



## ECONOMY AT A GLANCE

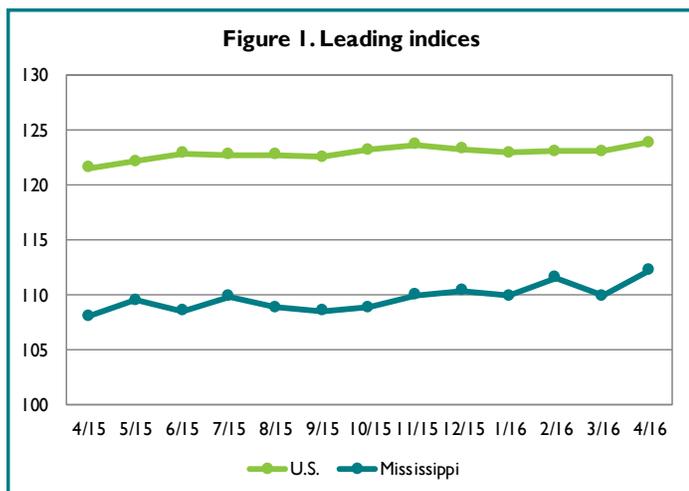
The value of the Mississippi Leading Index (MLI) climbed 2.0 percent in April as seen in Figure 1 below. The gain marked the largest one-month increase in almost seven years. All seven components of the MLI increased for the month, led by a relatively large rise in withholdings. The value of the MLI in April was 3.8 percent higher compared to one year ago.

The Mississippi Coincident Index (MCI) grew 0.4 percent in value in April as Figure 2 below indicates. Following revisions April marked the third consecutive month the value rose 0.4 percent. The value of the MCI was 3.3 percent higher in April compared to one year ago.

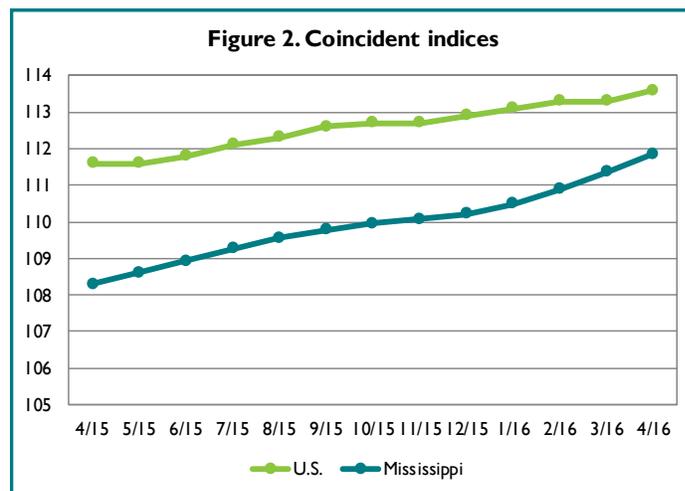
The second estimate of the change in real U.S. gross domestic product (GDP) for the first quarter of 2016 released by the U.S. Bureau of Economic Analysis (BEA)

marked an improvement from the initial estimate. BEA reported in its second estimate real GDP grew 0.8 percent compared to the 0.5 percent increase of its initial estimate. The improvement mostly resulted from a smaller decline in nonresidential fixed investment in the first quarter than initially reported, and private inventories improved somewhat as well. Consumer spending remained the same as in the first estimate.

The components of the MLI have exhibited considerable volatility in the past two months as six components declined in March but all seven increased in April. Despite these ups and downs, trends in most segments remain positive, particularly on the consumer side. Signs of inflation, led by rising oil and gasoline prices, have yet to dent consumer spending. Nationally, the manufacturing sector continues to slowly improve.



Sources: University Research Center and The Conference Board



Sources: Federal Reserve Bank of Philadelphia and The Conference Board

**Notes:** The Mississippi Coincident Index is constructed by the Federal Reserve Bank of Philadelphia and re-indexed to 2004. The Index is based on changes in nonfarm employment, the unemployment rate, average manufacturing workweek length, and wage and salary disbursements. The Mississippi Leading Index is constructed by the Mississippi University Research Center. The U.S. Indices are from The Conference Board. All series are indexed to a base year of 2004.

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## MISSISSIPPI'S BUSINESS

## MISSISSIPPI LEADING INDEX, APRIL 2016

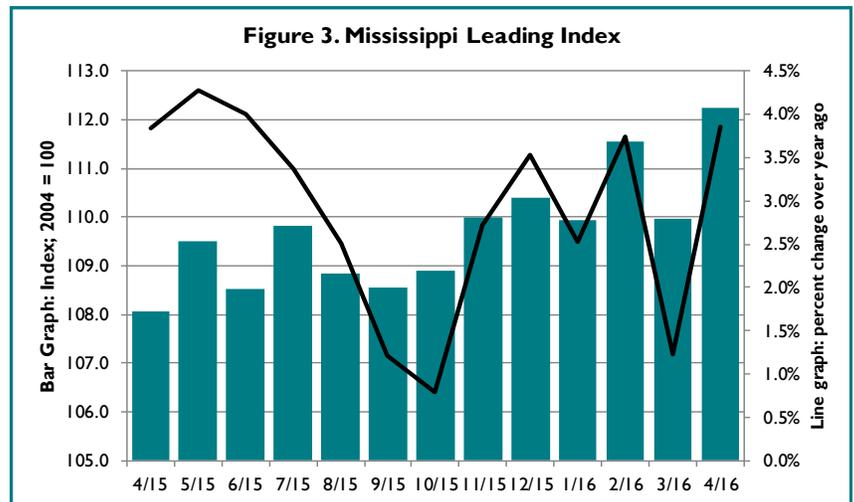
As Figure 3 indicates, the increase in the value of the **Mississippi Leading Index of Economic Indicators (MLI)** in April more than offset the decline in March. The value of the MLI jumped 2.0 percent in April, its largest one-month percentage increase since June 2009. Moreover, the March value was revised slightly higher. The value of the MLI was up 3.8 percent in April compared to one year ago. Over the last six months the value of the MLI is up 6.1 percent.

All seven components of the MLI contributed positively for the month. The relatively large increase in withholdings made the largest contribution to the gain in the MLI for April. Discussion of each component appears below in order of largest to smallest contribution.

**Mississippi income tax withholdings** (three-month moving average) climbed 4.1 percent in value in April as seen in Figure 4. The gain was the largest monthly increase since July 2015. Compared to one year ago the value of withholdings was 6.0 percent higher in April. Over the last six months, the three-month moving average of withholdings was up 3.7 percent.

As Figure 5 indicates the value of **U.S. retail sales** climbed 1.3 percent in April, the largest monthly increase since March 2015. Values for the previous two months were revised higher as well. April retail sales were 3.0 percent higher compared to one year ago. The increase in sales in April resulted primarily from increases in sales of automobiles and gasoline, as sales excluding these categories rose 0.6 percent. Gains were relatively widespread nonetheless as building materials was the only component that declined for the month.

Seasonally-adjusted **initial unemployment claims** in Mississippi fell markedly in April as seen in Figure 6. The value declined 11.2 percent from the previous month. The number of initial claims compared to one year ago was 16.0 percent lower in April. The number of seasonally-adjusted continued unemployment claims in Mississippi decreased in April as well. As Figure 14 on page 6 indicates, the value fell 1.6 percent. Compared to one year ago the number of continued claims was 13.1 percent lower in April. The seasonally-adjusted unemployment rate in Mississippi declined in April for the fourth consecutive month. Figure 15 on page 6 indicates the rate fell 0.3 percentage point to 6.0 percent, its lowest level since Jan-



Source: University Research Center

uary 2008. The rate has declined for four consecutive months.

