

Does Indiana Pack Much Economic Punch?

Economic Prospect

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How do we measure Indiana and our cities? Usually by population, but that does not tell the economic story. We think of GDP as the measure of economic impact regardless of population. I'd like to look at the nearby states and then our eleven cities. Of course, GDP measures nations, we could call this GSP for Gross State Product or GCP for Gross City

Product. But I'll use GDP. It measures economic output. Our K-county is about \$3-4b based on \$2.2b in wages paid here.

This chart tells a story, but it takes a minute to figure out. Look it over. You see the ranking of the states by GDP then ranked by population, and finally ranked by GDP/person.

The main impact of this chart is to see the GDP/person. As you look it over you see Illinois has the most people with a high-ranking GDP and the highest GDP/person. No surprise. But look at Minnesota right behind Illinois in GDP/person. That tells you something good about Minnesota.

Indiana is about in the middle of these 16 states in the Midwest and South that I have chosen. We're almost tied with NC in GDP/person, and we are ahead of TN MI, KY, and SC. Look at that 'Punch' column. Rather than explain it let me just say that a high number like MN at 8.5 is very good, but a low number like MI at -5 or NC and -4 is not good. I erased a number between -2 and +2 as insignificant.

Let's turn to the cities of Indiana. We have eleven metro areas (MSAs) in Indiana, and I compared them to 65 MSAs. Here they are with their per capita income rank in the slightly expanded Midwest. It tells me that while Ft Wayne is Indiana's #2 city by population, the South Bend-Elkhart combined MSAs have a GDP of \$36b compared to Ft Wayne's \$25b, almost half again bigger.

It tells me that Michigan City, Kokomo, and Muncie are all tied and that each of them is smaller than Columbus, IN where Cummins Engines are made.

You cannot see the seven Midwest cities larger than Indianapolis (#8), but We are tied with Nashville (\$164), just a bit smaller than Pittsburgh (\$168). Indy is larger than Columbus and Cleveland, Ohio and is twice the size of Louisville, KY which is #12.

Ready for more? Per capita GDP is a very important measure of prosperity and productivity. This chart shows that some cities even with small GDP (Columbus, IN and Lima, OH) can be very prosperous as measured by GDP-person. Elkhart must have been at the peak of an RV boom when this date was captured as they led the Midwest in per capita income.

Where does Kosciusko County fit in? We may be too small to be an MSA, but our economic output is significant.

Sources: Wiki for state population. For all other info I credit the list of 360 MSAs published on March 23, 2023 by The Visual Capitalist.

State	GDP (B)	Rank	Pop (M)	Rank	GDP/Person	Rank	Punch
Illinois	\$ 938	1	12,582	2	\$ 74,551	1	
Minnesota	\$ 412	10	5,717	11	\$ 72,066	2	8.5
Iowa	\$ 220	15	3,201	15	\$ 68,729	3	12.0
Pennsylvania	\$ 839	2	12,972	1	\$ 64,678	4	
Ohio	\$ 736	3	11,756	3	\$ 62,606	5	
Georgia	\$ 683	4	10,913	4	\$ 62,586	6	
Wisconsin	\$ 366	11	5,893	10	\$ 62,108	7	3.5
Indiana	\$ 420	7	6,833	8	\$ 61,466	8	
North Carolina	\$ 655	5	10,699	5	\$ 61,221	9	-4.0
Tennessee	\$ 418	9	7,051	7	\$ 59,282	10	
Michigan	\$ 568	6	10,034	6	\$ 56,608	11	-5.0
Kentucky	\$ 234	7	4,512	14	\$ 51,862	12	
South Carolina	\$ 270	12	5,283	12	\$ 51,107	13	
Alabama	\$ 247	14	5,074	13	\$ 48,680	14	
Mississippi	\$ 125	16	2,940	16	\$ 42,517	15	
Missouri	\$ 260	13	6,178	9	\$ 42,085	16	-5.0

Rank	City/MSA	GDP
8	🏠 Indianapolis	\$162
24	🏠 Fort Wayne	\$25
31	🏠 Elkhart	\$19
33	🏠 South Bend	\$17
44	🏠 Lafayette	\$13
52	🏠 Terre Haute	\$9
54	🏠 Bloomington	\$8
60	🏠 Columbus	\$7
64	🏠 Michigan City	\$5
65	🏠 Kokomo	\$5
66	🏠 Muncie	\$5

	MSA	State	GDP (\$b)	Pop (000)	Per Cap
1	🏠 Elkhart	IN	\$19	206	\$ 93,689
2	🏠 Bloomington	IL	\$15	171	\$ 88,304
3	🏠 Columbus	IN	\$7	82	\$ 87,805
4	🏠 Lima	OH	\$9	102	\$ 87,255
5	🏠 Des Moines	IA	\$61	719	\$ 84,840
6	🏠 Madison	WI	\$57	683	\$ 82,723
7	🏠 Nashville	TN	\$163	2,012	\$ 81,014
8	🏠 Minneapolis	MN	\$297	3,691	\$ 80,466
9	🏠 Chicago	IL	\$765	9,510	\$ 80,389
10	🏠 Dubuque	IA	\$8	99	\$ 78,788
11	🏠 Ann Arbor	MI	\$29	369	\$ 77,236
12	🏠 Indianapolis	IN	\$162	2,127	\$ 76,164
13	🏠 Cedar Rapids	IA	\$20	275	\$ 72,000
14	🏠 Columbus	OH	\$155	2,151	\$ 71,827
15	🏠 Pittsburgh	PA	\$168	2,354	\$ 71,368