Center for Economic & Business
Research
Donald L. Harrison College of
Business

*S*OUTHEAST *M*ISSOURI **B**USINESS **I**NDICATORS

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C O N T E N T S

Executive Summary

First quarter growth in Gross Domestic Product remained anemic at 1.0%. Given unfavorable trends (credit difficulties, rising energy, housing problems), the economy's growth will continue to falter in the next quarter and perhaps longer. Unemployment has risen, while inflation is still a concern.

Southeast Missouri saw employment decline under the weight of seasonal factors. Over the past year, employment has risen and personal income growth remains strong.

Southeast Missouri Business Indicators

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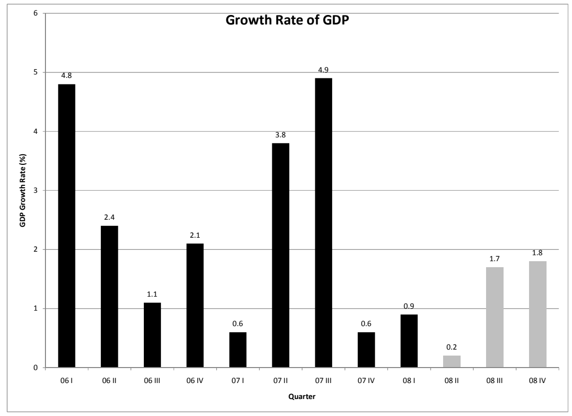
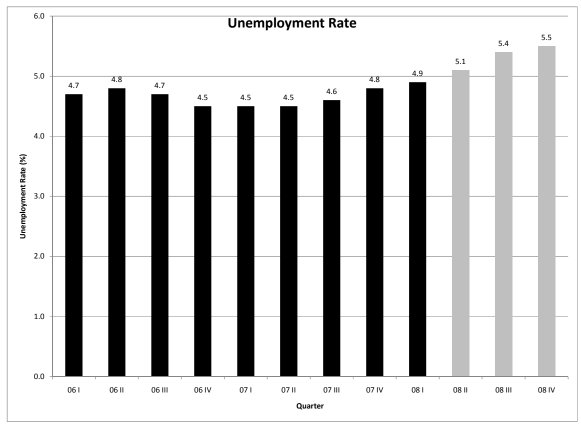
Recession?



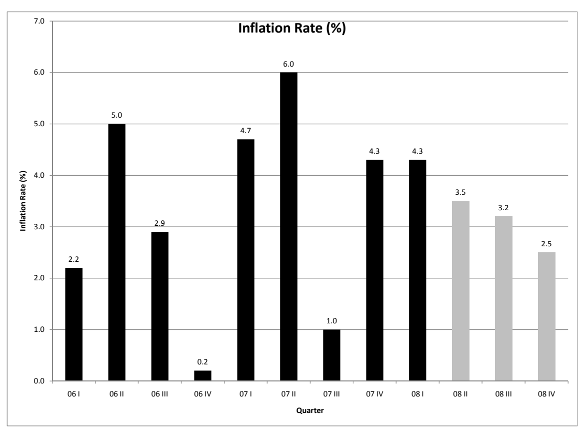
The consumer is being buffeted from many sides today: ring prices of gasoline and food, falling home prices, stagnating incomes, rising unemployment. One has to go back to the early 1970s to find a similar period of uncertainty and economic unease.

Economic growth in the first quarter of 2008 was barely higher than that of the final quarter of 2007: 1.0% (average annual rate). Forecasters see even slower growth in the second quarter (0.2%), before we finally will experience some recovery in the last half of the year (close to an average annual rate of 2%). For the entire year, growth in 2008 will barely reach 1%.

So we must be in a recession, right? Technically, the numbers do not point to a recession, which requires negative growth of Gross Domestic Product (GDP), our nation's production of goods and services, for two consecutive quarters. While we may not technically be in a recession, it sure feels like it to a lot of people.