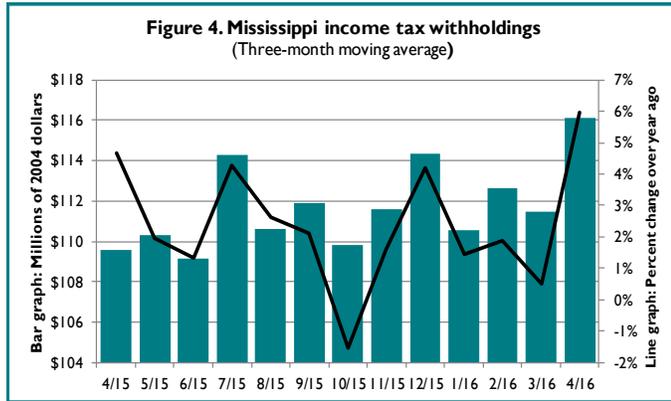
The value of the **Mississippi Manufacturing Employment Intensity Index** rebounded somewhat in April, rising by 0.7 percent as seen in Figure 7. Compared to one year ago the value of the Index was 5.3 percent higher for the month. The increase in the value of the Index resulted from the increase in employment in manufacturing in Mississippi in April, as the average weekly hours of production employees were essentially unchanged.

As seen in Figure 8, the value of **Mississippi residential building permits** (three-month moving average) increased 3.1 percent in April for only the second time in the last five months. Compared to one year ago the value of building permits in Mississippi was 18.6 percent higher for the month. The seasonally-adjusted number of units for which building permits were issued (three-month moving average) in Mississippi increased 2.1 percent from the previous month. The number of units was 22.0 percent higher in April compared to one year ago. For the U.S., the number of privately-owned housing units authorized by building permits increased 3.6 percent in April from the revised value for March. However, the number of units in the U.S. for the month was 5.3 percent less than in April 2015.

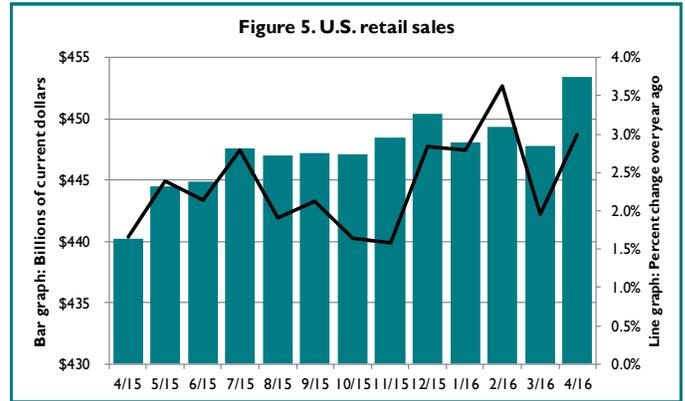
For the first time since December, the value of the **University of Michigan Index of Consumer Expectations** (three-month moving average) increased in April.

(Continued on page 4)

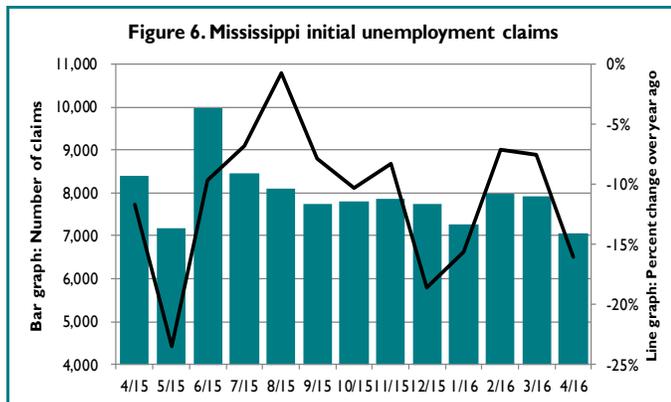
# COMPONENTS OF MISSISSIPPI LEADING INDEX, IN FIGURES



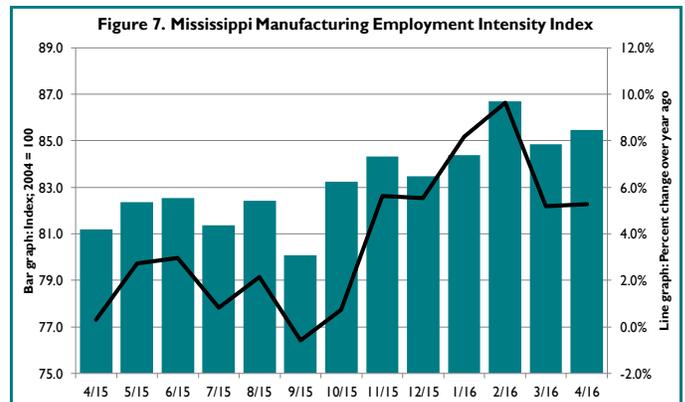
Source: Mississippi Department of Revenue; seasonally adjusted



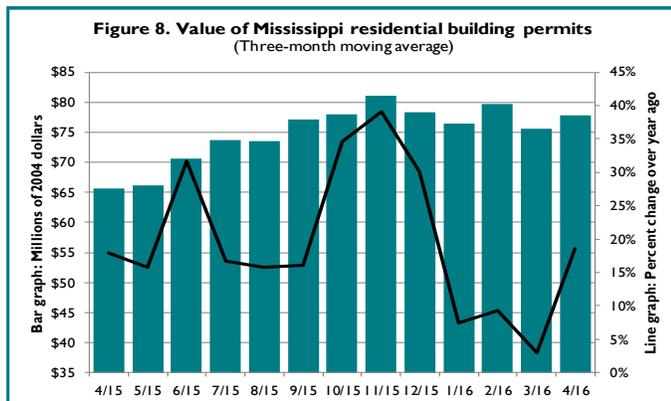
Source: Bureau of the Census



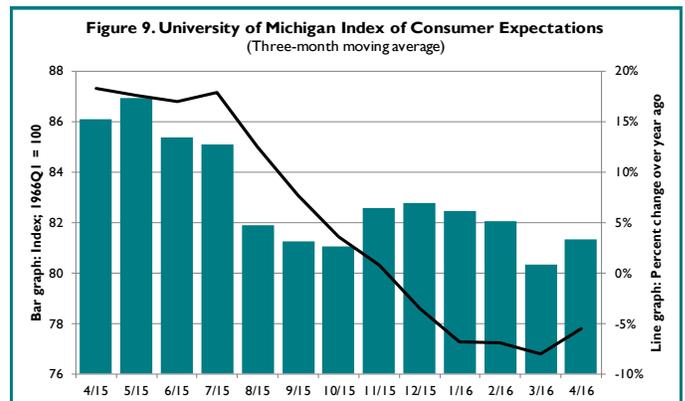
Source: U.S. Department of Labor; seasonally adjusted



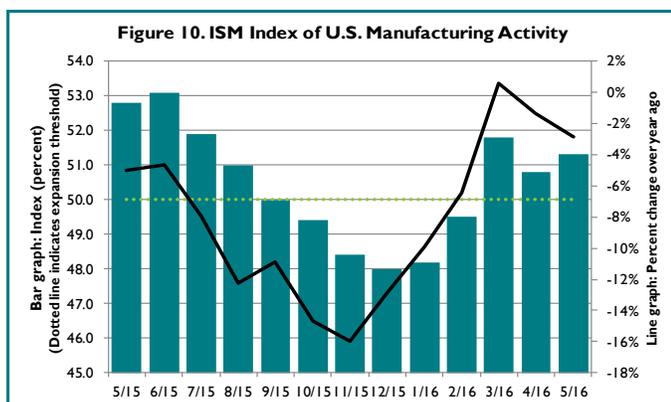
Source: URC using data from Bureau of Labor Statistics



Source: Bureau of the Census; seasonally adjusted



Source: Thomson Reuters/University of Michigan Surveys of Consumers



Source: Institute for Supply Management

*The value of the Mississippi Leading Index (MLI) increased 2.0% in April, its largest one-month gain since June 2009.*

MISSISSIPPI'S BUSINESS

MISSISSIPPI LEADING INDEX, APRIL 2016 (CONTINUED)

As Figure 9 indicates, the value of the Index climbed 1.2 percent. The April gain was only the third increase in the last nine months, however, and compared to one year ago the value for the month remained 5.5 percent lower. The share of consumers who expect their family finances to improve in the next year rose considerably. Short-term inflation expectations also fell for the month while longer term expectations for inflation did not change. So far consumers do not appear discouraged by rising gasoline prices, which remain relatively low.

