

# State of Mississippi Delta Regional Authority Development Plan



Submitted by  
The Honorable Ronnie Musgrove  
*Governor*

## **INTRODUCTION**

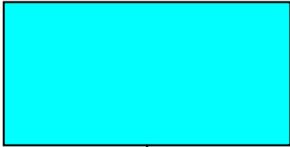
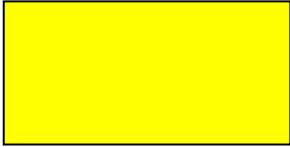
The Delta Regional Authority (DRA) is a newly created federal-state partnership serving a 240-county/parish area in an eight-state region. Led by a Federal Co-Chairman and the governors of each participating state, the DRA is designed to remedy severe and chronic economic distress by stimulating economic development. The DRA will help economically distressed communities to leverage other federal and state programs which are focused on basic infrastructure development and transportation improvements, business development, and job training services. Under federal law, 75 percent of funds are targeted to distressed counties & parishes and pockets of poverty, and 50 percent of dollars are earmarked for transportation and basic infrastructure improvements.

At the local level, the DRA will coordinate efforts with a combination of agencies. Assisting the DRA will be Delta Local Development Districts (LDD's). These regional entities have a proven track record of helping small municipalities, counties and parishes improve basic infrastructure and stimulate growth. The DRA will also work with USDA's Rural Development Administration (RDA). Through their network of state and local offices, the RDA will assist the DRA with not only project evaluation criteria for proposed projects, but administration of projects as well. Additionally, the DRA will work with each DRA member's State Department of Economic Development.

It is the primary goal of the Federal Co-Chairman to work with the region's eight governors in making the DRA the unifying voice for the area. This includes federal, state and local governments, nonprofit organizations, the business community and the public.

In Mississippi, the DRA will function under the authority of the Governor and the Mississippi Development Authority. Governor Ronnie Musgrove is the State of Mississippi's representative to the DRA. The responsibility for administration of the DRA program within Mississippi lies with the Delta Regional Authority Office (DRAO) in Clarksdale, Mississippi. The DRAO Alternate Armerita Tell and the State Program Director and Executive Director of the DRAO Hayes Dent work in a collaborative manner with other state agencies, local development districts (LDDs), economic development organizations, and local communities in the development of eligible projects to address the deficiencies within the 45 DRA Mississippi counties. The LDDs play an active and essential part of the DRA partnership by preparing applications that are consistent with the DRA Code and guidelines. Citizen participation is achieved through public hearings, forums, and workshops held by the DRAO and LDDs.

**Governor  
Ronnie  
Musgrove**



**Planning and Development Districts (8)**

**North  
Delta**

**Northeast  
Mississippi**

**Three  
Rivers**

**South  
Delta**

**Central  
Mississippi**

North  
Central  
Mississippi

**Southwest  
Mississippi**

**Southern  
Mississippi**

**7  
counties**

**3  
counties**

**2  
counties**

**6  
counties**

**7  
counties**

**7  
counties**

**10  
counties**

**3  
counties**

## Delta Regional Authority

PDD	COUNTIES
<b>Central Mississippi Planning and Development District</b> 1170 Lakeland Drive Post Office Box 4935 Jackson, Mississippi 39296-4935 (601) 981-1511	Copiah, Hinds, Madison, Rankin, Simpson, Warren, Yazoo
<b>North Central Planning and Development District</b> 711B South Applegate Winona, Mississippi 38967 (662) 283-2675	Attala, Carroll, Grenada, Holmes, Leflore, Montgomery, Yalabusha
<b>North Delta Planning and Development District</b> 245C Eureka Post Office Box 1496 Batesville, Mississippi 38606 (662) 561-4100	Coahoma, DeSoto, Panola, Quitman, Tallahatchie, Tate, Tunica
<b>Northeast Mississippi Planning and Development District</b> Post Office Box 600 Booneville, Mississippi 38829 (662) 728-6248	Benton, Marshall, Tippah*
<b>South Delta Planning and Development District</b> 124 South Broadway Post Office Box 1776 Greenville, Mississippi 38702 (662) 378-3831	Bolivar, Humphreys, Issaquena, Sharkey, Sunflower, Washington
<b>Southern Mississippi Planning and Development District</b> 2015#A 15th Street Gulfport, Mississippi 39501 (228) 868-2311	Covington, Jefferson Davis, Marion*
<b>Southwest Mississippi Planning and Development District</b> 100 South Wall Street Natchez, Mississippi 39120 (601) 446-6044	Adams, Amite, Claiborne, Franklin, Jefferson, Lawrence, Lincoln, Pike, Walthall, Wilkinson
<b>Three Rivers Planning and Development District</b> 75 South Main Street Post Office Box 690 Pontotoc, Mississippi 38863 (662) 489-2415	Lafayette, Union*

\* does not include all counties from PDD

Governor Musgrove is cognizant of the fact that economic growth in the United States has accelerated at speeds once thought to be impossible, and Mississippi has been the beneficiary of that expanding economy. In recent months, that growth has slowed, as has the entire U.S. economy, and if Mississippi is to revitalize and then sustain that progress and expand prosperity to Mississippi's DRA counties, then we must begin the time-consuming, arduous work of redefining our approach to economic growth for these 45 counties. The Advantage Mississippi Initiative set forth by Governor Musgrove is addressing the redefining approach and is based on the following issues:

1. Creating additional quality educational, training, and retraining opportunities for our people that meet the needs of businesses.
2. Enhancing basic infrastructure, transportation and information, to support community and capacity building.
3. Making state government more accessible, accountable and responsive to business and industry leaders looking to locate or expand in Mississippi.
4. Developing locally led regional development partnerships and initiatives.
5. Making best use of knowledge based resources throughout Mississippi by making the 'University Connection'.
6. Creating incentives and innovations that match the needs of the new economy.

Governor Musgrove's Advantage Mississippi Initiative (AMI) is aligned with the DRA's goals and provides the perfect tool to interweave the two programs. Therefore, the 2002 Mississippi Delta Regional Development Plan offers a comprehensive analysis of potentials and problems that are known to exist in the Delra Regional Authority region of

Mississippi based on the issues outlined in Governor Musgrove's Advantage Mississippi Initiative (AMI). Premised on this analysis, goals and objectives have been developed to address these potentials and problems along with strategies for successfully achieving these objectives outlined in the State of Mississippi FY 2002 and FYI 2003 Strategy Statements. Only a few of these potentials will be attainable with the assistance of just DRA funding resources. All are desirable and would promote the sound economic development of the 45 contiguous Mississippi DRA counties; therefore, the DRAO will forge new partnerships with local economic development agencies as well as state and federal agencies to leverage creative and innovative funding partnerships to meet the DRA goals and issues of AMI.

In the past the state has been involved in some projects that have lacked short-term, measurable achievements. Therefore, future projects must be able to demonstrate self-sufficiency, sustainability, and/or objective attainment within the shorter term. Job creation and retention activities will be concentrated in those areas prepared to accommodate additional demands on the public infrastructure. Projects will need to demonstrate self-sufficiency and sustainability showing the project's intent to perform at the same level of performance as when the project was funded with DRA assistance. In the instance of construction and equipment projects, self-sufficiency will be synonymous with the project's being able to deliver future service without DRA operations assistance, replacement, and rehabilitation.

Priorities which Mississippi DRA will consider under economic development and education during the upcoming years will be closely-linked to the extent of private sector involvement, their financial viability, the impact on direct as opposed to indirect,

employment creation and retention, and the anticipated immediacy of project impact. Consideration will also be given to regional impact and innovation that will lead to a greater impact on the Mississippi DRA region. Applying strict criteria, the Authority will review each county and community in the Delta Region for qualification as an Economically Distressed County or Isolated Area of Distress (areas located in counties that otherwise are not economically distressed).

In the past Mississippi has concentrated on and been more inclined toward the funding of projects that addressed physical infrastructure needs. The development of adequate infrastructure must continue to be addressed for highways, access roads, water and sewer lines, digital/telecommunications networks, and site preparation as prerequisites for economic growth. However, the outcome of this approach, has been the neglect of our greatest resource, our people. Therefore, although we will continue to address the physical infrastructure needs of the Mississippi DRA region, emphasis will be given to the development of our human infrastructure through enhanced educational opportunities, leadership development, workforce training skills, venture capital fund creation, regional partnerships, and entrepreneurship endeavors.

During Governor Musgrove's time in office he has brought a new vision to the people of Mississippi, which has allowed the people of Mississippi to develop a new state of mind—one of a renewed a spirit of hope with the determination to succeed. He states, "Together we have told the nation and the world we will not settle for second best. We will not be labeled or told we cannot, just because we are Mississippi." Governor Musgrove knows that this confidence is contagious and strongly believes it breeds success for future endeavors. Through this newly found confidence and visionary

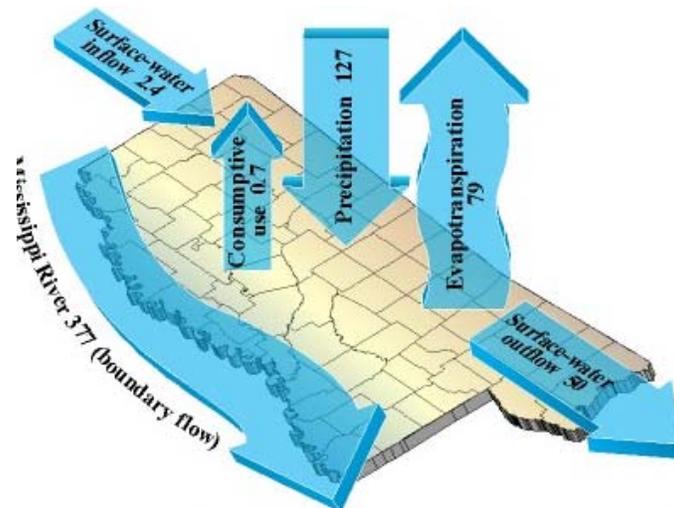
planning Mississippi has implemented a new plan for economic expansion that allowed our state to attract an economic project in the top 1% of all projects in the United States in 2000—a Nissan automotive manufacturing plant. As a result of Mississippi's attracting this facility, 19 suppliers to that plant have announced their decision to locate facilities within the boundaries of Mississippi. Again in 2002, Mississippi has been selected by Nissan for the location of another corporate expansion project. It is on this foundation that Governor Musgrove will design and implement the 2002 Mississippi Delta Regional Development Plan. The heart and soul of this plan will focus on Governor Musgrove's belief of "invest in them and they will stay." Therefore, this development plan will make investments in education, investments in new industries and homegrown businesses, investments in housing and health, and investments to make a difference. Diligence, determination, and discipline will be the hallmarks of the 2002 Mississippi Delta Regional Development Plan.