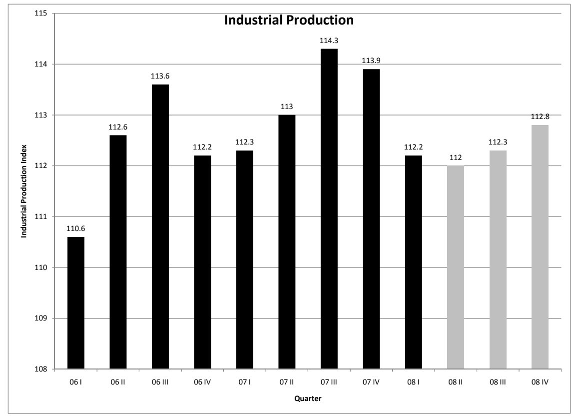


Given the tepid economic performance of the last two quarters, the unemployment rate in May zoomed to 5.5%. However, even that number could be a bit deceptive since the unemployment rate is a lagging indicator in the economy; that is, it tends to fall only after the economy's growth rate has slowed down and then to rise even after the economy has picked up in other areas.

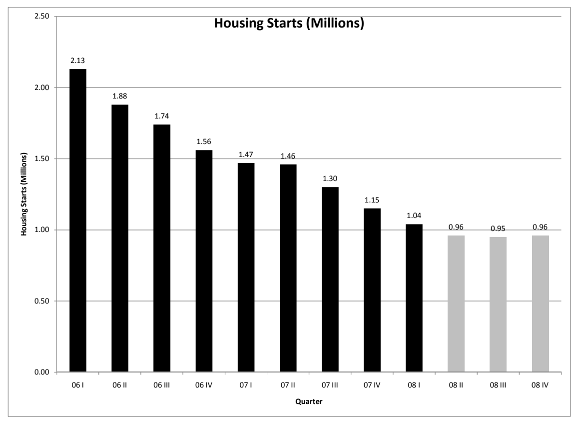


The inflation rate (as measured by the growth of in the Consumer Price Index) has crept into uncomfortable territory. For the last two quarters, under the pressure of rising energy and food prices, inflation has been running at nearly 4% per year (average annual rate). Given that food and energy prices are likely to continue their upward march, inflation is likely to remain above 3% for the year.

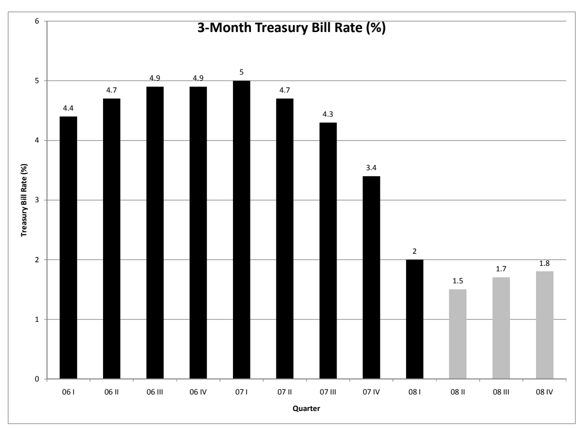
Industrial production slipped a bit in the first quarter, another reflection of the slowing economy. However, given the still weak dollar abroad, exports should help to keep industrial production growing throughout the year.



Such cannot be said for the housing market. Housing starts have fallen in half to about one million new units per year (compared to an average annual rate of over 2 million units just two years ago). Housing prices have fallen steeply (over 14% from a year ago) and the end is not yet in sight. Most analysts see little chance of a recovery in the sector until 2009. The falling prices have helped in at least one respect as buyers are starting to show more interest in returning to the market.



Short-term interest rates have fallen to around two percent as the Federal Reserve System has aggressively lowered its target interest rate. While it can take 6-9 months, lower interest rates usually work their magic on the economy, encouraging consumers and businesses to increase their borrowing and, therefore, their spending. Lower interest rates, coupled with the tax rebates that have been given to consumers in May, should set the stage for the economy to recover in the second half of the year. But even with recovery, some problems are likely to take longer to resolve: the housing sector woes, rising food and energy prices, sluggish labor market.



Growth Begins to slow in Southeast Missouri

The slowing national economy is starting to be reflected in southeast Missouri. Employment fell in the first quarter of 2008. While some of the decline is due to seasonal factors that normally cause a fall in employment this time of the year, we also find that year over year, employment is about 4,000 less in 2008.1 versus 2007.1. In addition, the unemployment rate increased to 6.9% in the first three months of 2008, which is 1.5 percentage points higher than in the previous quarter. The evidence from the labor market is fairly clear: the local economy is not creating sufficient jobs to keep unemployment from rising, an indication of some slowdown.