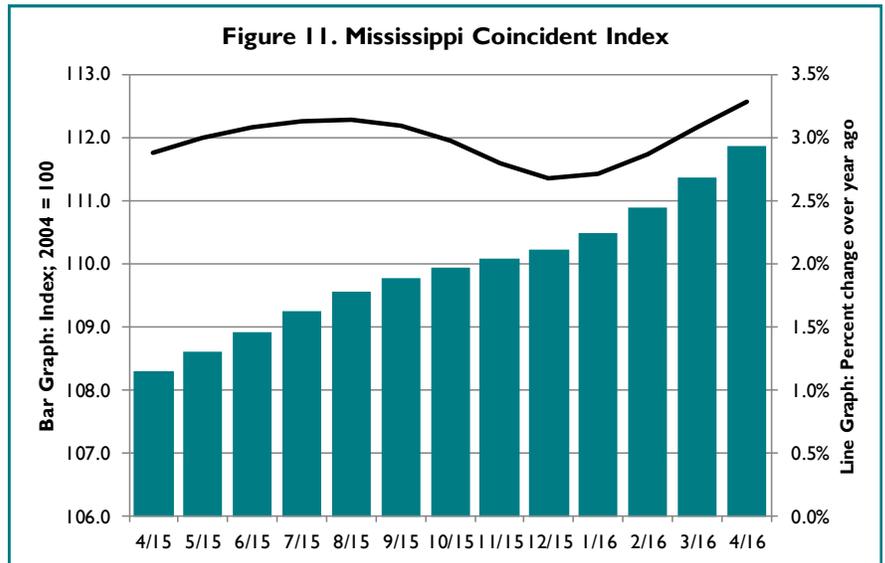
The **Institute for Supply Management Index of U.S. Manufacturing Activity** rose in value by 1.0 percent in May as Figure 10 indicates. The gain marked the fourth increase in the last five months and the Index remained in expansion territory for the third consecutive month. However, compared to one year ago the value remained 2.8 percent lower in May. Notably, Supplier Deliveries was the only component of the Index that increased for the month. The Employment component did not change.

MISSISSIPPI COINCIDENT INDEX, APRIL 2016

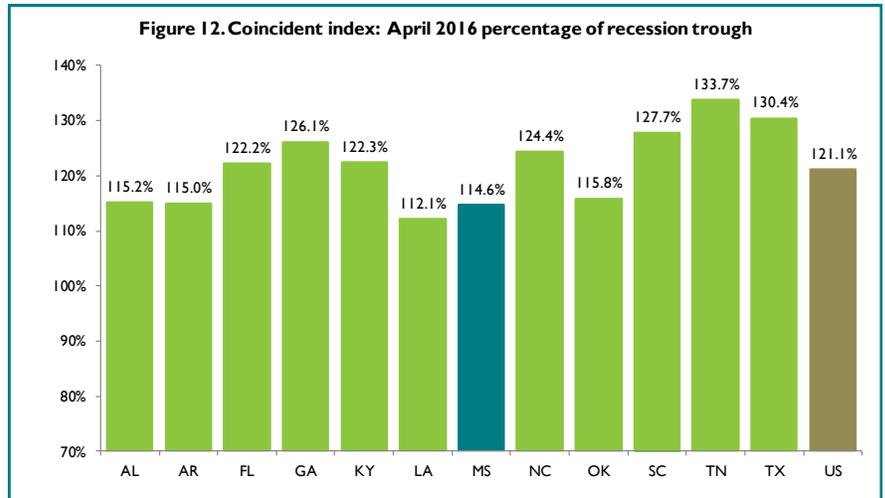
According to the Federal Reserve Bank of Philadelphia, the value of the **Mississippi Coincident Index of Economic Indicators (MCI)** increased 0.4 percent in April as see in Figure 11. Compared to one year ago the value of the MCI was 3.3 percent higher for the month.

The value of the coincident index for Louisiana remained behind all other states in the Southeast region in April in terms of growth from its respective recession trough. Louisiana's coincident index has increased 12.1 percent from its trough. The coincident index for Mississippi has incurred the next smallest increase, up 14.6 percent through April. The coincident indices for all other states in the region have increased at least 15.0 percent from their respective recession troughs as seen in Figure 12.

The value of the coincident indices increased in forty-three states in April compared to three months prior as indicated in Figure 13 on page 5. The coincident indices grew more than 0.5 percent in April compared to three months prior in thirty-nine states, while in four states the coincident indices increased less than 0.5 percent. The coincident indices of four states decreased by more than 0.5 percent compared to January. As has occurred in recent months, the coincident indices of several states with economies heavily reliant on the energy sector declined in April.



Source: Federal Reserve Bank of Philadelphia



Source: Federal Reserve Bank of Philadelphia

## NATIONAL TRENDS

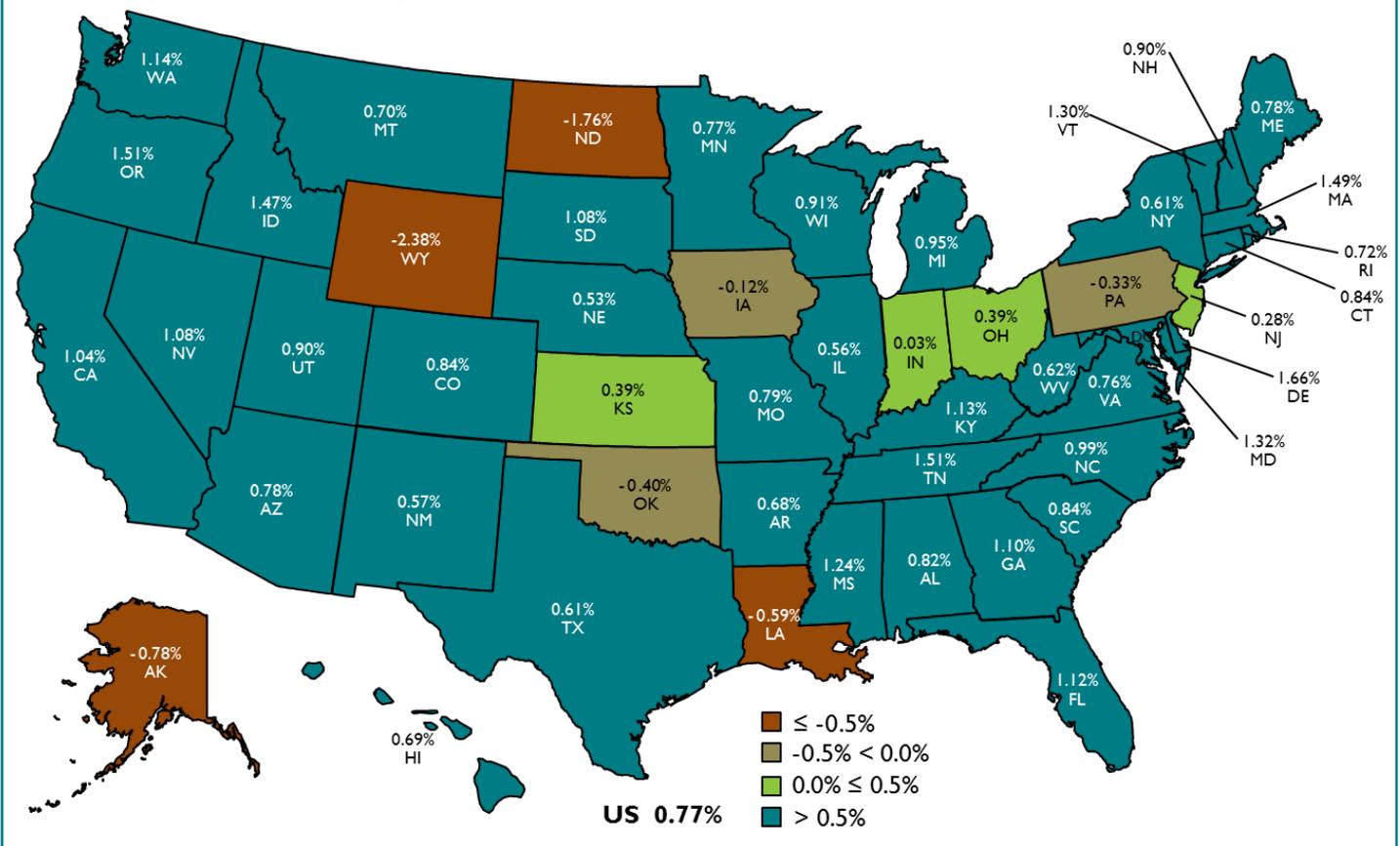
The value of the U.S. Leading Economic Index (LEI) increased 0.6 percent in April according to The Conference Board as Figure 1 on page 1 indicates. The increase was the largest percentage gain for a month since June 2015. Revisions to previous months resulted in a 0.1 percent increase in February and no change in March. Compared to one year ago the value of the LEI in April was 1.9 percent higher. Gains were widespread, as nine of the ten components of the LEI increased in value for the month. Only average consumer expectations contributed negatively for the month. The value of the LEI is up 0.6 percent over the last six months.

