**What’s behind Greater Minnesota’s economic recovery?**

<p>The Twin Cities metro area is Minnesota’s economic engine, <a href="http://www.startribune.com/metro-vs-outstate-which-counties-pay-most-taxes-and-which-get-most-aid/300965791/" target="new\_">providing most of the state’s tax revenue</a>, while Greater Minnesota has tended to lag behind, an example of the <a href="http://www.startribune.com/data-reveals-sharp-divide-between-twin-cities-rest-of-the-state/360017421/" target="new\_">urban and rural divide</a> that played a pronounced political role in the 2016 election.</p>

<p>But per usual with economics, things aren’t always so cut-and-dried, especially when delving more deeply into the data, which suggests that some regions of the state – particular those westward -- grew at faster rates than the metro area since the recession on metrics like jobs and income.</p>

**<p>QUOTE</p>**

<p>For instance, a Star Tribune analysis shows personal income – the amount of money an individual makes after taxes – increased an average of 12 percent both statewide and the metro since the end of the Great Recession in 2009, while growing slightly faster at 16 percent in outstate Minnesota.</p>

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<p>When mapping this out county-by-county, we can see places like Swift County showing a 30 percent jump in per capita personal income, while Kittson, Stevens and Red Lake saw growth of 20 percent or more.</p>

<p>In the metro, per capita income in Ramsey County grew more slowly with an 8 percent increase over the time period, while Hennepin rested at about the state average.</p>

<style type="text/css">.dataframe2 { height:550px;} @media only screen and (min-width: 200px) and (max-width: 767px) { .dataframe2 { height:560px; }}</style><div class="embed"><iframe class="dataframe2" src="http://datadrop-dev.startribune.com/20170712-mnrecovery/builds/production/?chart=personal" border="0" frameborder="0" scrolling="no" width="100%" height="550"></iframe></div>

<p>When measuring personal income per capita, demographics could affect it in a few ways. One factor could be age, as younger people tend to make less money, and counties in Greater Minnesota are older on average. Another could be migration, with lower-income families from other states or counties flocking to the Twin Cities.</p>

<p>So checking median household income over time can help parse income change a little bit better, and turns out to reveal similar trends, with 47 outstate counties showing growth at or above the statewide percent change since 2009 of 3 percent.</p>

<style type="text/css">.dataframe3 { height:520px;} @media only screen and (min-width: 200px) and (max-width: 767px) { .dataframe3 { height:545px; }}</style><div class="embed"><iframe class="dataframe3" src="http://datadrop-dev.startribune.com/20170712-mnrecovery/builds/production/?chart=household" border="0" frameborder="0" scrolling="no" width="100%" height="520"></iframe></div>

<p>Median household income in four of seven metro area counties grew slightly more slowly than the state average from 2009 to 2015, including Hennepin, and was actually down in Anoka and Scott.</p>

<p>Pushing the analysis up from counties to regions shows an even clearer picture, with the Twin Cities resting just below the state average and nearly every outstate region either matching or surpassing it, with the exception of Southern Minnesota.</p>

<div class="embed"><iframe class="dataframe4" src="http://datadrop-dev.startribune.com/20170712-mnrecovery/builds/production/?chart=region" border="0" frameborder="0" scrolling="no" width="100%" height="450"></iframe></div>

<p>“The impact of the recession was different in different parts of the state,” said Allison Liuzzi, director of Minnesota Compass, adding that tough times have necessitated economic changes in some places

.</p>

<p> Income growth was particularly strong in western Minnesota since 2009, likely connected to what’s going on in North Dakota. Fargo in particular has seen population and economic growth in recent years, Liuzzi said, which in part may have affected how some Minnesota counties weathered the recession.</p>

<p>And since income is a metric closely tied to other economic indicators, it’s not surprising that unemployment rates often dropped significantly in some outstate counties and available jobs increased.</p>

<div class="embed"><iframe class="dataframe6" src="http://datadrop-dev.startribune.com/20170712-mnrecovery/builds/production/?chart=jobs" border="0" frameborder="0" scrolling="no" width="100%" height="430"></iframe></div>

<p>These kinds of bright spots in rural economic growth haven’t gone unnoticed. <a href="http://www.naco.org/sites/default/files/documents/County\_Economic\_Tracker2014-FINAL.pdf" target="new\_">A 2015 report</a> from the National Association of Counties showed that of the eight Minnesota counties that had recovered from the recession, all of them were in the western part of the state.</p>

<p>Since then, the most <a href="http://www.naco.org/resources/county-economies-2016-widespread-recovery-slower-growth" target="new\_">recent iteration</a> of that report shows nearly 25 percent of county economies nationwide closed their unemployment gaps in 2016, mostly in smaller counties with fewer than 50,000 residents.</a>

<p>And while job growth rates slowed from 2015 to 2016, the only Minnesota counties to grow jobs faster were <a href="http://explorer.naco.org/index.html?dset=County%20Economies&ind=Employment%20Growth%202016%20vs%202015&external=true" target="new\_">six in the northern and southwestern parts of the state</a>. A similar phenomenon is seen in wages, with most Minnesota counties showing faster growth rates the last couple years, while Hennepin, Dakota and Scott counties in the metro grew more slowly, fitting a national pattern for areas with more than 500,000 people.</p>

**<p>QUOTE</p>**

<p>Though every region has its own story to tell, possible explanations from experts for Greater Minnesota’s recovery include wider age ranges among the workforce in rural counties, aging rural populations, some profitable years for the energy, agricultural and manufacturing industries in various regions and the migration of those with lower incomes into the Twin Cities.</p>

<p>The NACo report also sheds additional light on some political realities related to the last election as a majority of counties that swung from Democrat in 2012 to voting for Donald Trump in 2016 had weak job recoveries.</p>

<p>But in Minnesota, weak job recoveries were only the case for about half the 19 counties Trump swayed into the red column during the presidential election, <a href="http://www.startribune.com/13-takeaways-from-the-presidential-election-in-minn-nationwide/400722341/?refresh=true" target="new\_">according to the report</a>, and many saw income growth above the state average as well.</p>

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<p>A notable economic chasm still exists between the Twin Cities and regions beyond. But when taking a closer look, it seems some regions of Greater Minnesota have effectively weathered the storms of recession.</p>

**<p>QUOTE</p>**