</b> |

Source: U.S. Census Bureau



# Post-Recession Change in Monthly Earnings (2009 – 2012)

Inflation Adjusted

|          |                |               |
|----------|----------------|---------------|
| Allen    | (\$15)         | (0.1%)        |
| Bourbon  | <b>\$112</b>   | <b>4.4%</b>   |
| Cherokee | \$74           | 2.7%          |
| Crawford | (\$40)         | (1.5%)        |
| Labette  | <b>(\$125)</b> | <b>(5.0%)</b> |
| Neosho   | <b>(\$100)</b> | <b>(3.6%)</b> |

Source: U.S. Census Bureau

# Decline in Average Monthly Earnings Since the Recession (2007 – 2012)

Inflation Adjusted

|          |              |              |
|----------|--------------|--------------|
| Allen    | \$193        | 7.2%         |
| Bourbon  | <b>\$123</b> | 5.1%         |
| Cherokee | \$149        | <b>5.0%</b>  |
| Crawford | <b>\$364</b> | <b>12.5%</b> |
| Labette  | \$244        | 9.3%         |
| Neosho   | <b>\$476</b> | <b>15.2%</b> |

Source: U.S. Census Bureau

# Population Change During the Recession

|              | <u>2007</u>    | <u>2009</u>    | <u>+/-</u>   |               |
|--------------|----------------|----------------|--------------|---------------|
| Allen        | 13,414         | 13,203         | <b>(211)</b> | <b>(1.6%)</b> |
| Bourbon      | 14,803         | 14,884         | 81           | 0.5%          |
| Cherokee     | 21,337         | 21,604         | <b>267</b>   | <b>1.3%</b>   |
| Crawford     | 38,860         | 38,869         | 9            | 0.0%          |
| Labette      | 21,973         | 21,776         | <b>(197)</b> | <b>(0.9%)</b> |
| Neosho       | 16,228         | 16,046         | <b>(182)</b> | <b>(1.1%)</b> |
| <b>Total</b> | <b>126,615</b> | <b>126,382</b> | <b>(233)</b> | <b>(0.2%)</b> |

Source: U.S. Census Bureau

# Population Change After the Recession

|              | <u>2009</u>    | <u>2012</u>    | <u>+/-</u> |             |
|--------------|----------------|----------------|------------|-------------|
| Allen        | 13,203         | 13,319         | 116        | 0.9%        |
| Bourbon      | 14,884         | 14,897         | 13         | 0.1%        |
| Cherokee     | 21,604         | 21,226         | (378)      | (1.7%)      |
| Crawford     | 38,869         | 39,361         | 492        | 1.3%        |
| Labette      | 21,776         | 21,284         | (492)      | (2.3%)      |
| Neosho       | 16,046         | 16,406         | 360        | 2.2%        |
| <b>Total</b> | <b>126,382</b> | <b>126,493</b> | <b>111</b> | <b>0.2%</b> |

Source: U.S. Census Bureau

# Population Change Since the Recession

|              | <u>2007</u>    | <u>2012</u>    | <u>+/-</u>   |               |
|--------------|----------------|----------------|--------------|---------------|
| Allen        | 13,414         | 13,319         | (95)         | (0.7%)        |
| Bourbon      | 14,803         | 14,897         | 94           | 0.6%          |
| Cherokee     | 21,337         | 21,226         | (111)        | (0.5%)        |
| Crawford     | 38,860         | 39,361         | <b>501</b>   | <b>1.3%</b>   |
| Labette      | 21,973         | 21,284         | <b>(689)</b> | <b>(3.1%)</b> |
| Neosho       | 16,228         | 16,406         | 178          | 1.1%          |
| <b>Total</b> | <b>126,615</b> | <b>126,493</b> | <b>(122)</b> | <b>(0.1%)</b> |

Source: U.S. Census Bureau

# Population Change Since March 2001 Business Cycle Peak

|               | <u>2001</u>    | <u>2012</u>    | <u>Change</u>  |               |
|---------------|----------------|----------------|----------------|---------------|
| Allen         | 14,193         | 13,319         | (874)          | <b>(6.2%)</b> |
| Bourbon       | 15,371         | 14,897         | (474)          | (3.1%)        |
| Cherokee      | 22,333         | 21,226         | <b>(1,107)</b> | (5.0%)        |
| Crawford      | 37,927         | 39,361         | <b>1,434</b>   | <b>3.8%</b>   |
| Labette       | 22,483         | 21,284         | <b>(1,199)</b> | (5.3%)        |
| Neosho        | 16,759         | 16,406         | (353)          | (2.1%)        |
| <b>Totals</b> | <b>129,066</b> | <b>126,493</b> | <b>(2,573)</b> | <b>(2.0%)</b> |

# County Health Rankings

Out of 105 Counties

Crawford 81

Allen 86

Bourbon 89

Labette 93

Neosho 94

Cherokee 98

# Percentage of Population Below Poverty Level (2007-2011)

|               |            |
|---------------|------------|
| Neosho        | 17%        |
| Bourbon       | 16%        |
| Labette       | 16%        |
| Allen         | 15%        |
| Cherokee      | 15%        |
| <b>Nation</b> | <b>14%</b> |
| <b>Kansas</b> | <b>13%</b> |
| Crawford      | 10%        |

Source: Project 17 Regional Health Data



# Percentage of Population With a High School Diploma or Equivalent

|               |            |
|---------------|------------|
| <b>Kansas</b> | <b>90%</b> |
| Allen         | 89%        |
| Crawford      | 89%        |
| Neosho        | 88%        |
| Bourbon       | 88%        |
| Labette       | 88%        |
| Cherokee      | 86%        |
| <b>Nation</b> | <b>85%</b> |

Source: Project 17 Regional Health Data

# Percentage of Population With a Bachelor's Degree or Higher

|               |            |
|---------------|------------|
| <b>Kansas</b> | <b>30%</b> |
| <b>Nation</b> | <b>28%</b> |
| Crawford      | 28%        |
| Bourbon       | 22%        |
| Labette       | 18%        |
| Allen         | 17%        |
| Neosho        | 16%        |
| Cherokee      | 13%        |

Source: Project 17 Regional Health Data

# Project 17 Data Browser

- [twoproject17.org](http://twoproject17.org)
  - Business migration to/from the region.
  - Commuting patterns.
  - Entrepreneurial capacity (rate of new business success and failures).
  - Patents awarded.
  - Employment by individual companies & industry classification.
  - Wage & education data.