The Conference Board reported the value of the U.S. Coincident Economic Index (CEI) rose 0.3 percent in April, the largest monthly percentage increase since September 2015. All four of the components of the CEI increased for the month, led by the increase in industrial production. Compared to one year ago the value of the CEI in April was 1.8 percent higher as seen in Figure 2 on page 1. Over the last six months the value of the CEI is up 0.8 percent.

After three consecutive months of declines, the value of the National Federation of Independent Businesses (NFIB) Small Business Optimism Index increased in April. The value rose 1.1 percent for the month as seen in Figure 20 on page 6 and marked the largest percentage increase since July 2015. Compared to one year ago the value was lower by 3.4 percent, the sixth consecutive month with a negative year-over-year change in the Index. Most components improved, including the “plans to increase employment” and the “current job openings” components. The “expect economy to improve” component fell slightly from March, however.

Most economists likely expected an interest rate increase in June following the signs of growing inflation in May. However, the very surprising May jobs report (+38,000) in all likelihood means members of the Federal Open Market Committee (FOMC) will take any potential increase out of play at their June meeting. Moreover, the national referendum in the United Kingdom on potential withdrawal from the European Union later in the month gives FOMC members another reason to stand pat in June.

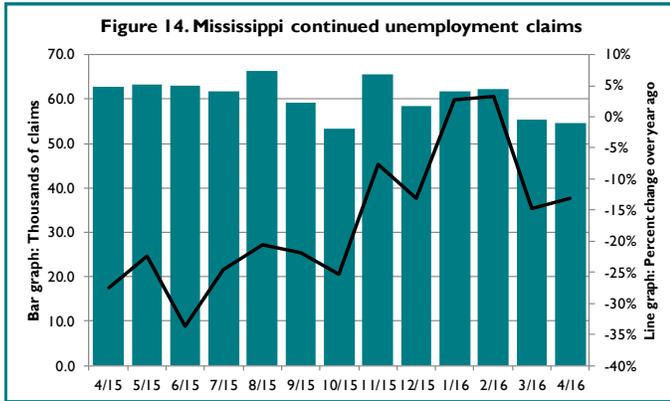
Figure 13. Three-month growth in the coincident index of economic indicators by state, April 2016



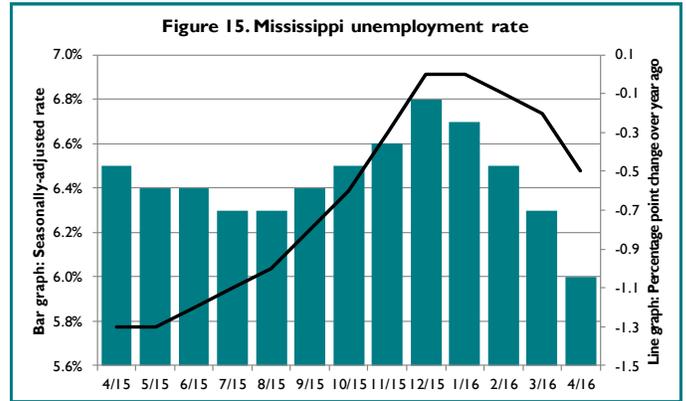
Source: Federal Reserve Bank of Philadelphia

MISSISSIPPI'S BUSINESS

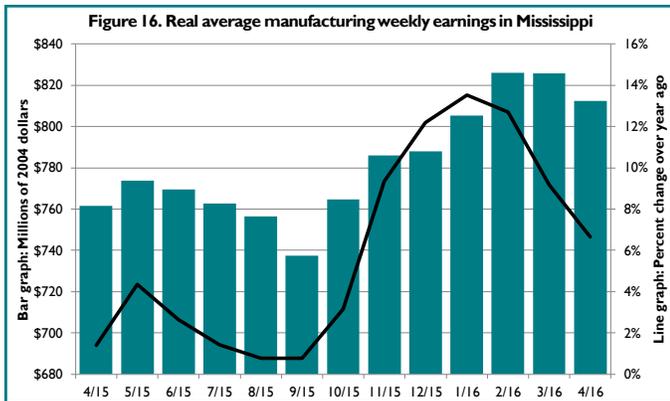
MISCELLANEOUS ECONOMIC INDICATORS, IN FIGURES



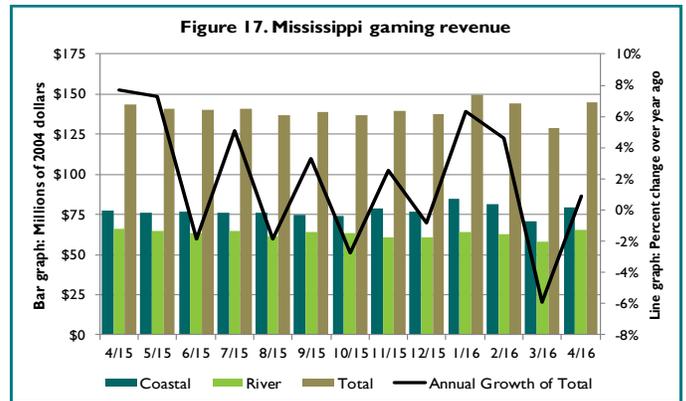
Source: U.S. Department of Labor; seasonally adjusted



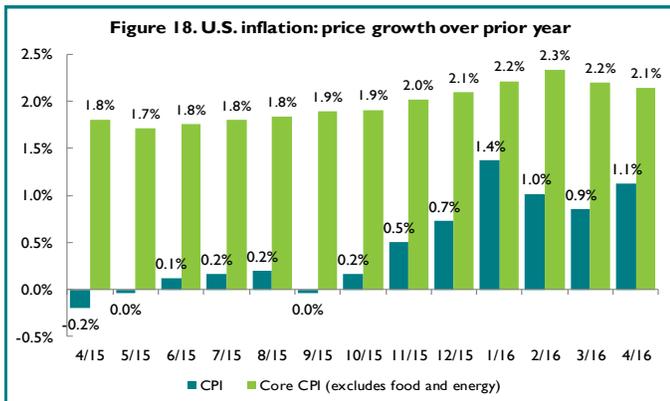
Source: U.S. Bureau of Labor Statistics; seasonally adjusted



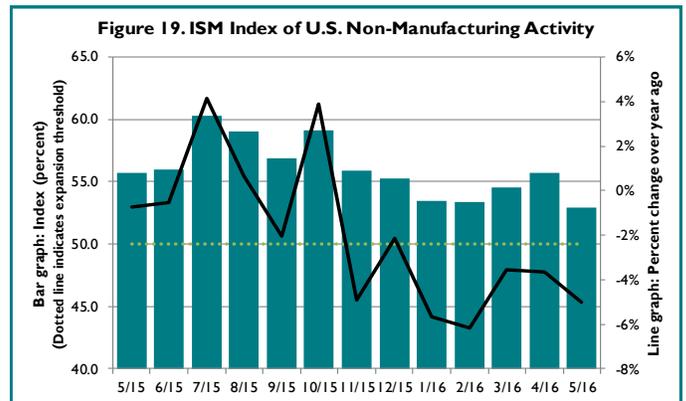
Source: U.S. Bureau of Labor Statistics; non-seasonally adjusted



