

OUR VIEW

GROWTH REPORT OFFERS LESSONS

A recent report on the Greater Mankato economy that showed the region as one of the strongest in the state offers not only good news but a chance to consider what's working.

The report by the University of Minnesota Center for Urban and Regional Affairs showed retail and service business had grown an "astounding" 123 percent from 1990 to 2009, beating closest rival St. Cloud which had a 42 percent growth rate.

Average retail sales per person also was by far the highest of any regional center at \$17,153 with the closest being Rochester and Duluth at about \$10,900.

The Mankato region has always been a steady-but-sure kind of growth market. While places like St. Cloud and Rochester were booming in the late 1980s and early 1990s, Mankato was holding its own, but growing fairly slowly in terms of population and business. We've never had a real major employer that had frequent boom and bust cycles.

Places like St. Cloud, Hutchinson and even Rochester had economies that were maybe not as diverse as Mankato's and were more reliant on major employers.

St. Cloud had Frigidaire/Electrolux that went through boom and bust cycles and was disrupted from time to time by strikes. Hutchinson really hitched its economic wagon to Hutchinson Technology for years and has really been hit in the last couple of years with massive layoffs that have the potential to change the character of the town.

Mankato, some will remember, was actually a finalist in the mid-1990s for a Hutchinson Technology plant that was eventually built in Eau Claire, Wis. Perhaps losing the plant was the best thing for regional growth. Blue Earth and Nicollet counties have a good mix of employers. We have about 36 percent manufacturing, construction and primary industries, about 53 percent professional and service and about 11 percent retail, according to state statistics.

The mix of employers tends to have a steadying effect. If one industry is down, another might be up.

Even in industry, we have a good mix of things like metal fabrication — which can be more cyclical — and food production which tends to be more stable.

Our consumer economy has boomed with the growth of higher income jobs that have developed with our major higher educational institutions and our regional medical centers. We know health care will be a strong growth industry for the future.

And finally, we have to look to agriculture and agribusiness. The region has hundreds of small businesses known as farms. We have significant processing operations for farmers to sell their products.

Farmers don't have to transport their goods very far.

Soybean plants and ethanol plants as well as a huge regional hog industry keep demand and prices for local corn and soybeans high.

But we can't forget solid municipal planning, a reasonable political environment and infrastructure.

Those kinds of things have been cited by companies like Wal-Mart and played into the distribution center for Mankato that may happen this year or next. That will bring 500 or so good-paying jobs, something that will further support our economic foundation.

But major roadways like the Victory Drive extension, the expansion of Stoltzman Road, and the Blue Earth County Highway 90 bypass have all made it easy for business to ship goods and for consumers to access retailers.

We also can't forget about a community's collective attitude about itself. It's not easily defined, but it essentially comes from a belief that you can get ahead here, you can find decent paying jobs, move up in your job, and raise kids in a community that has a great education system and is relatively safe.

Government is responsive, and people have media, like newspapers, magazines, television and radio, that keep them informed and let them know what problems need fixing.

All of this works together to help keep a community vibrant during good times and stable during tough times.

Contact us by phone at (507) 344-NEWS (6397) or by email at editor@mankatofreepress.com.

Why it matters

It's important that a community reflect on what's working.

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