

Indiana

Business Review



**Indiana a Century Ago:
Comparing 1890 to 1988**

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1

Morton J. Marcus
Indiana a Century Ago

7

Tantatape Brahasrene
A LaPorte County Profile

10

Carol O. Rogers
A Statistical Overview of LaPorte County

Indiana a Century Ago



In April, Indiana, along with the rest of the country, posed for personal and household snapshots taken by the U.S. Bureau of the Census. Over the next two years a massive photograph of our state will slowly develop. Details on housing, employment, migration, education, and income will be seen in relief against the background of age, sex, race, and location. Individual features will not be observable, but the aggregate outlines will be enlightening. For now we could wait, but true census data freaks need not be denied. The 1990 figures will be necessary to analyze the decade of the 1980s, but we do not require those numbers to note the changes of the century.

With the 1988 estimates of population in hand for counties and cities, we returned to the grand Census of 1890 to view Indiana over a 98-year period, which should be a good approximation of the century. It was the 1890 Census, during the administration of Hoosier Benjamin Harrison, that was so complex it gave birth to today's computer industry.

Indiana 1890

One hundred years ago the Census recorded 2,192,404 persons living in Indiana. That number is less than 40% of the 1988 estimate of the state's population of 5,556,500 (see **Table 1**). In 98 years we added more than 3,364,000 to our numbers for an average rate of growth for each decade equal to 9.95%. We are far short of that rate in this decade.

Indiana was not a crowded place in 1890. There were only 61 persons per square mile in the state then; nowadays the figure is closer to 155 persons per square mile, still far from the 500+ densities of New Jersey, Connecticut, and other small eastern states.

Table 1
Indiana's Population History

Year	Population	Number	Change in decade Percent	Indiana as a % of U.S.
1890	2,192,404	214,103	10.82	3.50
1900	2,516,462	324,058	14.78	3.30
1910	2,700,876	184,414	7.33	2.93
1920	2,930,390	229,514	8.50	2.76
1930	3,238,503	308,113	10.51	2.63
1940	3,427,796	189,293	5.85	2.59
1950	3,934,673	506,877	14.79	2.60
1960	4,662,498	727,825	18.50	2.60
1970	5,195,392	532,894	11.43	2.56
1980	5,490,224	294,832	5.67	2.42
1988	5,556,500	66,276*	1.21*	2.26

* Data are for eight years only.

By late nineteenth-century standards, Indiana was not a fast-growing state. During the ten years from 1880 to 1890, our population grew by 10.8% while the nation was growing by 24.9%. We were the slowest-growing of all the midwestern states. As a result, Indiana fell from being the sixth most populous state in 1880 to position number eight in 1890 (today we rank 14th).

It was in 1890 that the center of the nation's population came to rest in Indiana. For the next 50 years, we could lay claim to being the statistical heart of the nation. In 1880 the center of population was eight miles southwest of Cincinnati, but in 1890 it had shifted into Decatur County. Census geographers estimated that Americans were evenly divided east and west, north and south of a point east of Westport near the banks of the Vernon Fork of the Muscatatuck River. From here, south and west of Greensburg or 20 miles east of Columbus, the center would shift west through Bloomington and then toward Vincennes before exiting the state in the 1940s.

Who Were These Hoosiers?

They were white, American-born, and Hoosier-born. Indiana in 1890 ranked fourth among the states in the percentage of persons who were white native-born of native-born parentage.

Indiana at that time had a lower percentage of Blacks than it does now—2.1% compared with 8.4% today (see **Table 2**). The great migrations from the South had not yet begun. Nearly 12% of all Americans were Blacks, but their representation in the northern states was still very small. There has been only a slight proportional increase in the black population relative to the nation, but the geographic distribution has been altered greatly in the past century. Kentucky now has a smaller percentage of Blacks than does Indiana or the nation, a reversal of position. Blacks are a more important part of our state today, but their numeric gains have been far less than in other industrialized northern states.

Nearly three of every four Hoosiers in 1890 had been born in Indiana; 1.6 of the 2.2 million persons in

Table 2
Blacks as a Percent of Total Population

	1890 (Census)	1990 (projection)
United States	11.9	12.4
INDIANA	2.1	8.4
Illinois	1.5	16.1
Kentucky	14.4	7.5
Michigan	0.7	14.6
Ohio	2.4	11.0

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the state were living in their native state. Another 422,560 (about 19% of the total) were U.S.-born citizens who had been born elsewhere in the nation. Nearly 65% of these Hoosiers-by-adoption had come from the four surrounding states (see Table 3). The greatest number had been born in Ohio, which led the next biggest contributor, Kentucky, by 100,000.

Because nearly one in every five Hoosiers was the native of another state, we may imagine that they were tied by family and memory to other places. But there were other linkages as well. More than 615,000 residents of other states could claim Indiana as their home (see Figure 1). During the nineteenth century, Hoosier-born men and women had migrated to new places, joining other Americans in opening lands for agriculture and preparing the images and myths that would become the western frontier of our imaginations. More than 70% of these native Hoosiers were living in the Midwest, with the greatest concentrations in Kansas and Illinois. Indiana had also helped settle Missouri and Nebraska. No doubt some of the 14,700 Hoosiers in California had sought fortune in the gold fields of that state in the 1850s.