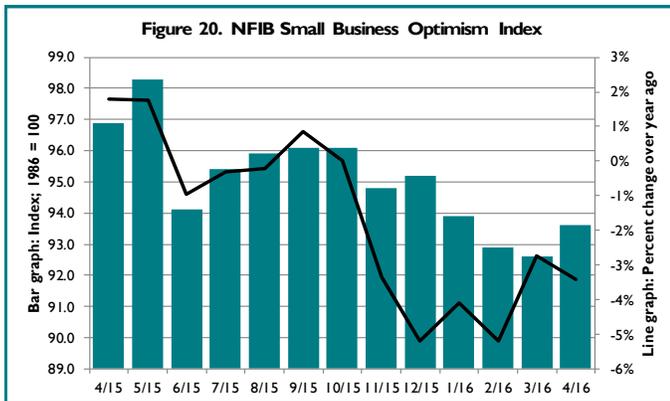
Source: Mississippi Department of Revenue; seasonally adjusted



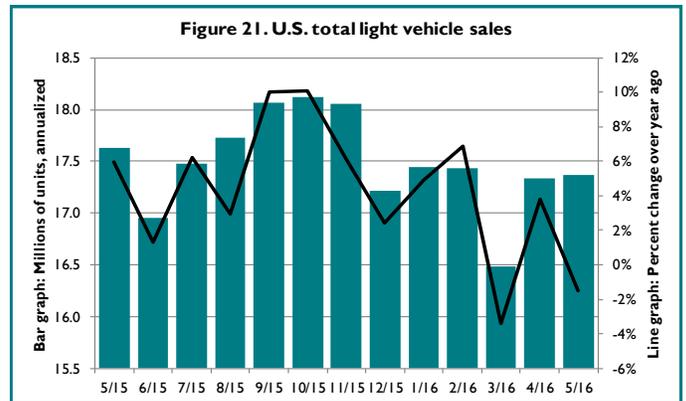
Source: U.S. Bureau of Labor Statistics



Source: Institute for Supply Management



Source: National Federation of Independent Businesses



Source: Bureau of Economic Analysis; seasonally adjusted at annual rates

TABLE I. SELECTED ECONOMIC INDICATORS

Indicator	April 2016	March 2016	April 2015	Percent change from		
				March 2016	April 2015	
<b>U.S. Leading Economic Index</b> 2004 = 100. Source: The Conference Board	123.9	123.1	121.6	▲0.6%	▲1.9%	Economic Indices
<b>U.S. Coincident Economic Index</b> 2004 = 100. Source: The Conference Board	113.6	113.3	111.6	▲0.3%	▲1.8%	
<b>Mississippi Leading Index</b> 2004 = 100. Source: University Research Center	112.2	110.0	108.1	▲2.0%	▲3.8%	
<b>Mississippi Coincident Index</b> 2004 = 100. Source: Federal Reserve Bank of Philadelphia	111.9	111.4	108.3	▲0.4%	▲3.3%	
<b>Mississippi initial unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	7,045	7,938	8,391	▼11.2%	▼16.0%	Components of the Mississippi Leading Index
<b>Value of Mississippi residential building permits</b> Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Bureau of the Census	77.9	75.6	65.6	▲3.1%	▲18.6%	
<b>Mississippi income tax withholdings</b> Three-month moving average; seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	116.1	111.5	109.6	▲4.1%	▲6.0%	
<b>Mississippi Manufacturing Employment Intensity Index</b> 2004 = 100. Source: URC using data from U.S. Bureau of Labor Statistics	85.5	84.8	81.2	▲0.7%	▲5.3%	
<b>University of Michigan Index of Consumer Expectations</b> Three-month moving average; index 1966Q1 = 100. Source: Thomson Reuters/University of Michigan Surveys of Consumers	81.3	80.3	86.1	▲1.2%	▼5.5%	
<b>ISM Index of U.S. Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	51.3	50.8	52.8	▲1.0%	▼2.8%	
<b>U.S. retail sales</b> Current dollars, in billions. Source: Bureau of the Census	453.4	447.8	440.2	▲1.3%	▲3.0%	
<b>U.S. Consumer Price Index (CPI)</b>	126.7	126.1	125.3	▲0.5%	▲1.1%	
<b>U.S. Core CPI (excludes food and energy)</b> 2004 = 100. Source: URC using data from Bureau of Labor Statistics	125.4	125.1	122.8	▲0.2%	▲2.1%	
<b>Mississippi unemployment rate</b> Percentage point change. Seasonally-adjusted. Source: U.S. Bureau of Labor Statistics	6.0%	6.3%	6.5%	▼0.3	▼0.5	
<b>Mississippi continued unemployment claims</b> Seasonally adjusted. Source: U.S. Department of Labor	54,527	55,438	62,762	▼1.6%	▼13.1%	Miscellaneous Indicators
<b>ISM Index of U.S. Non-Manufacturing Activity</b> Advanced one month. Source: Institute for Supply Management	52.9	55.7	55.7	▼5.0%	▼5.0%	
<b>U.S. mortgage rates</b> Percentage point change. Seasonally adjusted; 30-year conventional. Source: U.S. Federal Reserve	3.65%	3.72%	3.70%	▼0.07	▼0.05	
<b>Mississippi average hourly wage for manufacturing</b> Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	18.94	19.33	18.28	▼2.0%	▲3.6%	
<b>Mississippi average weekly earnings for manufacturing</b> Seasonally adjusted; 2004 dollars. Source: U.S. Bureau of Labor Statistics	812.43	825.80	761.69	▼1.6%	▲6.7%	
<b>NFIB Small Business Optimism Index</b> 1986 = 100. Source: National Federation of Independent Businesses	93.6	92.6	96.9	▲1.1%	▼3.4%	
<b>U.S. total light vehicle sales</b> Millions of units seasonally adjusted at annual rates. Source: U.S. Bureau of Economic Analysis	17.37	17.33	17.63	▲0.2%	▼1.5%	
<b>Gaming revenue</b>	144.7	129.1	143.4	▲12.1%	▲0.9%	
<b>Coastal counties</b>	79.5	71.0	77.5	▲11.9%	▲2.6%	
<b>River counties</b> Seasonally adjusted; millions of 2004 dollars. Source: Mississippi Department of Revenue	65.2	58.0	65.9	▲12.4%	▼1.0%	

## MISSISSIPPI'S BUSINESS

## MISSISSIPPI EMPLOYMENT TRENDS

In April, the Mississippi economy gave back all the jobs it added in March, as total employment slipped 0.2 percent for the month according to the U.S. Bureau of Labor Statistics (BLS). March employment was revised slightly higher. As seen in Table 2 below, despite the decline for the month total employment in Mississippi in April 2016 exceeded total employment in April 2015 by 15,400 jobs, an increase of 1.4 percent.

Total nonfarm employment was essentially unchanged in thirty-three states and the District of Columbia in April according to BLS. Employment increased in eleven states and declined in six states. (BLS began making greater use of statistical significance in employment changes with its May release.) California and Florida experienced the largest absolute increases in employment for the month while the largest percentage increases in employment in April occurred in Minnesota and Missouri. The largest absolute decreases in employment for the month occurred in Pennsylvania and Ohio and the largest percentage decreases in employment occurred in Wyoming and Hawaii. Employment in April was lower in North Dakota and Wyoming compared to one year ago.

Manufacturing added the most jobs among all sectors in the state for the month as employment rose by 1,200. The largest percentage increase in employment in Mississippi in April occurred in Professional and Business Services, which climbed 1.0 percent. The only other sector in the state to add jobs for the month was Other Services. Trade, Transportation, and Utilities lost the most jobs among all industries in the state, declining by 2,100 jobs. The largest percentage decrease in employment in Mississippi for the month occurred in Construction, which declined 2.9 percent, a loss of 1,400 jobs.