In the same vein, there has also been a slowdown in the growth of personal income. Personal income is mainly driven by employment and wage increases. Given the softer labor market, personal income growth has eased a bit from the 5-6% range to something in the 4-5% range. In 2007, personal income in southeast Missouri grew about 5.6%. In 2008, the increase is likely to be about one percentage point less. However, counties that are dependent on agriculture for a large part of their income (such as in the Bootheel) may see bigger jumps in personal income as higher food prices translate into higher revenue and, therefore, more income for farmers.

There was a problem with the fourth quarter sales tax numbers, making it impossible to estimate retail sales numbers for that quarter. It is hoped that this will be corrected for the next newsletter. However, the first quarter numbers for retail sales are indicative of a slowing economy as well. The year-over-year change (first quarter, 2007 to first quarter, 2008) is almost zero (0.3%). In the face of falling incomes and slowing growth in personal income, it seems unlikely that retail sales will be able to eke out much more than a modest gain of 1-2% in most counties in 2008. Until the economy shows a definite turn toward faster growth, people will likely remain cautious about their spending.

With respect to residential construction, only a few places in southeast Missouri report monthly on building permits. In the city of Cape Girardeau, building permits have fallen in the first five months of the year from 52 units in 2007 to 33 units in 2008, with a corresponding fall in the value of the permits from $11.9 million to $4.7 million. In Jackson, permits in the first five months have risen from 25 to 33 units with an increase in the value from $3.2 million to $4.4 million.

In Jefferson County, Hillsboro has seen its building permits rise from 9 to 23 units ($637,000 to $2.0 million) while Festus has seen its permits fall from 36 to 20 ($2.9 million to $2.0 million) in the first five months of 2008 as compared to the same period in 2007.

The impression from these data is that while there has been some slowdown in construction in some areas, other areas have actually seen residential construction rise, making it difficult to reach a general conclusion.

Southeast Missouri Summary

	2006 IV	2007 I	2007 II	2007 III	2007 IV	2008 I
Bollinger						
Employment	5,910	5,881	5,956	5,799	5,902	5,951
Change (%)	3.2	-0.5	1.3	-2.6	1.8	0.8
Unemployment (%)	5.0	5.7	4.3	4.9	5.2	6.5
Personal Income	281,677	287,367	290,997	295,635	298,816	303,887
Change (%)	5.1	5.5	5.4	6.4	6.1	5.7
Retail Sales	13,108	15,806	16,084	15,437	13,587	15,949
Last 4 Quarters	59,189	60,003	60,831	60,435	60,914	61,057
Butler						
Employment	19,982	19,655	19,937	19,828	19,568	19,324
Change (%)	-2.6	-1.6	1.4	-0.6	-1.3	-1.3
Unemployment (%)	6.0	7.0	6.3	6.6	6.4	6.6
Personal Income	1,187,451	1,201,387	1,210,199	1,224,473	1,233,765	1,249,705
Change (%)	3.8	3.5	3.0	4.0	3.9	4.0
Retail Sales	130,371	146,507	146,943	141,055	140,155	145,546
Last 4 Quarters	559,031	566,509	567,545	564,876	574,660	573,699
Cape Girardeau						
Employment	39,499	39,302	39,802	38,754	39,444	39,970
Change (%)	3.2	-0.5	1.3	-2.6	1.8	1.3
Unemployment (%)	3.5	4.1	3.8	4.2	4.1	4.6
Personal Income	2,187,610	2,238,507	2,269,542	2,309,975	2,333,785	2,380,910
Change (%)	4.9	5.8	5.8	6.9	6.7	6.4
Retail Sales	296,007	338,446	330,377	317,947	301,871	334,307
Last 4 Quarters	1,228,614	1,246,212	1,266,184	1,282,776	1,288,641	1,284,502
Carter						
Employment	2,822	2,568	2,701	2,830	2,690	2,421
Change (%)	-1.8	-9.0	5.2	4.7	-4.9	-10.0
Unemployment (%)	6.1	7.3	5.8	5.8	6.3	8.9
Personal Income	139,568	142,520	144,197	146,797	148,744	150,072
Change (%)	6.0	6.2	6.0	6.8	6.3	5.3
Retail Sales	8,972	9,134	11,294	11,780	10,011	9,381
Last 4 Quarters	40,891	40,348	41,308	41,180	42,219	42,466
Crawford						
Employment	11,208	11,286	11,505	11,281	11,182	11,019
Change (%)	-2.8	0.7	1.9	-1.9	-0.9	-1.5
Unemployment (%)	5.9	7.2	6.3	7.2	7.2	8.7
Personal Income	632,467	645,258	653,318	663,637	670,722	680,223
Change (%)	4.8	5.2	5.2	6.2	5.9	5.4
Retail Sales	45,520	47,677	46,518	54,694	43,864	44,945
Last 4 Quarters	193,389	195,610	192,975	194,679	192,753	190,021

(Note: Personal Income & Retail Sales are in thousands of dollars.)