## Physical Characteristics Demographics and Economic Development Characteristics

### Mississippi DRA Physical Characteristics

#### *Mississippi Rivers and Water Sources*

Mississippi receives and discharges, on average, about 130 billion gallons per day of freshwater. The annual rainfall amounts to 56 inches per year, which provides about 127 billion gallons per day. This equates to approximately 98% of the

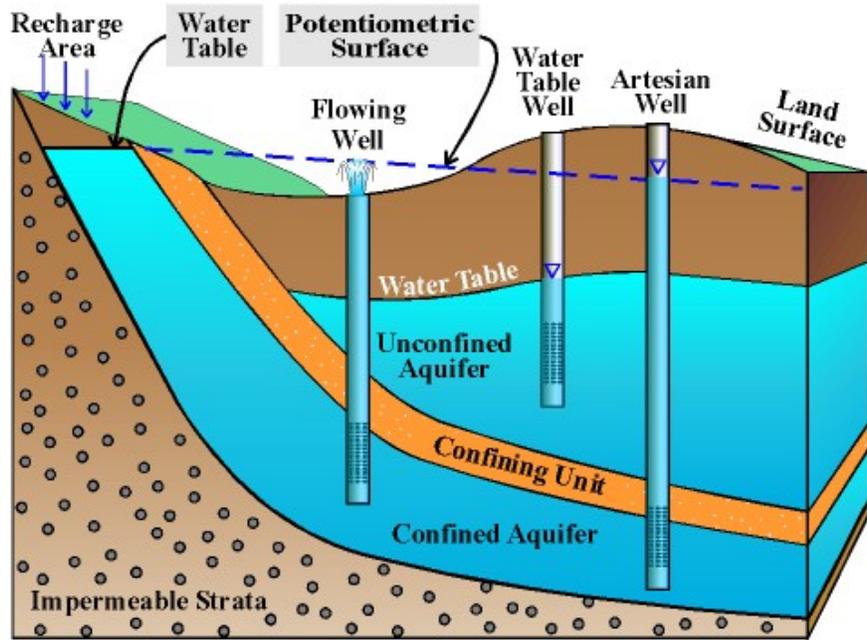


(Major components in billion gallons per day)

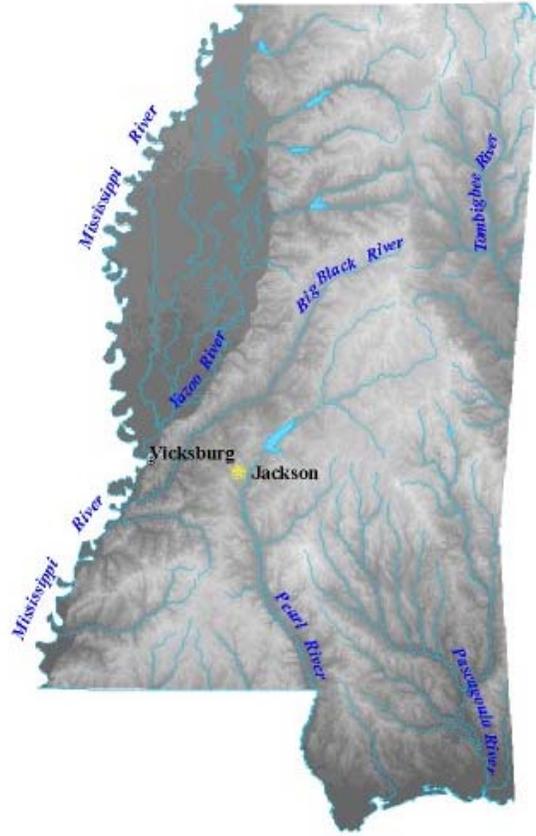
inflow to the State. Surface-water inflow, mostly from streams entering the northeastern part of the State, provides an additional 2.4 billion gallons per day. Evapotranspiration (lost to evaporation or taken up by plants and transpired into the atmosphere) is about 79 billion gallons per day and represents about 60% of the outflow from the State.

This leaves an average of about 50 billion gallons of freshwater each day to flow through the rivers and streams of Mississippi and ultimately discharge into the Gulf of Mexico.

Most of the freshwater used in Mississippi is supplied from ground-water sources. Wells are used to get freshwater from the ground. Mississippi has an abundant supply of



freshwater in its 15 major aquifers. During 1990, freshwater withdrawals from surface and ground water in the State totaled about 3.3 billion gallons per day. About 80% (2.6 billion gallons per day) was from ground-water sources.



*Major streams that drain or bound the State of Mississippi*

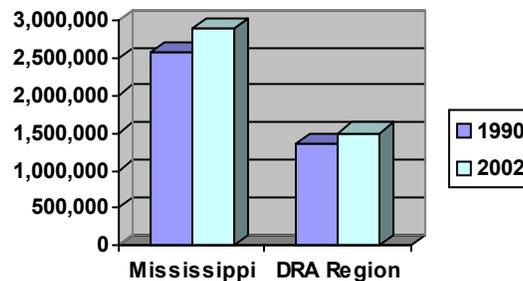
Five large streams drain the interior of Mississippi. These streams are the Yazoo, Pascagoula, Pearl, Tombigbee, and Big Black rivers. Discharge from these streams is about three-fourths of the total surface-water outflow of the State. However, the Mississippi River, which forms most of the western boundary of the State, has an average daily discharge at Vicksburg that is more than seven times greater than the combined discharge of all the streams draining Mississippi.

Most major rivers occupy a drainage basin of the same name, sometimes called a watershed, or catchment. These drainage basins are areas usually bounded by relative topographic highs, or drainage divides, within which all surface-water runoff generally is channeled into a single, main stream. Of course, drainage basins can be defined at many

different scales--from the small creek that drains a few acres, to the Mississippi River that drains much of the interior of the United States. If we consider a scale on the order of a state, about ten major drainage basins can be defined for the State of Mississippi.

### ***Mississippi DRA Population***

During the period from 1990 to 2002 the Mississippi Delta Region has experienced somewhat slower rate of population growth as the State of Mississippi over all. In 1990 the region had a population of 1,350,310 people while Mississippi had a population of 2,573,216 people, in 2002 the regions population was 1,498,956 people, and in 2002 Mississippi's population grew to 2,887,865 (2000 U.S. Census Bureau, SRC/Applied Geographic Solutions 2002) people.

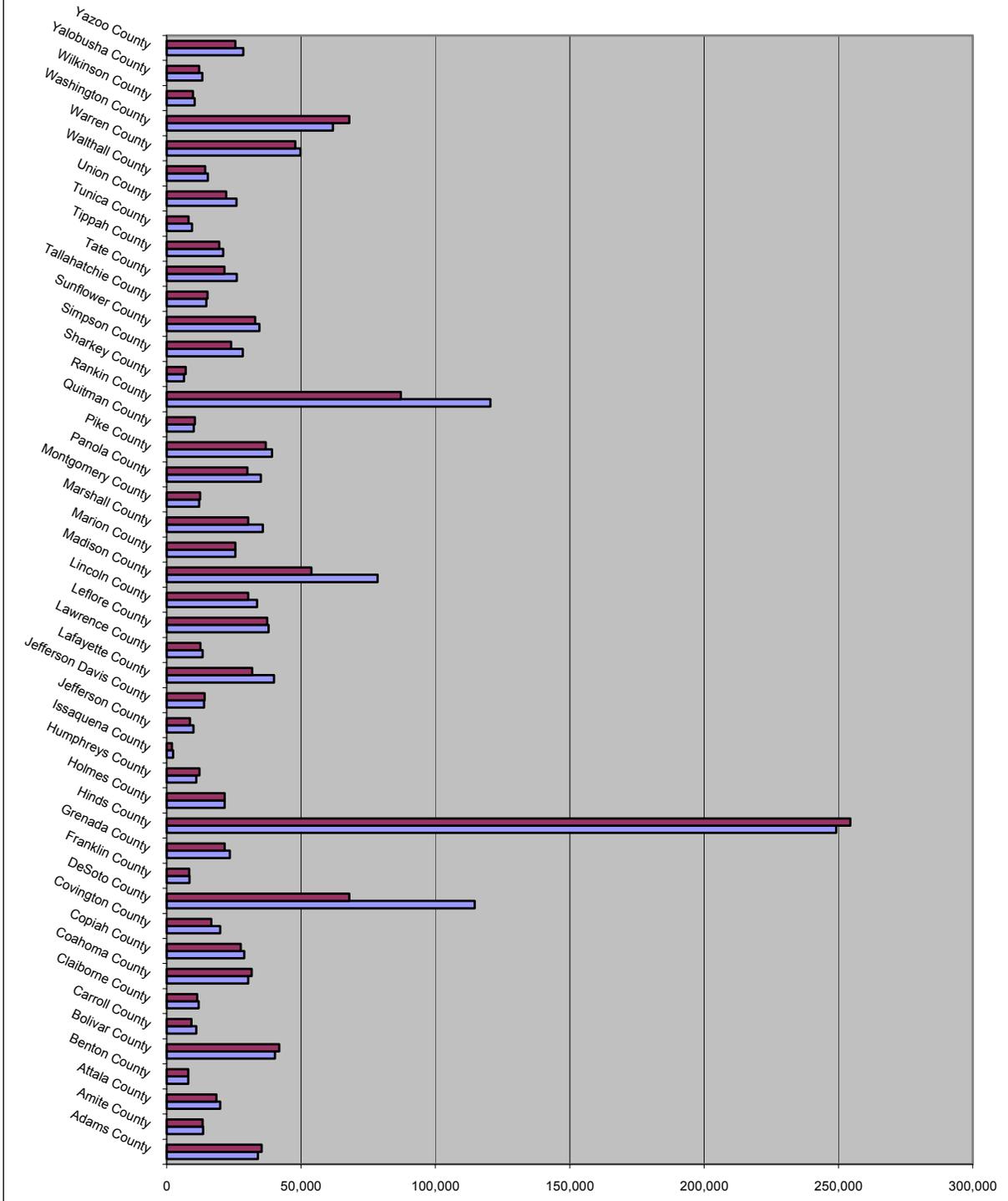


The region had a twelve year growth of 148,648 people while the state had a twelve year growth of 314,649.

The key demographic trend in Delta Regional Mississippi's counties is the relatively slower population growth, with the Appalachian region growing at 11.0% over the 1990 to 2002 period, as compared to the state as a whole which grew by 12.2% over the same period. In essence the region's share of the state's population has fallen slightly over the last twelve years.

### Population Estimates

2002 1990



- Of the 45 DRA counties in Mississippi 14 experienced population decline in the period from 1990 to 2002.
- In 1990, eight counties had populations of less than 10,000. Fifteen counties had populations between 10,000 and 25,000. Fifteen counties had populations between 25,000 and 50,000. Four counties had populations between 50,000 and 100,000 . One County, Hinds had a population of 254, 441.
- By 2002, six counties had a population of less than 10,000. sixteen counties had populations between 25,000 and 50,000. Two counties had populations between 50,000 and 100,000. Three counties have populations over 100,000, DeSoto, 114,615, Rankin, 120,496 and Hinds, 249,117.

### **Population**

In 2002, the population of Mississippi's Delta Region is 1,498,956. The population has changed by 11.01% since 1990. It is estimated that the population of your area will be 1,554,538 in 2007, which represents a change of 3.71% from 2002. The current population is 48.06% male and 51.94% female. The median age of the population in your area is 33 compared to the U.S. average that is 35.