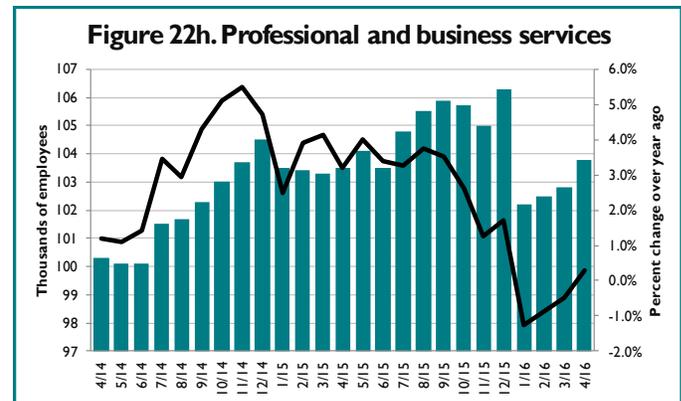
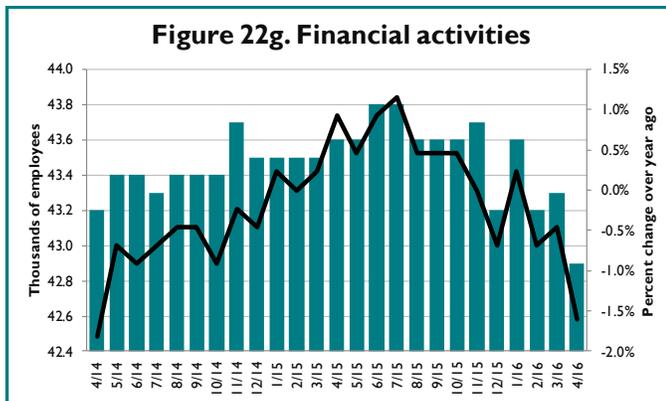
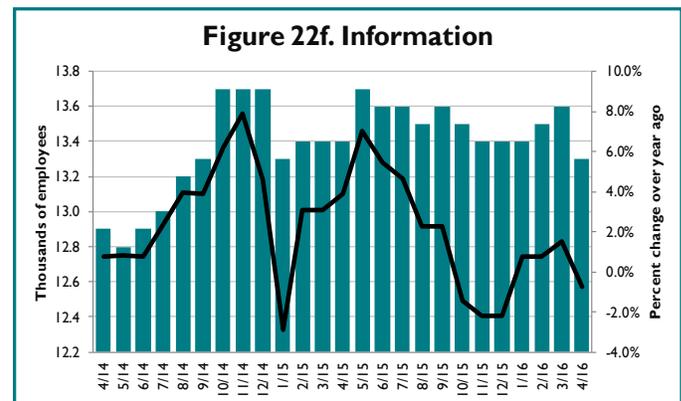
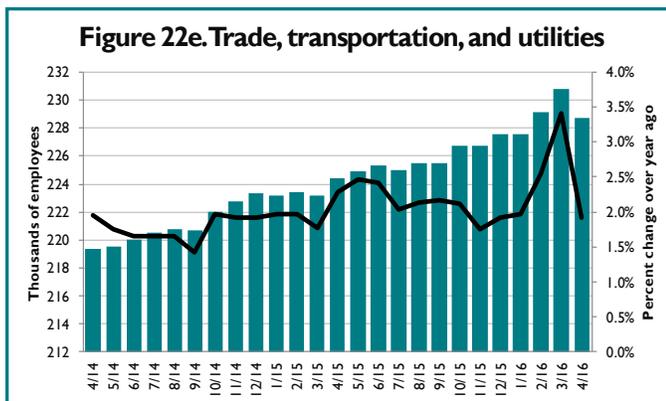
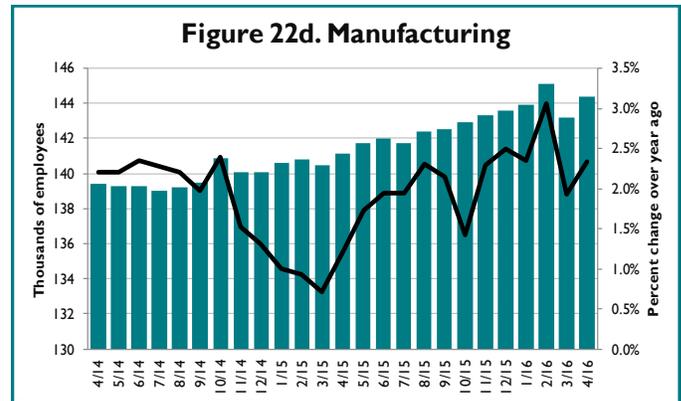
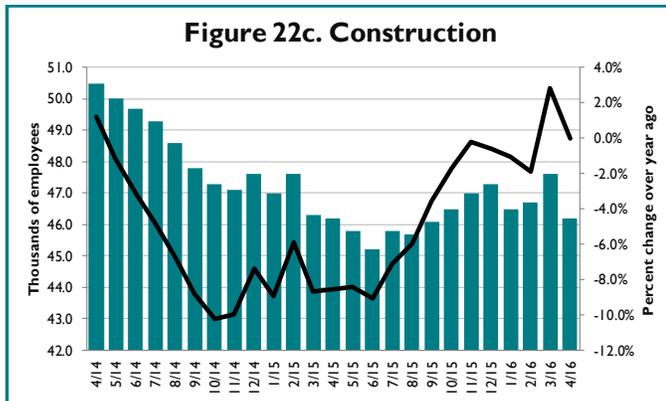
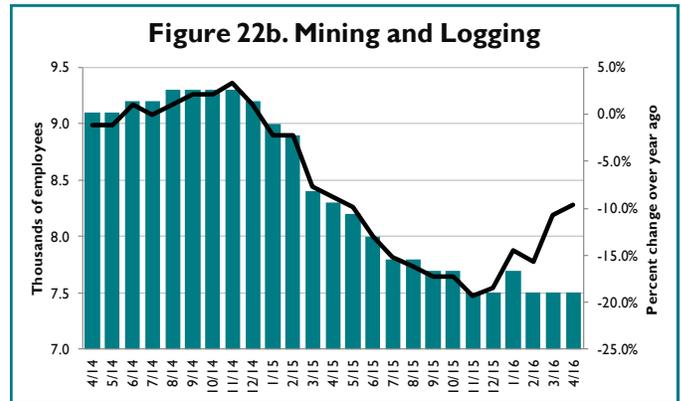
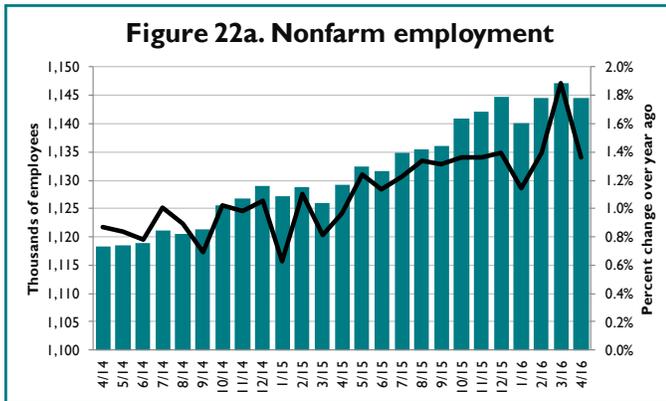
Compared to one year ago Trade, Transportation, and Utilities added 4,300 jobs, the most among all industries in the state. The largest percentage increase in employment among all industries in the state occurred in Educational Services, which rose 7.6 percent over the last twelve months. Mining and Logging continued to experience the largest decline in employment among all sectors in the state in April compared to one year ago, down by 800 jobs. Mining and Logging maintained the largest percentage decrease in employment for the month compared to one year ago of 9.6 percent.

