



# Missouri Economic Indicator Brief: Missouri Economic Diversity

According to the Economic Diversity Index (EDI) analysis, Missouri is ranked the 4<sup>th</sup> most diverse economy in the United States, losing one position in the ranking from 2012. The EDI measures economic diversity by calculating the percentage of an industry's GDP in comparison to the total GDP of the state. Gross Domestic Product (GDP) information is available from the U.S. Bureau of Economic Analysis.

Missouri's top three industries (excluding *Government*) by percentage of GDP in 2013 are *Manufacturing*, *Real Estate/Rental/Leasing*, and *Health Care and Social Assistance*. These industries were the top three industries in 2012. Industries that had significant increases in percentage of GDP were *Manufacturing* (13.1% in 2013 from 12.5% in 2012), *Finance and Insurance* (7.2% in 2013 from 6.6% in 2012), and *Real Estate/Rental/Leasing* (10.7% in 2013 from 10.3% in 2012). The industries that saw an increase in GDP percentage from 2012 to 2013 were *Agriculture*, *Management of Companies and Enterprises*, and *Wholesale Trade*. Industries that seen a decline in percentage of GDP were *Administrative and Waste Services*, *Health Care and Social Assistance*, *Information*, *Professional and Technical Services*, and *Transportation and Warehousing*. The industries of *Arts, Entertainment, and Recreation*, *Educational Services*, and *Utilities* remained unchanged. *Government* percentage of GDP was 12.2% in 2013 down from 12.5% in 2012.

Missouri's economic diversity shields it from the level of recessionary impact felt by those states lacking diverse economies. States like Alaska and Indiana, with respective economies more concentrated in Mining and Manufacturing sectors, are more vulnerable to disruptions to their economies if either industry is negatively impacted. Missouri's diverse industries serve to buffer negative impacts on the economy as a whole in the event one or two industries experience an economic slowdown.

**Missouri Industry by GDP Percentage**