### **Households**

There are currently 545,556 households in Mississippi's Delta Region. The number of households has changed by 16.29% since 1990. It is estimated that the number of households in your area will be 575,513 in 2007, which represents a change of 5.49% from the current year. The average household size in your area is 2.75 persons.

The median number of years in residence for your geography's population is 4.02. The average household size in your geography is 2.65 people and the average family size is 3.15 people. The average number of vehicles per household in this geography is 1.7.

### **Income**

In 2002, the median household income for Mississippi's Delta Region is \$32,750, compared to the U.S. average that is currently \$45,006. The median household income for your area has changed by 56.44% since 1990. It is estimated that the median household income for Mississippi's Delta Region will be \$38,808 in 2007, which represents a change of 18.50% from the current year.

In 2002, the per capita income for your area is \$14,953, compare this to the US average, which is \$22,128. The 2002 average household income for your area is \$40,623, compare this to the US average which is \$58,330.

**Race & Ethnicity**

In 2002, the racial makeup of Mississippi's Delta Region is as follows: 52.84% White, 46.12% Black, 0.15% Native American, 0.51% Asian/Pacific Islander and 0.38% Other. Compare these to US averages which are: 76.44% White, 12.73% Black, 0.92% Native American, 4.04% Asian/Pacific Islander and 5.88% Other.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 1.30% of the current year population in your selected area. Compare this to the U.S. average of 13.16%.

**Housing**

The median housing value in your area was \$48,180 in 1990, compared to the U.S. average of \$93,807 for the same year. In 1990, there were 328,929 owner occupied housing units in your area. Also in 1990, there were 140,190 renter occupied housing units in your area. The median rent at the time was \$247.

**Census-Based Employment**

In 2002, there are 1,134,374 people over the age of 16 in your population. Of these 52.68% are employed, 4.75% are unemployed, 42.26% are not in the labor force and 0.30% are in the armed forces.

In 2002, there are 651,658 employees in your selected area, this is also known as the daytime population.

For this area in 1990 51.67% of employees were employed in white-collar occupations and 48.32% were employed in blue-collar occupations. In 1990, the unemployment rate in this area was 5.32%.

**Poverty Status 1990 and 2000 for Families and Persons.  
Sorted by Change in Percent Persons 1990-2000.**

	Families 2000			Persons 2000			Persons 1990			Change 1990-2000
	Below	Total	Pct	Below	Total	Pct	Below	Total	Pct	
Mississippi	120039	752234	16.0	548079	2750677	19.9	631029	2502902	25.2	-5.3
Tunica County	622	2217	28.1	2999	9053	33.1	4597	8087	56.8	-23.7
Issaquena County	132	510	25.9	666	2004	33.2	939	1904	49.3	-16.1
Carroll County	424	3088	13.7	1677	10462	16.0	2623	9203	28.5	-12.5
Holmes County	1903	5303	35.9	8603	20915	41.1	11266	21179	53.2	-12.1
Sunflower County	1801	7325	24.6	8694	28944	30.0	12302	29409	41.8	-11.8
Claiborne County	710	2549	27.9	3246	10024	32.4	4087	9381	43.6	-11.2
Jefferson County	754	2323	32.5	3265	9069	36.0	4048	8638	46.9	-10.9
Madison County	2066	19520	10.6	10155	72569	14.0	12791	52662	24.3	-10.3
Tallahatchie County	1025	3820	26.8	4757	14771	32.2	6328	15085	41.9	-9.7
Montgomery County	748	3412	21.9	2927	12021	24.3	4153	12211	34.0	-9.7
Bolivar County	2732	9795	27.9	12816	38522	33.3	17158	39990	42.9	-9.6
Coahoma County	2235	7505	29.8	10700	29821	35.9	13997	30796	45.5	-9.6
Sharkey County	491	1612	30.5	2492	6511	38.3	3305	6952	47.5	-9.2
Franklin County	487	2359	20.6	2010	8338	24.1	2760	8279	33.3	-9.2
Tate County	711	6715	10.6	3287	24286	13.5	4632	20625	22.5	-9.0
Panola County	1922	9086	21.2	8570	33856	25.3	10031	29674	33.8	-8.5
Quitman County	719	2514	28.6	3298	9949	33.1	4315	10381	41.6	-8.5
Attala County	991	5416	18.3	4199	19270	21.8	5512	18280	30.2	-8.4
Lawrence County	630	3786	16.6	2578	13152	19.6	3452	12371	27.9	-8.3
Amite County	751	3895	19.3	3064	13537	22.6	4100	13284	30.9	-8.3
Walthall County	927	4133	22.4	4157	14960	27.8	5101	14211	35.9	-8.1
Marshall County	1639	9114	18.0	7282	33181	21.9	8849	29517	30.0	-8.1
Covington County	996	5323	18.7	4474	19061	23.5	5137	16440	31.2	-7.7
Humphreys County	900	2774	32.4	4230	11072	38.2	5479	11927	45.9	-7.7
Pike County	2284	10604	21.5	9595	37944	25.3	11904	36200	32.9	-7.6
Yazoo County	1701	6696	25.4	8214	25778	31.9	9861	25132	39.2	-7.3
Copiah County	1670	7583	22.0	6979	27833	25.1	8528	26644	32.0	-6.9
Benton County	424	2211	19.2	1829	7884	23.2	2381	8027	29.7	-6.5
Tishomingo County	620	5631	11.0	2653	18815	14.1	3557	17490	20.3	-6.2
Webster County	429	2889	14.8	1876	10042	18.7	2456	10053	24.4	-5.7
Tippah County	828	5907	14.0	3444	20383	16.9	4328	19137	22.6	-5.7
Jefferson Davis County	874	3770	23.2	3896	13818	28.2	4633	13928	33.3	-5.1
Marion County	1448	6987	20.7	6099	24620	24.8	7406	25040	29.6	-4.8
Yalobusha County	710	3650	19.5	2819	12925	21.8	3147	11911	26.4	-4.6
Adams County	2169	9492	22.9	8775	33860	25.9	10634	34883	30.5	-4.6
Washington County	3983	16014	24.9	18178	62168	29.2	22671	67160	33.8	-4.6
Wilkinson County	838	2535	33.1	3486	9246	37.7	4033	9550	42.2	-4.5
Lincoln County	1465	9161	16.0	6244	32570	19.2	7087	30044	23.6	-4.4
Leflore County	2605	8967	29.1	12257	35265	34.8	13987	35941	38.9	-4.1
Lafayette County	853	8391	10.2	7254	34118	21.3	6852	27329	25.1	-3.8
Warren County	1999	13331	15.0	9146	48984	18.7	10604	47330	22.4	-3.7
DeSoto County	1700	30319	5.6	7571	106441	7.1	7296	67553	10.8	-3.7
Pearl River County	2124	13726	15.5	8800	47729	18.4	8155	38015	21.5	-3.1
Grenada County	1114	6337	17.6	4773	22818	20.9	4741	21250	22.3	-1.4
Hinds County	10131	62818	16.1	48193	241595	19.9	52335	246447	21.2	-1.3
Rankin County	2301	31321	7.3	10462	110203	9.5	8905	84195	10.6	-1.1
Simpson County	1312	7492	17.5	5819	26937	21.6	5266	23236	22.7	-1.1

● U.S. Bureau of the Census

## **Transportation System**

In terms of transportation infrastructure, the challenges for the 45 counties comprising the Delta Region are numerous. Significant investment will be necessary in order to improve and maintain highway and air transport resources. The relationship between economic growth and transportation investment is a major focus of the DRA. Studies have shown that areas with adequate transportation infrastructure (most notably highways) experience greater economic growth than those areas with limited transportation resources. A recent report by Wilbur Smith Associates conducted for the ARC that economically distressed areas can be helped by investments in transportation infrastructure. Even though vast improvements have been made to Mississippi's transportation system the region still requires significant improvement in the transportation system to support aggressive economic development.

### ***Highways***

Two interstate highways presently serve the area in the Delta Regional Authority. Interstate 55 runs the length of the state from the Pike County-Louisiana state line through the capital city of Jackson to the DeSoto County-Tennessee state line. The interstate provides a major north-south artery in the east central region of the DRA. Since the announcement of the location of the 4,000-job Nissan plant in Madison County in 2000, significant work has been implemented to prepare the interstate and its exits and on-ramps for the growth in traffic between Jackson and the plant near Canton. Interstate 20 bisects the region and serves as a major east-west corridor. The interstate enters Mississippi at Vicksburg in Warren County, intersects Interstate 55 in Jackson and continues east to Alabama. A third interstate is under study. The proposed Interstate 69

would create a new four-lane bridge across the Mississippi River in the northern Washington County-southern Bolivar County area. It would provide a significant boost to traveling in the northwest corner of the state and the Delta Regional Authority.

The Delta Regional Authority in Mississippi is bounded to the west by the Mississippi River from DeSoto County to Wilkinson County. With only four bridges crossing the river in Mississippi a barrier is formed to increase business opportunities and tourism with Arkansas and Louisiana. The bridges are located near Lula in Coahoma County, Greenville in Washington County, Vicksburg in Warren County and Natchez in Adams County. The Interstate 20 bridge at Vicksburg is a four-lane bridge while the other three are two lanes. Work has recently begun on a new four-lane bridge at Greenville to replace the structure built in 1940. The new bridge will contain more than 2.5 miles of bridge deck, two concrete towers soaring 425 feet above the river and four fans of prestressing strand steel cable. The distinction will not stop at its appearance. When completed in 2006, the bridge's main span of 1,378 feet (420 meters) will be the longest cable stayed span in the United States, the third longest cable stayed span in North America, and one of the longest bridge spans of any type on the Mississippi River.



**An artist  
conception of the  
new Mississippi  
River bridge near  
Greenville.**

U.S. highways serving the area include U.S. Highway 72 traversing the northern tier of counties in the Delta and Appalachian Mississippi, connecting Memphis, Tennessee, on the west, through the counties of Marshall, Benton and Tippah in the Delta Regional Authority and Alcorn and Tishomingo in the Appalachian area to Huntsville, Alabama, on the east. U.S. Highway 78 also runs from the Tennessee State Line at Memphis to the Alabama State Line through Union, Benton and Marshall counties in the Delta. The highway serves as a major artery linking the upper Delta to Tupelo.

U.S. Highways 61 and 49 serve as major north-south corridors through the region. U.S. 61 crosses into Mississippi at Memphis and stretches down the west side of the Delta to the Louisiana line in Wilkinson County. Traffic on this highway has increased as a result of dockside gambling legalized in the 1990s. A major casino complex has developed in Tunica County, an area that obtained national recognition as a poverty stricken area much like a Third World Country. Other gaming has developed in Coahoma, Washington, Warren and Adams counties. U.S. 61 has also become a major link in the travels of people interested in the heritage of the blues. U.S. Highway 49 enters Mississippi in Coahoma County and stretches through the central regions of the Delta.