**Table 2. Change in Mississippi employment by industry, April 2016**

	Relative share of total <sup>a</sup>	April 2016	March 2016	April 2015	Change from March 2016		Change from April 2015	
					Level	Percent	Level	Percent
Total Nonfarm	100.0%	1,144,500	1,147,100	1,129,100	▼2,600	▼0.2%	▲15,400	▲1.4%
Mining and Logging	0.7%	7,500	7,500	8,300	◀0	◀0.0%	▼800	▼9.6%
Construction	4.1%	46,200	47,600	46,200	▼1,400	▼2.9%	◀0	◀0.0%
Manufacturing	12.6%	144,400	143,200	141,100	▲1,200	▲0.8%	▲3,300	▲2.3%
Trade, Transportation, & Utilities	19.9%	228,700	230,800	224,400	▼2,100	▼0.9%	▲4,300	▲1.9%
Retail Trade	12.2%	141,100	142,200	137,700	▼1,100	▼0.8%	▲3,400	▲2.5%
Information	1.2%	13,300	13,600	13,400	▼300	▼2.2%	▼100	▼0.7%
Financial Activities	3.8%	42,900	43,300	43,600	▼400	▼0.9%	▼700	▼1.6%
Services	36.3%	416,100	415,200	408,600	▲900	▲0.2%	▲7,500	▲1.8%
Professional & Business Services	9.2%	103,800	102,800	103,500	▲1,000	▲1.0%	▲300	▲0.3%
Educational Services	1.1%	12,700	12,700	11,800	◀0	◀0.0%	▲900	▲7.6%
Health Care & Social Assistance	11.1%	128,000	128,100	125,600	▼100	▼0.1%	▲2,400	▲1.9%
Arts & Entertainment	1.0%	11,400	11,600	11,100	▼200	▼1.7%	▲300	▲2.7%
Accommodation and Food Services	10.4%	120,600	120,700	116,900	▼100	▼0.1%	▲3,700	▲3.2%
Other Services	3.5%	39,600	39,300	39,700	▲300	▲0.8%	▼100	▼0.3%
Government	21.5%	245,400	245,900	243,500	▼500	▼0.2%	▲1,900	▲0.8%

<sup>a</sup>Relative shares are for the most recent twelve-month average. Source: U.S. Bureau of Labor Statistics

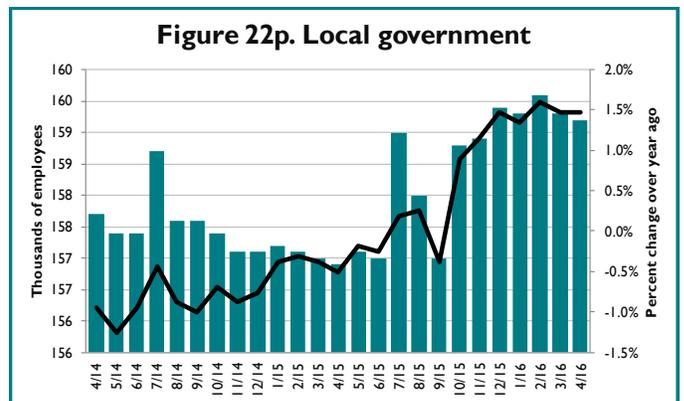
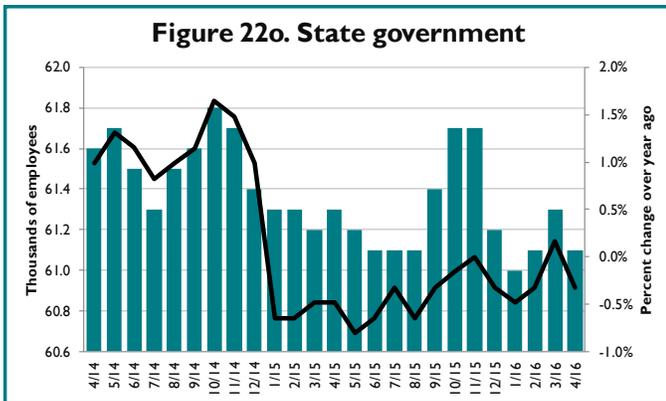
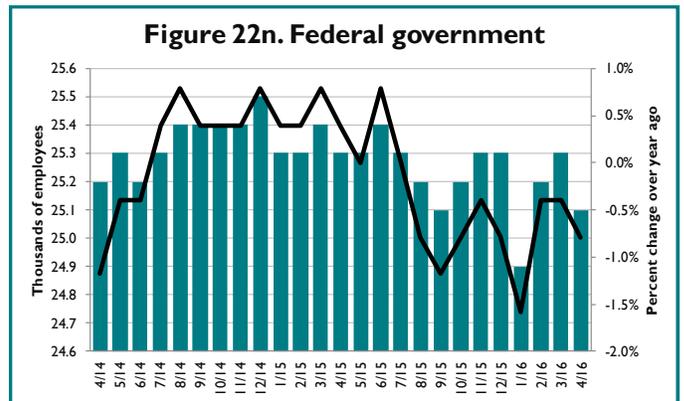
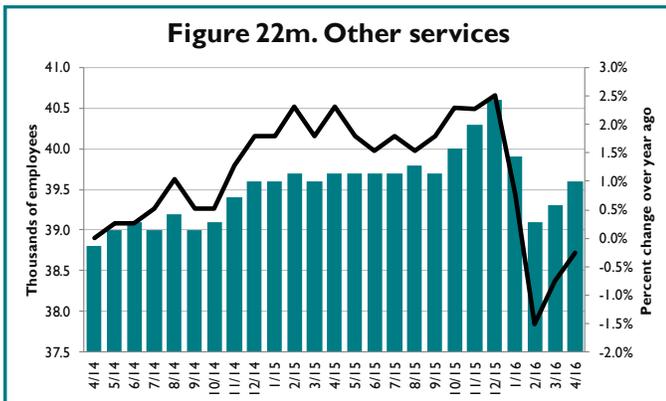
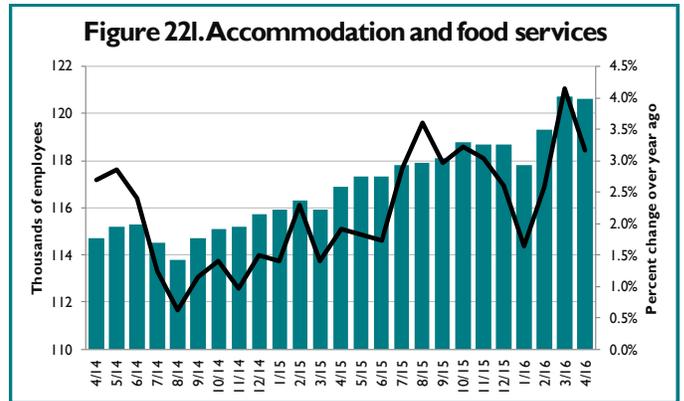
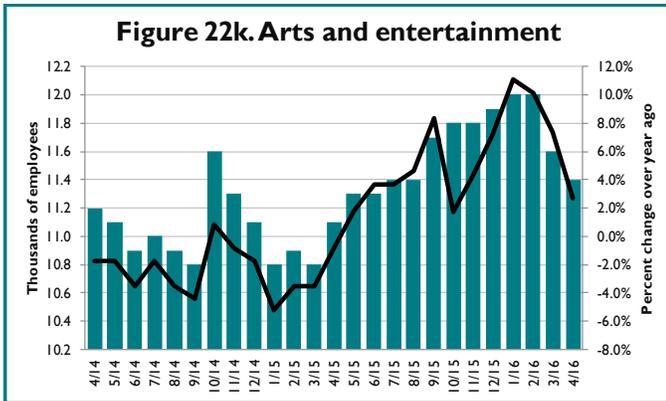
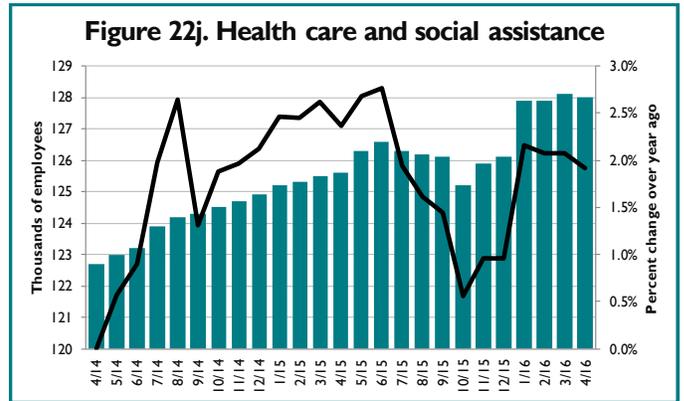
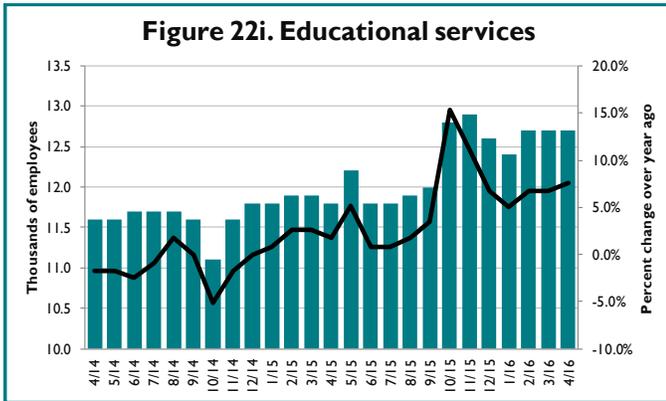
# MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

MISSISSIPPI'S BUSINESS

MISSISSIPPI EMPLOYMENT TRENDS BY SECTOR, IN FIGURES (CONTINUED)



Source: U.S. Bureau of Labor Statistics (all figures); seasonally adjusted

## CHANGING WORKFORCE DEVELOPMENT POLICIES

The Federal Reserve Banks of Atlanta and Kansas City recently released a report on transforming workforce development policies in the 21st century. The report contains chapters from nearly 70 contributors in business, government, and academia. Below are key points from two of the chapters on workforce policy and continuing education.