	2006 IV	2007 I	2007 II	2007 III	2007 IV	2008 I
Dent						
Employment	6,216	6,162	6,300	6,085	6,215	6,059
Change (%)	0.5	-0.9	2.2	-3.4	2.1	-2.5
Unemployment (%)	5.8	6.7	6.0	7.0	7.2	8.4
Personal Income	356,447	363,740	368,183	374,255	378,039	382,590
Change (%)	5.0	5.4	5.4	6.5	6.1	5.2
Retail Sales	34,228	37,660	37,892	36,093		37,762
Last 4 Quarters	147,995	151,186	149,870	145,873		
Dunklin						
Employment	13,601	13,276	13,318	12,797	12,894	12,831
Change (%)	2.6	-2.4	0.3	-3.9	0.8	-0.5
Unemployment (%)	6.5	8.2	7.8	8.1	7.9	8.4
Personal Income	801,013	819,731	830,063	845,739	853,112	857,986
Change (%)	4.9	5.3	5.5	6.5	6.3	4.7
Retail Sales	NA	NA	NA	NA	NA	NA
Last 4 Quarters	NA	NA	NA	NA	NA	NA
Franklin						
Employment	50,069	49,378	49,968	49,831	49,487	48,420
Change (%)	0.1	-1.4	1.2	-0.3	-0.7	-2.2
Unemployment (%)	4.9	5.8	5.2	6.1	5.0	7.6
Personal Income	3,090,873	3,148,011	3,185,280	3,234,674	3,270,558	3,321,180
Change (%)	4.8	5.2	5.2	6.2	5.8	5.5
Retail Sales	244,137	262,472	280,621	279,406	267,742	271,654
Last 4 Quarters	1,038,706	1,054,435	1,065,912	1,066,636	1,090,241	1,099,423
Gasconade						
Employment	7,811	7,725	7,750	7,486	7,543	7,505
Change (%)	2.0	-1.1	0.3	-3.4	0.8	-0.5
Unemployment (%)	4.6	5.4	5.2	6.3	5.2	7.9
Personal Income	416,627	423,883	428,200	435,196	439,190	442,137
Change (%)	3.9	4.1	4.1	5.4	5.4	4.3
Retail Sales	41,793	43,363	43,552	44,351	42,701	42,181
Last 4 Quarters	165,527	172,006	173,607	173,059	173,967	172,785
Iron						
Employment	4,771	4,940	5,194	5,208	5,575	5,793
Change (%)	2.7	3.5	5.1	0.3	7.0	3.9
Unemployment (%)	5.1	5.8	5.0	5.3	4.7	5.4
Personal Income	242,372	246,452	248,276	251,812	252,149	253,126
Change (%)	4.6	4.8	4.3	5.0	4.0	2.7
Retail Sales	16,011	18,004	18,396	20,026	15,901	17,172
Last 4 Quarters	65,902	69,505	69,419	72,437	72,327	71,495

(Note: Personal Income & Retail Sales are in thousands of dollars.)