U.S. Highways 82, 84, and 98 serve as major east-west corridors in the state. U.S. 82 enters Mississippi from southeast Arkansas and crosses the Mississippi River south of Greenville in Washington County and then crosses Sunflower, Leflore, Carroll and Montgomery counties. U.S. 84 links Mississippi and Louisiana and crosses the Mississippi River at Natchez. The highway stretches through Adams, Franklin, Lincoln,

Lawrence, Jefferson Davis and Covington counties. U.S. 98 splits from U.S. 84 in Franklin County and crosses into Lincoln, Pike, Walthall and Marion counties.

Two routes are recognized for their scenic beauty. The Natchez Trace Parkway extends from Natchez, Mississippi to Nashville, Tennessee and connects the DRA counties of Adams, Jefferson, Claiborne, Hinds, Madison, and Attala counties. The route traces the historic footpath travelers used to return northeast after completing travels down the Mississippi River. Commercial vehicle traffic is prohibited on the Natchez Trace. Mississippi Highway 1 and U.S. 61 form part of the Great River Road through the state. Mississippi 1 stretches from Coahoma County through Bolivar, Washington, Issaquena and Sharkey counties.

Numerous state highways link diverse areas of the DRA. Much of the western region is flatlands and the area is recognized for its agricultural production. Farm –to-market roads have been built to aid in the movement of products from the field to markets.

In 1987, during the Mississippi Legislative session, a bill was adopted to commemorate the beginning of a \$1.6 billion highway program throughout Mississippi. The program (or AHEAD Program, as it is sometimes called) was designed to four lane 1,077 miles over a 14 year time period. The program promised to link every Mississippian to a four-lane highway within 30 miles of 30 minutes. To date, 680.4 miles of additional four-lane highways are already opened to traffic. Several highway improvement projects, such as four-laning portions of U.S. 49, 82 and 61, have been completed in the Mississippi DRA region under the 1987 Four Lane Program. In the 2002 Legislative session, Vision 21 was authorized. The purpose to the program is to

increase the quality of diverse roads to provide a network of major arteries in the state. Mississippi's highways are vital to the state's economy because they provide quick, convenient access to 55 percent of the U.S. market, putting the state within 500 miles of over 115 million people, 136 metropolitan areas, 144,000 manufacturers and over 2.5 million business and industrial consumers.

### ***Air Service***

Airline passenger service to the region flows through two commercial airports. In the central area, the Mid-Delta Regional Airport in Greenville is served by Northwest AirlinK operations. Three daily outgoing flights used the 8,000-foot runway. Eight passenger carriers serve Jackson International Airport in Rankin County. They are ASA, American Eagle, ComAir, Continental, Delta, Northwest, Southwest and US Airways. The carriers provide direct flights from Jackson to Atlanta, Baltimore/Washington, Charlotte, Chicago/Midway, Cincinnati, Dallas/Fort Worth/ Houston/Intercontinental, Memphis and Orlando.

In 2001, more than 15,000 flights departed from the two airports. Jackson International Airport had 14,338 departures while the Mid-Delta Regional Airport had 1,254, according to the Mississippi Department of Transportation. At the Jackson airport, 644,448 passengers departed while 10,731 departed from Greenville.

A variety of other airports are located in the region. Eight other airports offer a minimum 5,000-foot runway and have airfreight and jet capability. These airports are located in Natchez (Adams County), Indianola (Sunflower County), Greenwood (Leflore County), Grenada (Grenada County), Yazoo City (Yazoo County), Vicksburg (Warren County), McComb (Pike County), and Jackson (Hinds County). Other attended airports

are located in Holly Springs (Marshall County), Ripley (Tippah County), Batesville (Panola County), Oxford (Lafayette County), Clarksdale (Coahoma County), Cleveland (Bolivar County), Kosciusko (Attala County), Belzoni (Humphreys County), Madison (Madison County), Raymond (Hinds County), Crystal Springs-Hazlehurst (Copolah County), Magee (Simpson County), Crosby (Wilkinson County), Tylertown (Walthall), Brookhaven (Lincoln County) and Columbia (Marion County).

***Rail Service***

Rail freight service is provided to the region through a system of mainline and local railroads. Illinois Central, Burlington Northern Santa Fe, and Kansas City Southern offer Class I Major service. Key regional and short line railroads form the critical connection that links many area businesses with mainline rail access to markets across North America and throughout the global economy. These local and regional railways include the Columbus & Greenville, Gloster Southern (Georgia Pacific), Great River Road, Mississippi Delta Railroad, Mississippi and Skuna Valley, and Mississippi Central Railroad. Passenger rail service is provided by Amtrak. The Amtrak line enters Mississippi in Pike County and runs to Jackson in Hinds County. The route takes the train through Yazoo City, Greenwood, and Marks before entering Tennessee.

<b>RAILROAD</b>	<b>NUMBER OF MILES OF OPERATING TRACK IN MISSISSIPPI</b>
Illinois Central	844.26
Kansas City Southern	605.4
Burlington Northern Santa Fe	182.0
Columbus and Greenville	148.0
Gloster Southern	15.4

Great River Road	32.45
Mississippi Delta Railroad	59.0
Mississippi and Skuna Valley	21.0
Mississippi Central Railroad	55.9

Since 1973, more than 1,000 miles of railroad track has been abandoned in Mississippi. Between 1973 and 1988, 686 miles were abandoned. During the period from 1989 to 1993, another 104 miles of track were abandoned. Between 1994 and 2001, an additional 257 miles were abandoned. This trend has left some communities of the state without rail service.

### ***Water Service***

Locations along the Mississippi River and other navigable streams were among the first places settled as the United States spread westward. The rivers offered the means to transport goods between locations and did not require the construction of roads. In the 1800s commercial boats regularly used the Sunflower and Yazoo rivers and packet boats traversed lakes such as Lake Washington to transport goods and people.

Many early plantations and communities were located on the riverbanks. As the river meandered, communities such as Rodney in Jefferson County declined as the river channel moved away from the community. Other communities, such as Greenville in Washington County, lost entire city blocks to the river during floods and channel changes. The construction of the main line Mississippi levee reduced the chances of the flooding and provided the needed protection for communities to grow.

The Delta Regional Authority has diverse water resources. The U.S. Army Corps of Engineers Vicksburg District maintains four flood control reservoirs in the region.

The reservoirs are:

- Arkabutla Lake located in DeSoto and Tate counties
- Sardis Lake located in Lafayette and Panola counties
- Enid Lake located in Yalobusha and Panola counties
- Grenada Lake located in Grenada and Yalobusha counties



In addition to flood control the reservoirs offer recreational opportunities. Included in these opportunities are camping, swimming, fishing, and picnicking. Local authorities to provide a water supply for the Jackson metropolitan area and to create recreational opportunities created a fifth reservoir in the DRA area –Ross Barnett Reservoir –. The reservoir is located on the Pearl River in Madison, Rankin and Hinds counties.

The Mississippi River offers a year-round navigable channel and generally forms the western border of Mississippi from the Tennessee line to Wilkinson County. The U.S. Army Corps of Engineers is responsible for maintaining a minimum nine-foot navigable channel in the Mississippi River.

## Major Ports



In the Delta Regional Authority in Mississippi, four developed ports are available on the Mississippi and provide the opportunity to ship and receive goods to domestic and/or foreign ports. The ports are located in Rosedale (Bolivar County), Greenville (Washington County), Vicksburg (Warren County), Natchez (Adams County) and Port of Claiborne County. Other counties in the Delta Regional Authority bordering the Mississippi River are DeSoto, Tunica, Coahoma, Issaquena, Jefferson and Wilkinson.

The Yazoo River, which flows into the Mississippi River near Vicksburg, is also used for river commerce during the part of the year when sufficient water depth is available. Yazoo City in Yazoo County has a port when water levels allow. The port has a mobile crane with an 80-ton capacity and rail service.

The Port of Natchez is located about one mile south of the city of the same name. Port facilities include a 400-foot berthing area, a liquids loading terminal, cranes up to

125 pounds capacity, and 100,000 square feet of covered warehouse space. Entergy Corporation, Mississippi Valley Gas Co., and the Illinois central Gulf Railroad serve the Port of Natchez Industrial Park. The port is equipped to handle a variety of cargos.

The Rosedale-Bolivar County Port Commission owns and operates a slack water river port at Rosedale. The Commission owns and operates the public terminal, handling both break-bulk commodities as well as dry-bulk for this state port. The dock is equipped with a 150-ton crawler crane, a five-yard clam bucket, and a 19-cubic-yard truck hopper. The terminal is equipped with five forklifts-two 30,000-pound with coil steel forks, a 22-500 pound and two 8,000-pound. The terminal is equipped with two dry-bulk transfer systems that allow truck to rail or barge to rail and truck. The Port Commission offers industrial sites both on the slack-water channel as well as sites on the landside of the Mississippi River main line levee.

The Warren County Port Commission operates the 422-acre slack water port on a slack-water harbor. The harbor channel is 9,550 feet in length with a 300-foot minimum width and a 12-foot minimum depth. The port maintains a 125-ton crane, two 15-ton overhead bridge cranes, all weather loading and unloading and 129,000 square feet of insured and spinklerized warehouse space. A rail and road loop allows direct access from barge to truck to rail. The port is a U.S. Customs port of entry and a Foreign Trade Zone. The port has received a U.S. Department of Agriculture Rural Development Grant to improve roads, extend the rail spur and add a 40-ton rail crane.

The Greenville Port Terminal offers the transfer of cargo to and from river barges and trucks or rail. The port serves a radius of 75-miles from its location on Lake Ferguson at Greenville. An 8,000-foot long and 250-foot wide channel leads from the

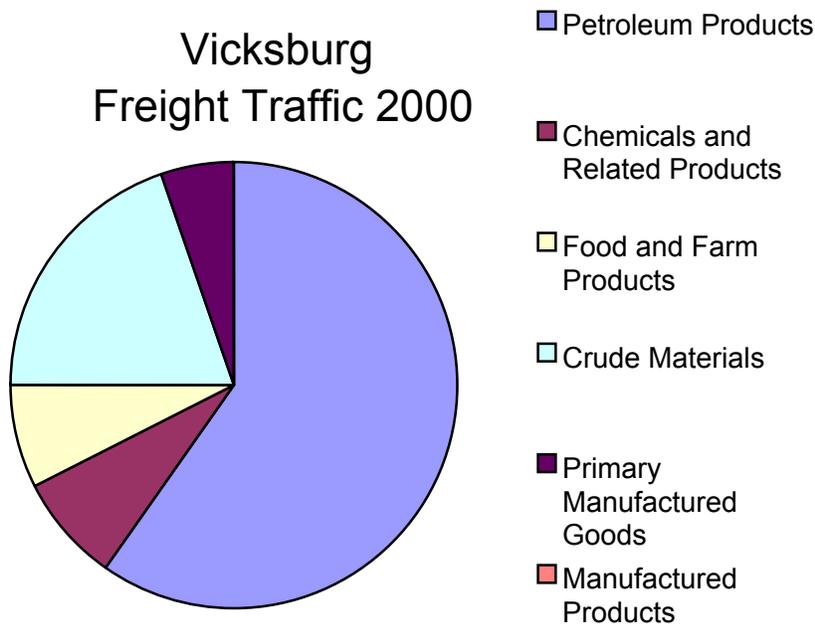
Mississippi River to the harbor and port. The harbor and port area are 10,000 feet long and 500 feet wide. The port has three mobile cranes with two that have a 100-ton capacity and one with 140-ton capacity. The two conveyor loaders have a capacity from 150 to 200 tons per hour. The port is located three miles from the nearest U.S. highway and has rail service.