One of the changing characteristics of employment in the 21st century is the emergence of the so-called “gig economy.” A report in 2012 determined that 44 percent of those employed in the U.S. describe themselves as “free agents.” These individuals do not work full-time for a permanent employer but instead are self-employed with their own business or perform contract or consulting work, often temporarily. One of the consequences of the higher volatility in employment has been much more long-term unemployment and underemployment than previously known. Currently, of the total number of unemployed in the U.S., 34.6 percent are considered long-term unemployed.

Despite the current relatively low U.S. unemployment rate—particularly compared to the prior recession—the number of individuals who want to work remains considerably greater than the number of jobs available. This trend unfortunately will likely persist well into the future. At the same time, however, firms continue to report open positions because managers do not believe potential candidates possess the skills needed for these jobs.

In another study from 2012 cited in the report, the study’s authors analyze a group of individuals in the U.S. they refer to as “opportunity youth.” This group consists of individuals from ages 16 to 24 who do not attend school and are not employed, which at the time of the study were believed to total 6.7 million. The authors estimated the total fiscal and social costs associated with these individuals not completing their education or becoming employed and found a potential cost to society of \$1 million per person. The total potential cost to society they found for this demographic equals \$6.3 trillion.

The estimates regarding “opportunity youth” are important given that the Georgetown Center on Education and the Workforce projects that 65 percent of all jobs in the U.S. by 2020 will require either additional training or education following high school. A considerable gap currently exists as 44 percent of those employed have earned a post-secondary degree or “market-valued” certificate.

The author of the chapter in the report on workforce development notes that higher education in the U.S. has become “the de facto workforce development system” as over 80 percent of bachelor’s degrees “have direct occupational ties.” He highlights the need for transparency between labor markets and degree programs, particularly given the five-fold increase in the number of programs of study in the last thirty years. In addition, he notes many programs with the same name differ greatly in content and therefore value. Furthermore, majors can impact future earnings more than the level of a degree. Nevertheless, he asserts “more education generally pays more,” which is particularly true based on the returns from higher-level degrees within occupations.

In summary, both chapters in the report highlight the need for greater efficiency in the education and training systems of the U.S. to produce the skilled workers employers are looking for. While the enrollment of U.S. high school graduates in various post-secondary programs is relatively high, too many of these students do not complete such programs. As a result, the U.S. continues to fall further behind other nations in the percentage of degree holders.

### FOR FURTHER READING:

Van Horn, C., Edwards, T., and Greene, T., eds. *Transforming U.S. Workforce Development Policies for the 21st Century*. 2015. Available from [https://www.kansascityfed.org/~media/files/publicat/community/workforce/transforming\\_workforcedevelopment/book/transformingworkforcedevelopmentpolicies.pdf](https://www.kansascityfed.org/~media/files/publicat/community/workforce/transforming_workforcedevelopment/book/transformingworkforcedevelopmentpolicies.pdf).

## MISSISSIPPI'S BUSINESS

### MISSISSIPPI POPULATION TRENDS

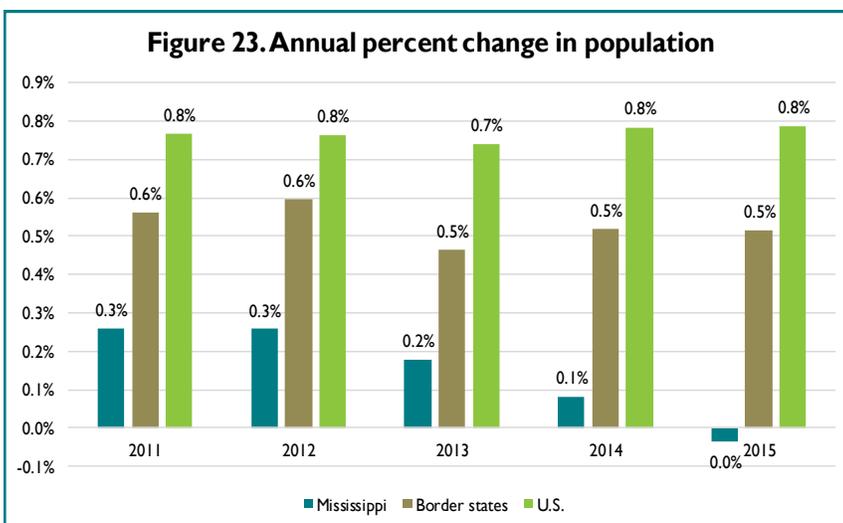
Mississippi's population has increased at a considerably lower rate than that of the U.S. and surrounding states. According to the U.S. Census Bureau Mississippi's population increased 5.1 percent between 2000 and 2015. Contrast this growth with the population of the U.S., which rose 13.9 percent from 2000 to 2015. The total populations of Alabama, Arkansas, Louisiana, and Tennessee increased by 10.4 percent from 2000 to 2015. Figure 23 below depicts the change in population for all of these areas in each of the last five years, and the trend shows few signs of reversing. In fact, since 2013 Mississippi's population growth has been essentially flat, actually falling 0.04 percent in 2015.

Economists have debated what relationship, if any, exists between population growth and economic growth for decades. The late economist and Nobel laureate Gary Becker outlined the dichotomy when he wrote, "Population may reduce productivity because of traditional diminishing returns from more intensive use of land and other natural resources. However, larger populations encourage greater specialization and increased investments in knowledge, mediated in part through bigger and more important cities." Thus, according to Becker, population growth has the potential to both constrain and stimulate an economy. One emerging concern among the economies of developed nations that are experiencing slower rates of population growth due to declining birth rates is a fall in productivity. Japan, for example, has grappled with an at-best stagnant economy since the early 1990s as it faces not merely a decline in population growth but an aging population that is actually shrinking.

In a regional context, population growth is considered somewhat differently, as the nation's rate can increase considerably while individual areas can experience decline. In the U.S., over the past fifteen to twenty years the South and West have grown at faster rates while the Northeast has grown more slowly. At the same time, the economies of the South and West regions have expanded at relatively higher rates than the rest of the country. Did the relatively faster growth in population result in higher economic growth for these regions or vice versa? Economists debate questions such as these, although some analysts note that population growth can be reinforcing.

What about the relatively low population growth in Mississippi compared to neighboring states? In terms of cause-and-effect, the lack of population growth likely stems from the historical lack of economic growth in the state; over time the state's economy has grown at lower rates than the region or nation. Other factors—not entirely unrelated—likely contribute to the slow population growth as well, such as the absence of a relatively large urban center or centers in

Mississippi. Thus, while population growth may not necessarily represent an economic goal in itself, it can serve as a sign of achieving other desirable outcomes. Perhaps a good recommendation comes from economist Alan Randall, writing about the challenges of rural areas: "Given that remoteness is exogenous in the short- to medium-run, the most promising strategies seek to generate a regional advantage in performance of high-value work, and involve long-term, sustained focus on education, infrastructure, quality of life, and favorable economic and fiscal policies."



Source: U.S. Census Bureau