	2006 IV	2007 I	2007 II	2007 III	2007 IV	2008 I
Jefferson						
Employment	111,250	109,716	111,025	110,722	109,957	107,586
Change (%)	0.1	-1.4	1.2	-0.3	-0.7	-2.2
Unemployment (%)	4.5	5.5	4.9	5.4	4.7	6.9
Personal Income	6,400,354	6,507,723	6,584,701	6,692,009	6,777,436	6,868,336
Change (%)	5.2	5.5	5.4	6.4	5.9	5.5
Retail Sales	451,010	509,214	538,713	539,456	494,075	520,132
Last 4 Quarters	2,015,286	2,031,343	2,032,022	2,038,393	2,081,458	2,092,376
Madison						
Employment	5,725	5,680	5,728	5,688	5,680	5,618
Change (%)	2.1	-0.8	0.9	-0.7	-0.1	-1.1
Unemployment (%)	5.0	6.0	5.3	5.7	5.6	6.5
Personal Income	274,550	279,670	283,147	287,569	291,491	293,423
Change (%)	5.0	5.3	5.1	6.6	6.2	4.9
Retail Sales	23,504	25,170	27,823	25,394	22,858	28,100
Last 4 Quarters	97,973	99,148	101,223	101,891	101,245	104,175
Mississippi						
Employment	5,553	5,471	5,591	5,420	5,498	5,393
Change (%)	2.2	-1.5	2.2	-3.1	1.5	-1.9
Unemployment (%)	6.2	6.5	6.2	7.0	6.5	6.9
Personal Income	310,492	314,051	318,247	322,435	325,034	328,480
Change (%)	3.8	3.9	4.1	4.8	4.7	4.6
Retail Sales	19,169	22,069	23,255	26,362	20,587	23,449
Last 4 Quarters	84,775	86,827	88,734	90,855	92,273	93,653
New Madrid						
Employment	8,062	8,371	8,395	8,100	8,813	8,373
Change (%)	0.6	3.8	0.3	-3.5	8.8	-5.0
Unemployment (%)	6.4	7.0	6.6	7.1	6.4	7.3
Personal Income	468,938	478,211	484,777	494,127	500,118	509,209
Change (%)	3.0	3.8	4.5	6.4	6.2	6.5
Retail Sales	69,044	75,335	75,540	70,075	69,518	75,573
Last 4 Quarters	293,225	292,434	293,810	289,994	290,468	290,706
Pemiscot						
Employment	7,631	7,623	7,640	7,381	7,633	7,430
Change (%)	1.9	-0.1	0.2	-3.4	3.4	-2.7
Unemployment (%)	5.8	6.6	6.1	7.0	6.7	7.4
Personal Income	458,026	469,068	473,838	492,343	472,013	474,132
Change (%)	2.8	3.2	4.1	5.7	3.1	1.1
Retail Sales	32,340	38,066	46,601	37,212	33,214	37,297
Last 4 Quarters	139,346	144,320	154,653	154,219	155,093	154,324

(Note: Personal Income & Retail Sales are in thousands of dollars.)

	2006 IV	2007 I	2007 II	2007 III	2007 IV	2008 I
Perry						
Employment	10,199	10,081	10,025	9,986	9,948	10,016
Change (%)	0.6	-1.2	-0.6	-0.4	-0.4	0.7
Unemployment (%)	3.2	3.8	3.6	4.2	3.9	4.7
Personal Income	487,743	496,924	502,344	509,728	515,106	520,064
Change (%)	4.8	5.2	5.0	6.0	5.6	4.6
Retail Sales	54,497	59,823	59,976	59,323	53,837	58,273
Last 4 Quarters	226,505	231,563	233,331	233,619	232,959	231,409
Reynolds						
Employment	2,403	2,373	2,590	2,426	2,369	2,366
Change (%)	-2.8	-1.2	9.1	-6.3	-2.3	-0.1
Unemployment (%)	6.8	7.4	5.9	6.7	7.7	8.8
Personal Income	153,046	156,042	157,928	160,345	162,003	163,698
Change (%)	4.8	5.2	5.2	6.2	5.9	4.9
Retail Sales	NA	NA	NA	NA	NA	NA
Last 4 Quarters	NA	NA	NA	NA	NA	NA
Ripley						
Employment	6,319	6,210	6,234	6,016	6,229	5,975
Change (%)	3.4	-1.7	0.4	-3.5	3.5	-4.1
Unemployment (%)	5.9	6.5	6.4	7.2	6.7	7.4
Personal Income	284,973	291,169	295,126	299,597	303,501	305,655
Change (%)	5.5	5.8	5.6	6.5	6.1	5.0
Retail Sales	NA	NA	NA	NA	NA	NA
Last 4 Quarters	NA	NA	NA	NA	NA	NA
Scott						
Employment	19,575	18,884	19,267	18,847	18,415	18,873
Change (%)	0.8	-3.5	2.0	-2.2	-2.3	2.5
Unemployment (%)	5.9	5.9	5.3	5.9	6.0	6.6
Personal Income	1,120,833	1,142,386	1,152,902	1,168,584	1,177,861	1,184,180
Change (%)	4.4	4.9	4.6	5.5	5.1	3.7
Retail Sales	76,347	85,967	105,050	87,791	79,418	85,468
Last 4 Quarters	328,781	337,959	358,967	355,391	358,226	357,727
Ste. Genevieve						
Employment	9,326	9,253	9,455	9,498	9,361	9,341
Change (%)	-0.7	-0.8	2.2	0.5	-1.4	-0.2
Unemployment (%)	4.3	5.2	4.4	4.8	4.5	6.0
Personal Income	484,308	492,993	498,741	505,558	509,585	514,974
Change (%)	4.1	4.5	4.5	5.6	5.2	4.5
Retail Sales	36,211	38,846	43,195	40,844	37,427	38,983
Last 4 Quarters	155,210	157,885	161,289	159,096	160,312	160,449