The Port of Claiborne County has a 400-foot barge berth with a 14-foot draft. The port can accommodate a standard river barge. The port also has 10 acres for industrial development at the terminal and 400 acres off the terminal. The port does not have rail service.

<b>COMPARATIVE STATEMENT OF TRAFFIC</b>										
(Thousand Short Tons)										
	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>
<b>Natchez</b>	626	636	608	633	535	613	628	620	782	593
<b>Vicksburg</b>	3,213	4,096	4,384	5,108	5,128	4,728	5,627	5,825	6,093	4,973
<b>Greenville</b>	2,063	1,780	2,724	2,430	1,874	2,543	2,808	3,255	2,584	3,069
<b>Rosedale</b>	467	507	538	606	712	645	565	564	582	548

Diverse products are handled at the Mississippi River ports. Petroleum and petroleum products, chemicals and related products, paper products, soil, sand and gravel, and food and farm products are among the commodities that are transferred at the ports. In 2000, petroleum and petroleum products were the leading freight traffic at the Warren County Port with 2,966 thousand short tons handled, according to the Institute for Water Resources of the U.S. Army Corps of Engineers. Crude products were second with 390 thousand short tons. Included in this category are nitrogenous, phosphates and potassic fertilizers, sodium hydroxide and metallic salts.

## Vicksburg Freight Traffic 2000



Water transportation accounts for more than 95% of all international trade, both exports and imports. Waterways help in the following ways:

1. Help attract new industries to a waterway region;
2. Fosters plant expansion by increasing productivity of existing industries;
3. Expands markets for a region's resources and products, especially those of low volumes;
4. Increases demands in new water related recreation and tourism activities as well as for services caused by induced industrial development generate more small business opportunities;
5. Approximately 800,000 workers in 24 states are employed by industries that are dependent on inland waterways.

## Business Development

Long--term development takes place when businesses, governments, nonprofit organizations, community groups, and citizens all mobilize resources and direct these efforts and resources to a common goal. Entrepreneurship has been the key to growth with the birth of new ideas and companies. According to the 2000 Mississippi Employment Security Commissions report on Business Births and Deaths for 1999, the region experienced a birth of 1094 new businesses and a death of 1076 businesses resulting in a net gain of 18 new businesses.

COUNTY	ACTIVE ESTAB. 4TH QTR. 1999	2000		
		BIRTHS	DEATHS	NET GAIN OR LOSS
<b>TOTAL</b>	<b>31,554</b>	<b>2,741</b>	<b>2,679</b>	<b>62</b>
ADAMS	1,069	76	92	-16
AMITE	214	17	19	-2
ATTALA	414	37	26	11
BENTON	91	4	5	-1
BOLIVAR	860	62	66	-4
CARROLL	130	14	11	3
CLAIBORNE	180	10	8	2
COAHOMA	748	56	64	-8
COPIAH	455	42	35	7
COVINGTON	294	30	28	2
DESOTO	1,727	272	199	73
FRANKLIN	148	11	10	1
GRENADA	582	45	52	-7
HINDS	6,903	607	593	14
HOLMES	340	16	29	-13
HUMPHREYS	260	23	19	4
ISSAQUENA	44	4	6	-2
JEFFERSON	88	3	10	-7
JEFF. DAVIS	181	15	20	-5
LAFAYETTE	866	65	79	-14
LAWRENCE	213	7	21	-14
LEFLORE	924	45	65	-20
LINCOLN	743	58	58	0
MADISON	1,842	211	154	57
MARION	511	50	47	3
MARSHALL	415	39	41	-2
MONTGOMERY	240	20	12	8
PANOLA	635	48	54	-6
PIKE	974	73	77	-4
QUITMAN	178	10	22	-12
RANKIN	2,502	268	199	69
SHARKEY	180	7	18	-11
SIMPSON	409	27	45	-18
SUNFLOWER	599	39	38	1
TALLAHATCHIE	236	26	24	2
TATE	388	32	35	-3
TIPPAH	374	26	38	-12
TUNICA	278	28	19	9
UNION	418	36	29	7
WALTHALL	231	22	21	1
WARREN	1,234	98	97	1
WASHINGTON	1,563	96	124	-28
WILKINSON	175	12	13	-1
YALOBUSHA	202	13	14	-1
YAZOO	496	41	43	-2

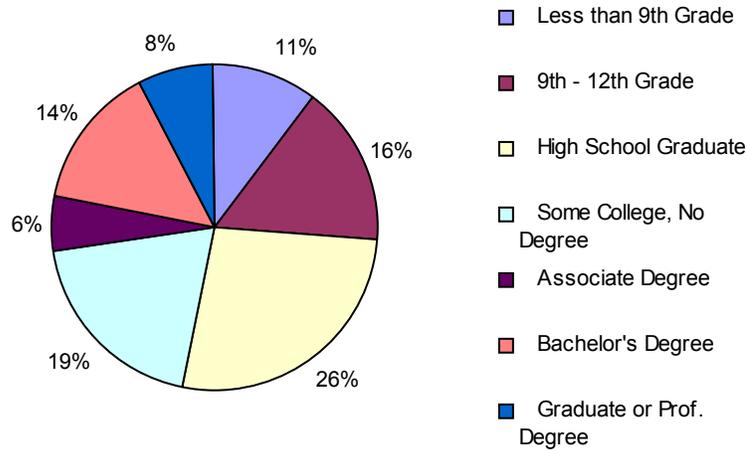
## **Education**

A high school diploma is a minimum for landing jobs that pay better than subsistence wages. While getting that high school diploma is essential, just as important is the quality of education that took place at the school which bestowed it.

Not all high schools are equal in the quality of instruction they provide or the expectations they set for their students. The Mississippi Department of Education (MDOE) is trying to address those variations. MDOE is in the process of replacing the way-too-easy Functional Literacy Exam with a series of subject area tests that students must pass in order to graduate. When the battery of tests is fully implemented, it is supposed to guarantee that every high school diploma is truly worth the paper on which it is printed.

Education is a key factor when promoting economic development. The region continues to make great strides in addressing the needs of our education system. The region has six state support universities (including The University of Mississippi Medical Center) and seven state supported community colleges.

**EDUCATIONAL ATTAINMENT**  
AGE 25 PLUS



Mississippi suffered one of the nation's highest dropout rates, with approximately 40% of first graders never making it through the 12th grade. Efforts to school dropout were established by the Education Reform Act of 1982, that requires all children ages 12 and under to attend school with compulsory age rising to 14 in 1988-89 and 16 in 1989-90. The Education Reform Act also started basic skills testing. Under state law, 11th graders in the 1987-88 school session were required to pass a functional literacy test before they could receive a diploma. (See Appendix E for County Education Demographics.)

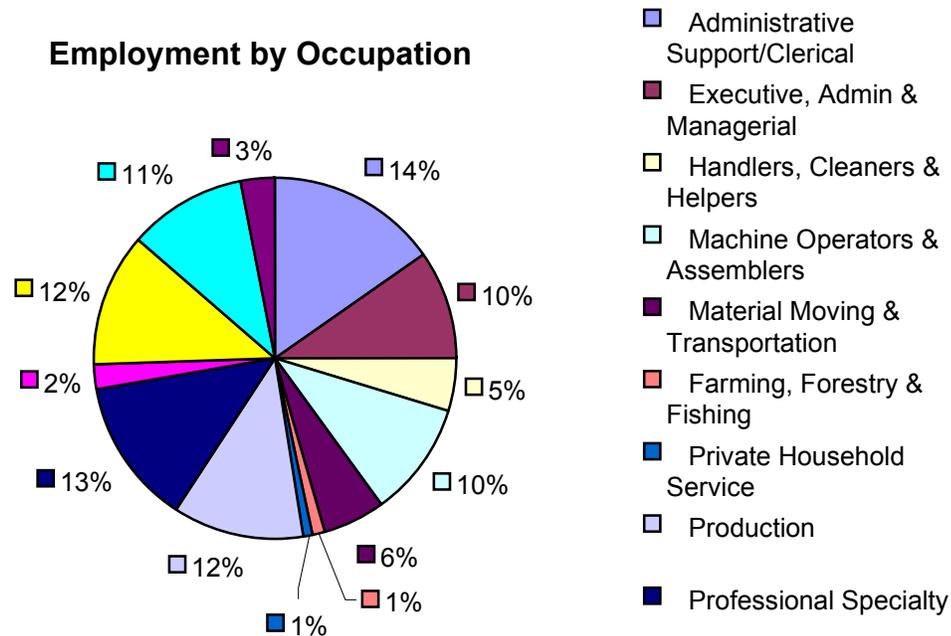
***Labor Force***

The current state of the nation's economy has declined somewhat in recent months. As a result, production and business activity has reflected the economy as a whole, thus increasing demand of workers. The availability of workers is a critical factor in selecting a location for a new and/or existing business or industrial operation as a

presently available workforce into which companies can tap to satisfy their labor requirements is desirable.

### Census-Based Employment

In 2002, there are 1,109,771 people over the age of 16 in Mississippi’s Delta Region. Of these 52.60% are employed, 4.77% are unemployed, 42.33% are not in the labor force and 0.30% are in the armed forces.

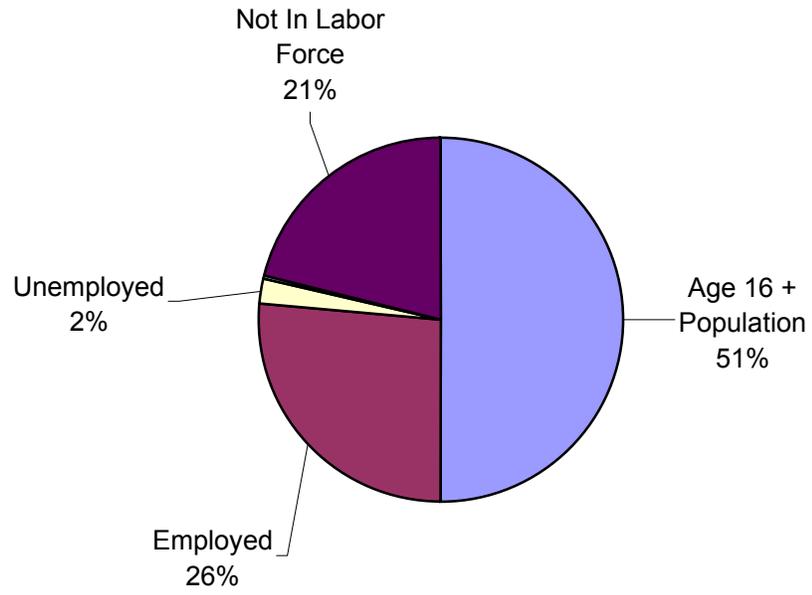


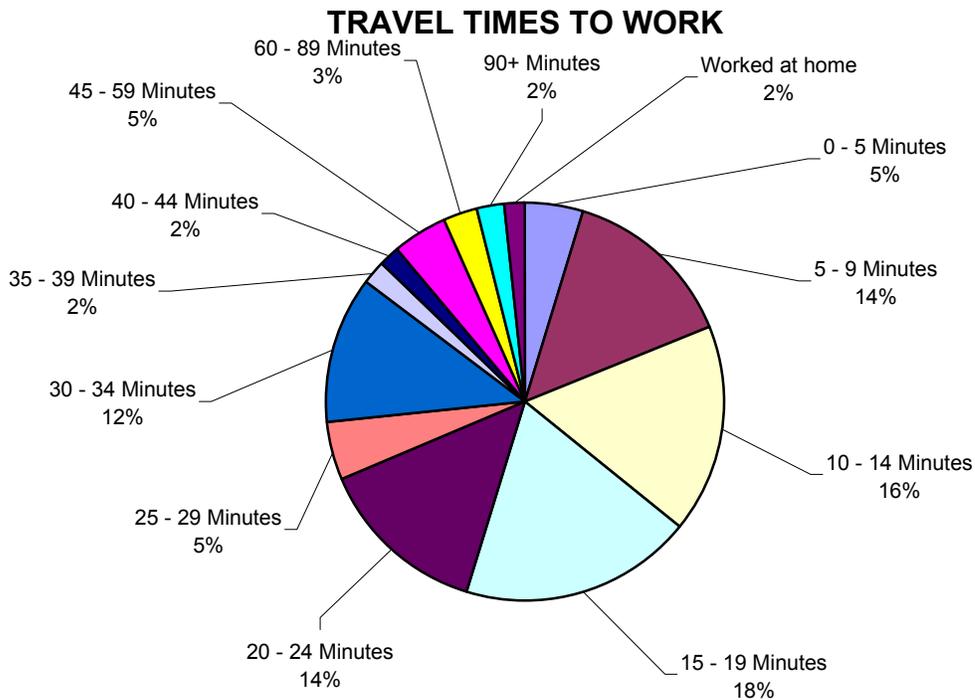
In 2002, there are 638,703 employees in the Delta Region area; this is also known as the daytime population.

For this area in 1990 52.03% of employees were employed in white-collar occupations and 47.96% were employed in blue-collar occupations.

# EMPLOYMENT

## AGE 16 PLUS





The Mississippi Employment Security Commission provides labor market data including unemployment rates for the counties in the DRA region as compared to the state and nation. A 12 month moving average for June 2001 through May 2002 showed that the unemployment rate for State of Mississippi was 6.2, and for Mississippi DRA region was 7.0. The DRA counties of Mississippi had the following 12 month average unemployment rate.

## MISSISSIPPI 12-MONTH MOVING EMPLOYMENT AVERAGE

COUNTY	CIVILIAN LABOR FORCE	UNEMPLOYED	UNEMPLOYMENT RATE	EMPLOYED
Adams	14,390	1,060	7.4	13,330
Amite	5,690	270	4.7	5,420
Attala	7,790	600	7.7	7,190
Benton	3,230	260	8	2,970
Bolivar	17,590	1,660	9.4	15,930
Carroll	4,600	370	8	4,230
Claiborne	3,230	320	9.9	2,910
Coahoma	11,860	1,120	9.4	10,740
Copiah	11,190	770	6.9	10,420
Covington	8,470	420	5	8,050
Franklin	3,090	280	9.1	2,810
Grenada	10,090	740	7.3	9,350
Hinds	130,890	6,020	4.6	124,870
Holmes	6,510	1,100	16.9	5,410
Humphreys	5,020	640	12.7	4,380
Issaquena	710	130	18.3	580
Jefferson	2,530	410	16.2	2,120
Jefferson Davis	4,170	400	9.6	3,770
Lafayette	15,960	410	2.6	15,550
Lawrence	4,960	400	8.1	4,560
Leflore	16,160	1,880	11.6	14,280
Lincoln	14,530	850	5.8	13,680
Madison	38,690	1,430	3.7	37,260
Marion	10,510	530	5	9,980
Marshall	13,950	1,190	8.5	12,760
Montgomery	5,650	630	11.2	5,020
Panola	12,990	1,330	10.2	11,660
Pike	16,870	1,150	6.8	15,720
Quitman	3,500	430	12.3	3,070
Rankin	63,070	1,810	2.9	61,260
Sharkey	2,520	330	13.1	2,190
Simpson	10,690	550	5.1	10,140
Sunflower	10,520	1,450	13.8	9,070
Tallahatchie	5,450	670	12.3	4,780
Tate	10,290	570	5.5	9,720
Tippah	10,020	660	6.6	9,360
Tunica	7,080	370	5.2	6,710
Union	12,890	640	5	12,250
Walthall	5,650	370	6.5	5,280
Warren	26,330	1,220	4.6	25,110
Washington	26,990	3,390	12.6	23,600
Wilkinson	2,920	280	9.6	2,640
Yalobusha	4,810	350	7.3	4,460
Yazoo	9,400	760	8.1	8,640
Delta Regional Authority	613,450	40,220	7%	557,316
<b>MISSISSIPPI</b>	<b>1,303,100</b>	<b>80,400</b>	<b>6.2</b>	<b>1,222,700</b>

## Summary of Regional Economy

Earnings of persons employed in Mississippi increased from \$38,384,401\* in 1999 to \$39,431,274\* in 2000, an increase of 2.7 percent. The largest industries in 2000 were services, 23.6 percent of earnings; state and local government, 15.2 percent; and durable goods manufacturing, 12.3 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (6.8 percent of earnings in 2000), which decreased 1.7 percent; the fastest was transportation and public utilities (6.5 percent of earnings in 2000), which increased 7.4 percent.

### ***County Earnings By Persons***

#### *Adams*

Earnings by persons employed in Adams decreased from \$464,684\* in 1999 to \$450,551\* in 2000, a decrease of 3.0 percent. The largest industries in 2000 were services; nondurable goods manufacturing, 13.8 percent; and state and local government, 13.2 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was mining; the fastest was retail trade (12.2 percent of earnings in 2000), which increased 3.7 percent.

#### *Amite*

Earnings by persons employed in Amite increased from \$89,326\* in 1999 to \$92,284\* in 2000, an increase of 3.3 percent. The largest industries in 2000 were durable goods manufacturing, 29.1 percent of earnings; services, 13.6 percent; and farm, 11.3

percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm, which decreased 14.1 percent; the fastest was services, which increased 10.3 percent.

### *Attala*

Earnings by persons employed in Attala increased from \$172,133\* in 1999 to \$174,999\* in 2000, an increase of 1.7 percent. The largest industries in 2000 were services, 17.4 percent of earnings; retail trade, 15.1 percent; and state and local government, 14.6 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (7.9 percent of earnings in 2000), which decreased 8.3 percent; the fastest was finance, insurance, and real estate (6.4 percent of earnings in 2000), which increased 15.5 percent.

### *Benton*

Earnings by persons employed in Benton increased from \$48,464\* in 1999 to \$50,502\* in 2000, an increase of 4.2 percent. The largest industries in 2000 were durable goods manufacturing; services, 19.7 percent; and transportation and public utilities. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was construction (5.5 percent of earnings in 2000), which decreased 24.3 percent; the fastest was services, which increased 28.4 percent.

### *Bolivar*

Earnings by persons employed in Bolivar increased from \$398,847\* in 1999 to \$405,630\* in 2000, an increase of 1.7 percent. The largest industries in 2000 were state and local government, 21.9 percent of earnings; services, 17.6 percent; and nondurable goods manufacturing, 12.3 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was state and local government, which decreased 4.6 percent; the fastest was services, which increased 16.1 percent.

### *Carroll*

Earnings by persons employed in Carroll decreased from \$42,024\* in 1999 to \$40,955\* in 2000, a decrease of 2.5 percent. The largest industries in 2000 were state and local government, 21.2 percent of earnings; services, 16.9 percent; and retail trade, 10.7 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing (10.7 percent of earnings in 2000), which decreased 15.3 percent; the fastest was state and local government, which increased 13.1 percent.

### *Claiborne*

Earnings by persons employed in Claiborne decreased from \$188,708\* in 1999 to \$177,932\* in 2000, a decrease of 5.7 percent. The largest industries in 2000 were transportation and public utilities; state and local government, 28.2 percent; and services, 7.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the

slowest growing from 1999 to 2000 was transportation and public utilities, which decreased 10.3 percent; the fastest was services, which increased 12.2 percent.

### *Coahoma*

Earnings by persons employed in Coahoma increased from \$332,693\* in 1999 to \$340,101\* in 2000, an increase of 2.2 percent. The largest industries in 2000 were services, 35.5 percent of earnings; state and local government, 16.9 percent; and retail trade, 9.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing (6.9 percent of earnings in 2000), which decreased 3.5 percent; the fastest was wholesale trade (5.2 percent of earnings in 2000), which increased 11.2 percent.

### *Copiah*

Earnings by persons employed in Copiah increased from \$218,673\* in 1999 to \$221,622\* in 2000, an increase of 1.3 percent. The largest industries in 2000 were state and local government, 22.2 percent of earnings; durable goods manufacturing, 17.0 percent; and services, 15.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was transportation and public utilities (5.2 percent of earnings in 2000), which decreased 3.6 percent; the fastest was services, which increased 8.4 percent.

### *Covington*

Earnings by persons employed in Covington increased from \$163,360\* in 1999 to \$163,767\* in 2000, an increase of 0.2 percent. The largest industries in 2000 were construction, 18.2 percent of earnings; state and local government, 16.0 percent; and nondurable goods manufacturing. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm (6.8 percent of earnings in 2000), which decreased 19.9 percent; the fastest was state and local government, which increased 11.4 percent.

### *DeSoto*

Earnings by persons employed in DeSoto increased from \$1,118,396\* in 1999 to \$1,178,168\* in 2000, an increase of 5.3 percent. The largest industries in 2000 were services, 21.6 percent of earnings; retail trade, 16.2 percent; and durable goods manufacturing, 13.0 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was construction (10.5 percent of earnings in 2000), which decreased 6.9 percent; the fastest was retail trade, which increased 20.6 percent.

### *Franklin*

Earnings by persons employed in Franklin increased from \$57,369\* in 1999 to \$60,342\* in 2000, an increase of 5.2 percent. The largest industries in 2000 were state and local government, 23.0 percent of earnings; durable goods manufacturing; and transportation and public utilities, 18.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was retail

trade (5.8 percent of earnings in 2000), which decreased 5.1 percent; the fastest was federal civilian government (6.2 percent of earnings in 2000), which increased 32.1 percent.

### *Grenada*

Earnings by persons employed in Grenada increased from \$350,152\* in 1999 to \$362,635\* in 2000, an increase of 3.6 percent. The largest industries in 2000 were durable goods manufacturing, 31.1 percent of earnings; services, 16.4 percent; and state and local government, 12.5 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (8.2 percent of earnings in 2000), which increased 0.3 percent; the fastest was services, which increased 8.0 percent.