(Note: Personal Income & Retail Sales are in thousands of dollars.)

	2006 IV	2007 I	2007 II	2007 III	2007 IV	2008 I
St. Francois						
Employment	26,626	27,241	27,786	27,467	27,398	27,543
Change (%)	1.1	2.3	2.0	-1.2	-0.3	0.5
Unemployment (%)	5.5	6.0	5.3	5.9	5.8	7.1
Personal Income	1,484,367	1,517,195	1,540,622	1,568,276	1,589,367	1,621,063
Change (%)	5.4	5.9	6.0	7.3	7.1	6.8
Retail Sales	161,573	173,091	184,315	180,197	163,750	173,118
Last 4 Quarters	684,317	688,230	692,811	699,176	701,353	701,380
Stoddard						
Employment	14,881	14,598	14,697	14,225	14,252	14,401
Change (%)	1.2	-1.9	0.7	-3.2	0.2	1.0
Unemployment (%)	5.6	6.9	5.9	6.3	6.3	7.6
Personal Income	756,850	772,592	781,570	793,399	800,358	803,301
Change (%)	5.2	5.4	5.1	6.0	5.5	4.0
Retail Sales	58,864	68,539	70,534	67,776	55,572	65,026
Last 4 Quarters	255,518	262,712	263,701	265,713	262,421	258,908
Washington						
Employment	9,213	9,085	9,194	9,169	9,105	8,909
Change (%)	0.1	-1.4	1.2	-0.3	-0.7	-2.2
Unemployment (%)	8.6	9.6	7.6	8.0	7.6	11.0
Personal Income	519,566	530,798	538,025	546,911	553,001	560,308
Change (%)	5.4	5.8	5.7	6.8	6.4	5.6
Retail Sales	33,773	39,757	39,111	39,485	35,427	37,676
Last 4 Quarters	146,632	151,210	152,099	152,126	153,780	151,699
Wayne						
Employment	5,348	5,274	5,324	5,251	5,191	4,879
Change (%)	0.8	-1.4	0.9	-1.4	-1.1	-6.0
Unemployment (%)	6.5	7.4	6.6	6.9	7.0	7.7
Personal Income	285,662	291,976	296,156	301,353	305,082	310,699
Change (%)	5.7	6.0	5.9	7.0	6.6	6.4
Retail Sales	19,728	22,041	24,414	24,172	20,652	21,253
Last 4 Quarters	86,914	88,519	90,080	90,355	91,279	90,491
Southeast Missouri						
Employment	404,000	400,057	402,382	400,095	400,349	395,996
Change (%)	0.8	-1.0	0.6	-0.6	0.1	-1.1
Unemployment (%)	5.0	5.9	5.3	5.9	5.4	6.9
Personal Income	22,825,913	23,257,554	23,536,379	23,924,427	24,160,836	24,479,638
Change (%)	4.5	5.2	5.2	6.2	5.8	5.2
Retail Sales	1,866,207	2,076,795	2,170,204	2,118,876	1,960,001	2,083,245
Last 4 Quarters	8,013,795	8,128,044	8,210,371	8,232,779	8,325,876	8,332,326

(Note: Personal Income & Retail sales are in thousands of dollars.)

Economic Development Administration Grant: Report of Activities

The Center for Economic and Business Research (CEBR) is completing the first year of activities funded in part by a grant from the Economic Development Administration of the United States Department of Commerce. Due to the $85,000 grant, the CEBR was able to expand its services to the southeast Missouri region.

Some of the activities funded by the grant included a Geographic Information Systems workshop in Dexter, MO in February. The workshop was co-sponsored with the Bootheel and Ozark Foothills Regional Planning Commission and attracted about 50 participants. The CEBR also co-sponsored (with the Bootheel and Southeast Missouri Regional Planning Commissions, Southeast Missouri Economic Development Alliance, University of Missouri Extension) a workshop on the "Fundamentals of Economic Development" in May on the campus of Southeast Missouri State University. Approximately 50 people attended the workshop.

The CEBR also sponsored a Research Conference in April on the campus of Southeast Missouri State U. Six faculty members presented the results of their research on the southeast Missouri region. Topics included regional clusters, banking, efficiency in production, local tax revenues, educational attainment and income inequality, and the southeast Missouri labor force. Summaries of the presentations were included in the Spring 2008 newsletter of the CEBR. (Note: past newsletters are available at the CEBR website: **http://www6.semo.edu/cebr**).

The CEBR also started a program to profile a southeast Missouri city in each issue of its quarterly newsletter. Thus far, Sikeston, Fredericktown and Ste. Genevieve have been profiled. This summer, the CEBR has embarked on a project to identify regional clusters of economic activity in the counties of southeast Missouri. This project will help to give a better understanding of the region and its likely future development. The first seven counties to be studied will be featured in the Fall 2008 newsletter.

Other activities included some economic impact studies, presentations to chambers of commerce and economic development organizations, and numerous media interviews. As can be seen, the grant provided by the EDA has been instrumental in allowing the CEBR to expand and improve its service to the southeast Missouri region.

Sainte Genevieve:
A Passion for History

The county seat of Ste. Genevieve county, charming and historic Ste. Genevieve is located along the Mississippi River about five miles east of I-55, approximately an hour south of St. Louis. In 2008, Ste. Genevieve was named one of a "Dozen Distinctive Destinations" by the National Trust for Historic Preservation, only the second city in Missouri to be awarded this honor.

Settled by French Canadians in the 1740s, Ste. Genevieve was part of French-held territory in North America at that time known as "Illinois Country." The village is the oldest permanent settlement in Missouri. Following the French and Indian War, France ceded its land holdings east of the Mississippi River to England, leading to an influx of more French people into Ste. Genevieve after 1763. Although France also ceded its land holdings west of the Mississippi River to Spain, Ste. Genevieve retained its French heritage and culture. In 1803, the Louisiana Purchase made Ste. Genevieve part of the United States and encouraged the movement of diverse groups of people into the area.

These events influenced the mix of architecture found in Ste. Genevieve today. Historic Ste. Genevieve is home to the largest concentration of French colonial style buildings remaining in America, dating from the late eighteenth to early nineteenth centuries. A remarkable feature is the construction of the walls – vertical log posts in the ground (*poteaux en terre*) or vertical log posts on a stone foundation (*poteaux sur sole*). An example of the *poteaux en terre* construction is the Bauvais-Amoureux House, part of the Felix Vallé State Historic Site. The Bolduc House, a National Historic Landmark and winner of the Preserve America Presidential Award in 2005, provides an extraordinary example of *poteaux sur sole* construction, resting on a limestone foundation. Another architectural treasure is the Felix Vallé House, a "Federal-style limestone" building and also part of the Felix Vallé State Historic Site. These houses are open to the public.

Jim Baker, the site administrator for the Missouri Department of Natural Resources Felix Vallé State Historic Site, is enthusiastic about touring these historic structures. "Reading about French colonial architecture is one thing, but seeing and touching it is much more meaningful," he says. In fact, the Felix Vallé State Historic Site cosponsors the "Summer Field School" offered by Southeast Missouri State University's Historic Preservation Program, where 10-15 students each summer gain hands-on experience in historic preservation issues and the management of historic sites.

Historic Ste. Genevieve has even more to offer than its extraordinary architecture. Along its quaint streets are numerous shops offering unique gifts, antiques, restaurants, and wine tasting. In its second year, the Summer Theater provides professional theater productions at the Orris Theater. Several Bed and Breakfasts, as well as a hotel, provide overnight accommodations.

Ste. Genevieve celebrates its French cultural heritage in its many annual festivals, including the French Festival in June, the Jour de Féte in August, and French Christmas at the Felix Vallé State Historic Site in December.