### *Hinds*

Earnings by persons employed in Hinds increased from \$5,873,294\* in 1999 to \$6,027,566\* in 2000, an increase of 2.6 percent. The largest industries in 2000 were services, 29.1 percent of earnings; state and local government, 18.7 percent; and finance, insurance, and real estate, 9.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was retail trade (8.6 percent of earnings in 2000), which decreased 5.5 percent; the fastest was transportation and public utilities (9.2 percent of earnings in 2000), which increased 19.9 percent.

### *Holmes*

Earnings by persons employed in Holmes decreased from \$129,934\* in 1999 to \$118,981\* in 2000, a decrease of 8.4 percent. The largest industries in 2000 were state and local government, 26.4 percent of earnings; services, 23.4 percent; and durable goods manufacturing, 14.0 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing, which decreased 38.6 percent; the fastest was state and local government, which increased 7.6 percent.

### *Humphreys*

Earnings by persons employed in Humphreys decreased from \$112,258\* in 1999 to \$109,787\* in 2000, a decrease of 2.2 percent. The largest industries in 2000 were farm, 24.6 percent of earnings; nondurable goods manufacturing, 21.0 percent; and state and local government, 14.5 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing, which decreased 5.6 percent; the fastest was retail trade (7.7 percent of earnings in 2000), which increased 5.9 percent.

### *Issaquena*

Earnings by persons employed in Issaquena decreased from \$7,740\* in 1999 to \$6,980\* in 2000, a decrease of 9.8 percent. The largest industries in 2000 were state and local government, 33.3 percent of earnings; services, 14.5 percent; and transportation and public utilities, 13.6 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods

manufacturing, which decreased 7.0 percent; the fastest was transportation and public utilities, which increased 8.7 percent.

### *Jefferson*

Earnings by persons employed in Jefferson decreased from \$37,928\* in 1999 to \$35,948\* in 2000, a decrease of 5.2 percent. The largest industries in 2000 were state and local government, 40.3 percent of earnings; services, 17.4 percent; and transportation and public utilities, 12.4 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was transportation and public utilities, which decreased 20.8 percent; the fastest was services, which increased 11.2 percent.

### *Jefferson Davis*

Earnings by persons employed in Jefferson Davis decreased from \$79,648\* in 1999 to \$73,934\* in 2000, a decrease of 7.2 percent. The largest industries in 2000 were state and local government, 23.0 percent of earnings; services, 16.8 percent; and construction, 13.1 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm (8.6 percent of earnings in 2000), which decreased 14.7 percent; the fastest was construction, which increased 9.4 percent.

### *Lafayette*

Earnings by persons employed in Lafayette increased from \$515,594\* in 1999 to \$543,869\* in 2000, an increase of 5.5 percent. The largest industries in 2000 were state and local government, 33.4 percent of earnings; services, 25.0 percent; and retail trade, 10.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing (9.7 percent of earnings in 2000), which decreased 1.6 percent; the fastest was state and local government, which increased 11.4 percent.

### *Lawrence*

Earnings by persons employed in Lawrence increased from \$133,562\* in 1999 to \$147,314\* in 2000, an increase of 10.3 percent. The largest industries in 2000 were nondurable goods manufacturing; construction, 18.9 percent; and state and local government, 11.7 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was services (6.8 percent of earnings in 2000), which decreased 21.4 percent; the fastest was construction, which increased 254.8 percent.

### *Leflore*

Earnings by persons employed in Leflore increased from \$484,403\* in 1999 to \$484,569\* in 2000. The largest industries in 2000 were state and local government, 23.7 percent of earnings; services, 19.2 percent; and durable goods manufacturing, 11.4 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the

slowest growing from 1999 to 2000 was nondurable goods manufacturing (7.5 percent of earnings in 2000), which decreased 17.0 percent; the fastest was state and local government, which increased 7.4 percent.

### *Lincoln*

Earnings by persons employed in Lincoln increased from \$401,169\* in 1999 to \$428,130\* in 2000, an increase of 6.7 percent. The largest industries in 2000 were retail trade, 19.4 percent of earnings; services, 18.1 percent; and durable goods manufacturing, 16.2 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was wholesale trade (8.2 percent of earnings in 2000), which increased 0.2 percent; the fastest was construction (9.5 percent of earnings in 2000), which increased 12.1 percent.

### *Madison*

Earnings by persons employed in Madison increased from \$940,600\* in 1999 to \$1,025,064\* in 2000, an increase of 9.0 percent. The largest industries in 2000 were services, 26.3 percent of earnings; retail trade, 13.6 percent; and finance, insurance, and real estate, 12.2 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was retail trade, which increased 2.6 percent; the fastest was transportation and public utilities (8.0 percent of earnings in 2000), which increased 20.7 percent.

### *Marion*

Earnings by persons employed in Marion increased from \$228,077\* in 1999 to \$231,235\* in 2000, an increase of 1.4 percent. The largest industries in 2000 were state and local government, 17.2 percent of earnings; construction, 16.7 percent; and services, 14.0 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm (5.3 percent of earnings in 2000), which decreased 17.4 percent; the fastest was state and local government, which increased 5.4 percent.

### *Marshall*

Earnings by persons employed in Marshall increased from \$225,446\* in 1999 to \$232,007\* in 2000, an increase of 2.9 percent. The largest industries in 2000 were services, 23.6 percent of earnings; durable goods manufacturing, 20.9 percent; and state and local government, 13.5 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing, which decreased 3.7 percent; the fastest was finance, insurance, and real estate (5.1 percent of earnings in 2000), which increased 10.4 percent.

### *Montgomery*

Earnings by persons employed in Montgomery decreased from \$94,655\* in 1999 to \$92,440\* in 2000, a decrease of 2.3 percent. The largest industries in 2000 were services, 24.4 percent of earnings; state and local government, 19.4 percent; and retail trade, 13.6 percent. Of the industries that accounted for at least 5 percent of earnings in

2000, the slowest growing from 1999 to 2000 was durable goods manufacturing, which decreased 22.7 percent; the fastest was construction (6.2 percent of earnings in 2000), which increased 7.8 percent.

### *Panola*

Earnings by persons employed in Panola increased from \$332,801\* in 1999 to \$339,077\* in 2000, an increase of 1.9 percent. The largest industries in 2000 were services, 18.1 percent of earnings; state and local government, 17.5 percent; and durable goods manufacturing, 16.5 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was construction (7.9 percent of earnings in 2000), which decreased 5.6 percent; the fastest was transportation and public utilities (5.3 percent of earnings in 2000), which increased 14.3 percent.

### *Pike*

Earnings by persons employed in Pike increased from \$448,540\* in 1999 to \$455,340\* in 2000, an increase of 1.5 percent. The largest industries in 2000 were state and local government, 21.5 percent of earnings; services, 17.5 percent; and nondurable goods manufacturing, 14.6 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing (8.3 percent of earnings in 2000), which decreased 4.3 percent; the fastest was wholesale trade (5.4 percent of earnings in 2000), which increased 14.8 percent.

### *Quitman*

Earnings by persons employed in Quitman decreased from \$60,498\* in 1999 to \$57,498\* in 2000, a decrease of 5.0 percent. The largest industries in 2000 were services, 24.0 percent of earnings; state and local government, 17.7 percent; and finance, insurance, and real estate, 15.1 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (7.7 percent of earnings in 2000), which decreased 5.0 percent; the fastest was durable goods manufacturing (8.2 percent of earnings in 2000), which increased 15.6 percent.

### *Rankin*

Earnings by persons employed in Rankin increased from \$1,744,846\* in 1999 to \$1,836,530\* in 2000, an increase of 5.3 percent. The largest industries in 2000 were services, 20.4 percent of earnings; state and local government, 14.2 percent; and transportation and public utilities, 11.6 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was transportation and public utilities, which decreased 1.2 percent; the fastest was services, which increased 11.5 percent.

### *Sharkey*

Earnings by persons employed in Sharkey increased from \$40,494\* in 1999 to \$41,394\* in 2000, an increase of 2.2 percent. The largest industries in 2000 were state and local government, 26.7 percent of earnings; services, 20.7 percent; and agricultural

services, forestry, fishing, & other, 12.8 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm (8.5 percent of earnings in 2000), which decreased 10.1 percent; the fastest was retail trade (9.9 percent of earnings in 2000), which increased 6.2 percent.

### *Simpson*

Earnings by persons employed in Simpson increased from \$225,177\* in 1999 to \$235,390\* in 2000, an increase of 4.5 percent. The largest industries in 2000 were services, 23.6 percent of earnings; state and local government, 18.9 percent; and farm, 14.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm, which decreased 16.7 percent; the fastest was wholesale trade (5.7 percent of earnings in 2000), which increased 16.9 percent.

### *Sunflower*

Earnings by persons employed in Sunflower increased from \$357,043\* in 1999 to \$358,386\* in 2000, an increase of 0.4 percent. The largest industries in 2000 were state and local government, 33.7 percent of earnings; retail trade, 11.2 percent; and services, 10.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing, which decreased 15.8 percent; the fastest was retail trade, which increased 12.3 percent.

### *Tallahatchie*

Earnings by persons employed in Tallahatchie increased from \$79,175\* in 1999 to \$80,912\* in 2000, an increase of 2.2 percent. The largest industries in 2000 were state and local government, 24.9 percent of earnings; services, 20.9 percent; and retail trade, 9.9 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing, which decreased 5.4 percent; the fastest was services, which increased 34.5 percent.

#### *Tate*

Earnings by persons employed in Tate increased from \$209,892\* in 1999 to \$211,990\* in 2000, an increase of 1.0 percent. The largest industries in 2000 were state and local government, 19.6 percent of earnings; services, 17.8 percent; and retail trade, 15.4 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (10.0 percent of earnings in 2000), which decreased 12.1 percent; the fastest was services, which increased 13.2 percent.

#### *Tippah*

Earnings by persons employed in Tippah increased from \$228,900\* in 1999 to \$234,925\* in 2000, an increase of 2.6 percent. The largest industries in 2000 were durable goods manufacturing; services, 11.2 percent; and state and local government, 11.0 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing, which decreased 11.2 percent; the fastest was services, which increased 12.1 percent.

### *Tunica*

Earnings by persons employed in Tunica increased from \$477,556\* in 1999 to \$503,376\* in 2000, an increase of 5.4 percent. The largest industries in 2000 were services, 86.2 percent of earnings; state and local government, 3.9 percent; and nondurable goods manufacturing. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was services, which increased 5.9 percent; the fastest was services, which increased 5.9 percent.

### *Union*

Earnings by persons employed in Union increased from \$274,296\* in 1999 to \$283,140\* in 2000, an increase of 3.2 percent. The largest industries in 2000 were durable goods manufacturing, 33.8 percent of earnings; retail trade, 17.5 percent; and services, 16.1 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was durable goods manufacturing, which decreased 7.7 percent; the fastest was transportation and public utilities (9.0 percent of earnings in 2000), which increased 17.9 percent.

### *Walthall*

Earnings by persons employed in Walthall decreased from \$109,165\* in 1999 to \$103,447\* in 2000, a decrease of 5.2 percent. The largest industries in 2000 were durable goods manufacturing, 18.8 percent of earnings; state and local government, 18.2 percent; and services, 14.2 percent. Of the industries that accounted for at least 5 percent of

earnings in 2000, the slowest growing from 1999 to 2000 was farm (14.0 percent of earnings in 2000), which decreased 21.2 percent; the fastest was state and local government, which increased 6.6 percent.