In addition to its architectural history and charm, Dena Kreitler, the executive director of the Ste. Genevieve Chamber of Commerce, describes the Ste. Genevieve community as "church- oriented and a great place to raise children." Possibilities for recreation and leisure activities abound. The nearby Ste. Genevieve County Community Center boasts an aquatic center, fitness center, gym, walking track, and game room, as well as the Ozark Regional Library. North of the historic district is the 45-acre Pere Marquette Park, with a swimming pool, walking trail, playgrounds and picnic areas, and other recreational facilities – and a beautiful view of the Mississippi River. Located further north in Bloomsdale is the National Tiger Sanctuary, which cares for five sibling tigers, and is open to the public.

The Ste. Genevieve-Modoc Ferry, often referred to as the "French Connection" because of its link between Ste. Genevieve and other French colonial communities of Illinois Country, takes passengers and vehicles from Ste. Genevieve to Randolph County, Illinois. The Mississippi River Trail, a bicycle trail, enters Missouri at the Ste. Genevieve-Modoc Ferry and runs along the Mississippi River down to New Orleans.

While tourism is clearly a driving force in the Ste. Genevieve economy, other sectors provide hundreds of well-paying jobs. Natural resources originally brought settlers to the Ste. Genevieve area. These natural resources, particularly limestone, are also an important source of economic activity today. Employing over 500 workers, Mississippi Lime Company is a 100-year old limestone mining operation in Ste. Genevieve, enjoying the distinction as the largest U.S. lime producer at one location. Bloomsdale Excavating (140 employees) and Tower Rock Stone (230 employees) are other large producers along with Chemical Lime Company (52 employees).

The region has received a big economic boost from the construction of a new cement plant by Holcim, Inc. The effects of the $1 billion construction project, slated for completion in 2009, have rippled throughout the local economy, generating jobs and income. When completed, the cement plant will employ about 200 permanent workers with an annual payroll exceeding $10 million.

Given its relatively modest size, the Ste. Genevieve economy is quite diverse. Major employers include a window manufacturer (Biltbest Windows, 175 employees), a supplier of business products (National Business Products, 160 employees), an aircraft parts manufacturer (Sabreliner, 86 employees), a leather products manufacturer (Eric Scott Leathers, Ltd., 70 employees) manufacturers of vinyl products (Mecom, 60 employees; Silvanus Products, 140 employees), wineries (Crown Valley Winery, 40 employees), a grocery store (Rozier's Country Mart, 74 employees).

Ste. Genevieve is also participating in the Community Leadership Initiative sponsored by the Missouri Research Corporation under a grant from the USDA Rural Development program. The initiative focuses on educating businesspersons and community leaders in the art of entrepreneurial decision making and creative economic development. Dennis Roedmeier, CEO of Missouri Research Corporation leads the initiative, while Ken Parrett is the lead facilitator. The goal is to develop an action plan that will energize the city and assist it in beginning projects with an eye toward improving the lives of the citizens of Ste. Genevieve.

Like all cities, Ste. Genevieve does have its challenges. The impending closure of a large employer (Kerry Ingredients) with 58 good-paying jobs will demand some adjustments in the local economy. Smaller cities always have difficulties in keeping their youth from leaving or in getting them to return, and Ste. Genevieve is no exception. It is a difficult task to apprise those who have left, of the many opportunities that are available to them and to remind them of the attractive lifestyle that Ste. Genevieve has to offer families. The city also has an industrial park that can offer many advantages to businesses looking for an attractive location with good transportation access. Promotion efforts continue as Ste. Genevieve hopes eventually to fill up its park.

Tourism will undoubtedly remain an important sector in the Ste. Genevieve economy, which will contribute to the continued emphasis on historic preservation. But the casual visitor to the city will be unlikely to understand the true vitality of the local economy and the contributions that other sectors make to well-being of the city's residents. Given its diverse economic base, access to good transportation, and proximity to the St. Louis metropolitan area, Ste. Genevieve is poised for significant economic growth and development, while retaining the charm of its rich French heritage.

--Diane Primont and Bruce Domazlicky
--Photographs by Ida Domazlicky

Ste. Genevieve, MO, by the Numbers

Population (2006)	Ste. Genevieve	4,487
	Ste. Genevieve County	17,912
Labor Force (2007)	Ste. Genevieve County	9,857
Unemployment Rate (2007)	Ste. Genevieve County	4.7%
Median Household income (2006)	Ste. Genevieve County	$50,632
Sales Tax Receipts (2006)	Ste. Genevieve County	$775,000

Source: U.S. Census Bureau; Missouri Department of Revenue

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