### *Warren*

Earnings by persons employed in Warren increased from \$903,538\* in 1999 to \$919,050\* in 2000, an increase of 1.7 percent. The largest industries in 2000 were services, 31.6 percent of earnings; federal civilian government, 17.8 percent; and durable goods manufacturing, 11.4 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (7.8 percent of earnings in 2000), which decreased 6.7 percent; the fastest was federal civilian government, which increased 6.8 percent.

### *Whashington*

Earnings by persons employed in Washington decreased from \$794,824\* in 1999 to \$790,354\* in 2000, a decrease of 0.6 percent. The largest industries in 2000 were services, 28.0 percent of earnings; state and local government, 15.4 percent; and durable goods manufacturing, 11.2 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing (7.9 percent of earnings in 2000), which decreased 11.3 percent; the fastest was state and local government, which increased 4.8 percent.

### *Wilkinson*

Earnings by persons employed in Wilkinson increased from \$53,034\* in 1999 to \$56,517\* in 2000, an increase of 6.6 percent. The largest industries in 2000 were services, 27.6 percent of earnings; state and local government, 26.6 percent; and durable goods manufacturing, 11.2 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was retail trade (7.8 percent of earnings in 2000), which remained unchanged; the fastest was state and local government, which increased 7.8 percent.

### *Yalobusha*

Earnings by persons employed in Yalobusha increased from \$100,144\* in 1999 to \$106,694\* in 2000, an increase of 6.5 percent. The largest industries in 2000 were durable goods manufacturing; state and local government, 15.9 percent; and construction, 10.3 percent. Of the industries that accounted for at least 5 percent of earnings in 2000, the slowest growing from 1999 to 2000 was nondurable goods manufacturing, which decreased 19.4 percent; the fastest was durable goods manufacturing, which increased 21.0 percent.

### *Yazoo*

Earnings by persons employed in Yazoo increased from \$265,238\* in 1999 to \$266,380\* in 2000, an increase of 0.4 percent. The largest industries in 2000 were nondurable goods manufacturing, 19.9 percent of earnings; state and local government, 16.0 percent; and services, 14.9 percent. Of the industries that accounted for at least 5

percent of earnings in 2000, the slowest growing from 1999 to 2000 was farm (5.6 percent of earnings in 2000), which decreased 22.3 percent; the fastest was wholesale trade (5.6 percent of earnings in 2000), which increased 12.8 percent.

### **The Four-Year Focus**

Mississippi has an economy that is weathering strongly through the unsettled times of a economic times that the nations exonomy is and growing faster than it has in decades. We are seizing the opportunity to develop a strong plan that will map the direction that we want our state to take in the next decade. We are taking the right steps to show the world that Mississippi is poised and ready for the growth of tomorrow.

In November 2000, Nissan announced it will build a \$930 million manufacturing plant in Madison County, Mississippi. Construction of the 250,000-unit plant located 15 miles north of Jackson is scheduled to begin in April of 2001. When fully operational, the plant will employ up to 4,000 people. Production of the first vehicle is scheduled to begin in the summer of 2003.

Governor Musgrove and the Mississippi Development Authority were instrumental in recruiting Nissan to Mississippi. Nissan officials cited among Mississippi's many qualities: high quality workforce, good site location and infrastructure, a supportive business climate and excellent cooperation and commitment from leaders at the state, local and federal levels. All are important reasons for selecting Mississippi as Nissan's latest in a series of manufacturing-related moves the automaker is making worldwide. Governor Musgrove stated, "Nissan's decision to locate their new plant in Mississippi is further recognition that we have the quality workforce, workforce

training programs, and commitment to business growth that it takes to be competitive and successful. We are investing in more jobs, high-paying jobs, and a better quality of life for our people."

"If we are true to our agenda for opportunity, if we are truly committed to progress, then we must lay aside our differences and move together, in one accord, toward a future endowed with success and security for every community and for every Mississippian," stated Governor Ronnie Musgrove during his State of the State Address on January 4, 2001. The Mississippi Appalachian Regional Office (ARO) will move towards the Governor's accord of working together for the betterment of Mississippi through the next four years as we work to address regionalism, consolidation of goods and services, water and sewer, education and workforce training, leadership, technological enhancements, civic and physical infrastructure, and health issues that plague our region.

The new regionalism is the recognition that the people of the world have been pulling apart but also are pulling together in new combinations. It is the acknowledgement that smaller is better on one level, but that coalitions working together with a shared message are the most powerful of all. The regionalism of today means more than a geographical boundary; it is the philosophy of connectedness. Working together with others to address needs of the region will be the focus for the ARO to promote regional planning. These planning efforts will help address how communities can come together to develop strategic plans and infrastructure programs and to implement these programs in an orderly and timely manner.

The Advantage Mississippi Initiative was outlined and developed by Governor Musgrove and enacted into law in August 2000. The Advantage Mississippi Initiative is a blueprint to expand prosperity throughout the entire State. This Initiative includes not only new business incentives but also comprehensive programmatic changes designed to enhance Mississippi's competitive position in the nation and world. The Advantage Mississippi Initiative will help address the redefining approach and is based on the following issues:

1. Creating additional quality educational, training and retraining opportunities for our people that meet the needs of businesses. The State will address this issue with actions that:
  - Coordinate targeted training by the state's highest development authority, with training will flow from the community and junior college system;
  - Create flexibility for the Mississippi Development Authority to provide highly specialized technology training;
  - Maximize federal resources;
  - Create a leadership training scholarship fund;
  - Enhance existing leadership training through the state's development authority, but with private and non-profit joint efforts.
2. Enhancing basic infrastructure, transportation and information, to support community and capacity building. The State will address this issue with actions that:
  - Set priorities and conduct comprehensive re-evaluation of transportation systems-air, rail, road, port and intermodal resources;
  - Mobilize a task force of public-private entities to craft a long-term plan of action to update water and sewer systems;
  - Broaden deployment of high-speed data and internet access;
  - Focus training and re-training programs to boost workforce high technology aptitude and capabilities;

- Promote home ownership.
3. Making state government more accessible, accountable and responsive to business and industry leaders looking to locate or expand in Mississippi. The State will address this issue with the following actions:
    - Revamp the state’s development authority will 5-year strategic plan;
    - Expanding e-commerce;
    - Establish a Washington, D.C. office.
  4. Developing locally led regional development partnerships and initiatives. The State will address this issue with the following actions that:
    - Develop locally led regional development partnerships and initiatives;
    - Work at high levels with neighboring states on mutually beneficial initiatives and collaborative efforts;
    - Align a division of the Mississippi Development Authority to be responsible for Rural Development;
    - Establish a public-private task force to develop implementation strategies and timeline;
    - Allow expedited infrastructure development on local level by creation of Local Advantage Financing Authority.
  5. Making best use of knowledge based resources throughout Mississippi by making the ‘University Connection’. The State will address this issue with the following actions that:
    - Leverage the strength of Mississippi’s Universities taking a cluster approach;
    - Connect venture capital resources with university-based reseDRAh and development startup opportunities for commercial ventures.
  6. Creating incentives and innovations that match the needs of the new economy. The State will address this issue with the following actions that:
    - Create a flexible package designed to attract new and expanding industry;

- Establish The Ace Fund that provides a flexible pool of resources to allow Mississippi to respond quickly to urgent demands of significant economic development projects;
- Create GAP Community Zones to attract jobs where the need is greatest;
- Encourage and support entrepreneurship among small business and minority-owned business through a Capital Access Program;
- Create Agriculture/Agribusiness Advancement Round Table working with the Mississippi Development Authority, Department of Agriculture, Cooperative Extensions, state ports and other public and private groups;
- Establish a World Trade Center as platform to extend Mississippi's emergence in global economy.

The Mississippi Advantage Jobs Incentive Program, administered by the Mississippi Development Authority and the Mississippi State Tax Commission, is a program designed to provide incentives to qualified companies that promise significant development of the economy of the State of Mississippi through the creation of quality jobs. Companies that are eligible to receive this incentive must be directly related to job creation and must provide a direct benefit to the State. In order to receive benefits under the Advantage Job program a company must meet the following requirements at the time an application is submitted:

- Be a corporation, limited liability company, partnership, sole proprietorship, business trust or other legal entity authorized to do business in the State;
- Provide an annual salary to its employees of at least 125% of the most recent State average annual wage or the most recent average annual wage of the county in which the business is located, whichever is less;
- Create and maintain a minimum of 10 full-time jobs if the company is locating in a county that has an average unemployment rate, over the previous 12 month period, which is 150% of the State unemployment rate or in a Tier Three County. Tier Three Appalachian Counties are Noxubee, Kemper, Choctaw, Monroe, Tishomingo, Prentiss, Benton and Clay. In other counties the business must create and maintain a minimum of 25 full-time jobs. The job creation

requirement must be met within 24 months of the issuance of an Advantage Jobs Application Certificate.

- Provide or plan to provide to any new employees a basic health benefit plan.

States need to invest in their human and physical capital to attract new economy workers and businesses. Investments in people should focus on education and lifelong learning, ensuring they have opportunities to gain the requisite knowledge and skills for the coming decades. Physical investment should focus on traditional infrastructure such as roads, railways, ports, and airports as well as the critical telecommunications backbone needed in the new economy.

Investments must also be focused on Mississippi's distressed counties, especially since the numbers of distress counties is a moving target within our region. In FY 2001 there are 14 distressed counties, and 8 transitional counties in Appalachian Mississippi. It is noteworthy that the region has experienced a steady increase in the number of distressed counties over the last several years, rising from 6 in FY 1997 to 14 in FY 2001. The rise in distress is largely related to the steady erosion of the region's manufacturing base in labor-intensive industries such as apparel and textiles, and the slow growth in per capita income, which has increasingly lagged behind national growth. The ARO will work with distressed counties to investigate and address the following situations:

- Heavy reliance on the declining apparel and textiles sectors makes these counties vulnerable to pressure from low-cost imports, and pressures will mount with the increased flow of products from Asia and China. Therefore, diversification efforts are extremely important in both distressed and at-risk counties with these industries.
- The viability of jobs in the health-services sectors rests on the financial stability of the hospital systems and health care delivery systems that support many of these jobs. Careful assessment of their financial situations is needed.

- The changing role of manufacturing in a diversified economy means that retaining manufacturing in a local economy will require a greater emphasis on stimulating business formation in so-called “producer services,” such as engineering, product design, marketing, finance, and information services.
- The role of urbanized areas, such as small cities and towns, in distressed counties highlights the need to rethink investments in revitalizing these towns and cities so that they are positioned to attract businesses, particularly those providing professional and business services and other cultural and recreational amenities.
- The increasing importance of education and human capital development in the knowledge-based economy means that distressed areas cannot compete without additional resources being devoted to improving educational achievement at all levels. Given the limited local resources for education, such an expanded effort must rely on outside funds from the federal and state levels.

## **GOALS TO FOLLOW**