Foreign-born persons accounted for just 6.7% of Indiana's population in 1890 (see Table 4). This was

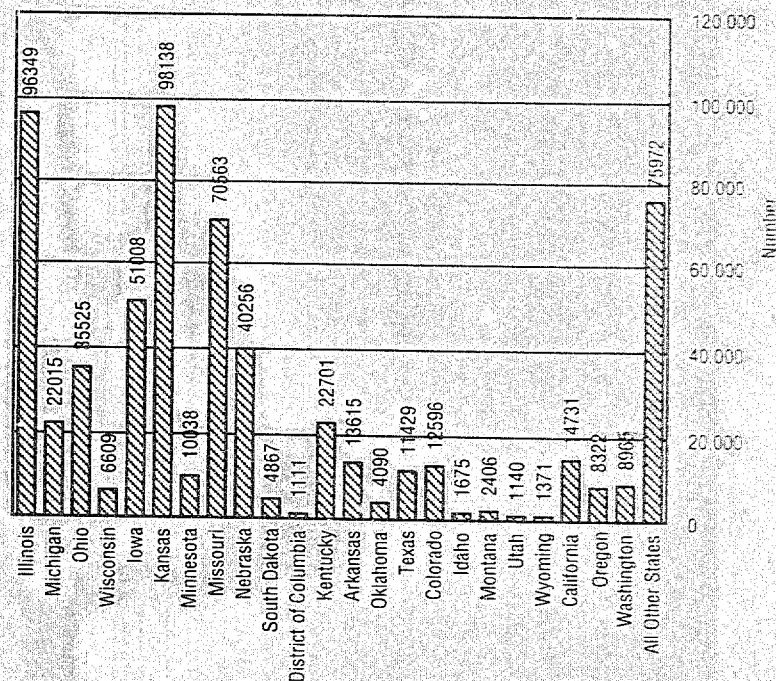
Table 3
Hoosiers of 1890 Born Outside Indiana

State of birth	Number	Percent
Total	422,560	100.0
East		
New York	20,923	5.0
Pennsylvania	40,491	9.6
Midwest		
Illinois	31,116	7.4
Michigan	11,844	2.8
Ohio	164,174	38.9
South		
North Carolina	13,553	3.2
Virginia	17,898	4.2
Kentucky	66,284	15.7
Tennessee	9,891	2.3
All other states	46,386	11.0

Table 4
Foreign-born Residents of Indiana, 1890

	Number	Percent
Total	146,205	100.0
North and South America	5,055	3.5
Canada & Newfoundland	4,954	3.4
Other American nations	101	0.1
Great Britain and Ireland	35,855	24.5
England	11,200	7.7
Scotland	2,948	2.0
Wales	888	0.6
Ireland	20,819	14.2
Germanic nations	90,837	62.1
Germany	84,900	58.1
Austria	544	0.4
Holland	1,157	0.8
Other Germanic nations	4,236	2.9
Slavic nations	4,414	3.0
Russian	576	0.4
Hungary	436	0.3
Czech	288	0.2
Polish	3,114	2.1
Latin nations	3,826	2.6
France	3,297	2.3
Italy	468	0.3
Other Latin nations	61	0.0
Asiatic nations	161	0.1
China	91	0.1
Other Asiatic nations	70	0.0
Other nations	542	0.4
Not reported	5,515	3.8

Figure 1
Native Hoosiers Living in Other States, 1890



less than half the national representation of foreign-born persons (14.8%) and the lowest in the Midwest (Ohio's was 12.5%, Illinois's 22.6%, and Michigan's 26.0%).

Of our 146,205 foreign-born residents, more than half (84,900) came from Germany. They repre-

sented nearly 4% of all the residents in Indiana in 1890. Ireland was the next largest contributor with more than 20,000 persons. The French were represented by only 3,200. Although we think of the French settlers along the Wabash in the western parts of our state, particularly Terre Haute, the number actually

Table 5
Indiana County Populations, 1890 and 1988

County	1890			1988			County	1890			1988		
	Number	Rank in State	Percent of State	Number	Rank in State	Percent of State		Number	Rank in State	Percent of State	Number	Rank in State	Percent of State
INDIANA	2,191,404			5,556,500									
Adams	20,181	52	0.92	31,500	45	0.57	Lawrence	19,792	54	0.9	43,000	28	0.77
Allen	66,689	2	3.04	303,900	3	5.47	Madison	36,487	8	1.67	131,800	7	2.37
Bartholomew	23,867	37	1.09	64,800	22	1.17	Marion	141,156	1	6.44	791,900	1	14.25
Benton	11,903	82	0.54	9,800	88	0.18	Marshall	23,818	38	1.09	41,800	29	0.75
Blackford	10,461	86	0.48	14,500	81	0.26	Martin	13,973	77	0.64	11,300	86	0.2
Boone	26,572	24	1.21	39,000	33	0.7	Miami	25,823	28	1.18	37,600	36	0.68
Brown	10,308	87	0.47	13,200	84	0.24	Monroe	17,673	69	0.81	103,100	13	1.86
Carroll	20,021	53	0.91	19,300	71	0.35	Montgomery	28,025	20	1.28	35,500	41	0.64
Cass	31,152	12	1.42	39,900	32	0.72	Morgan	18,643	60	0.85	54,900	24	0.99
Clark	30,259	14	1.38	89,100	15	1.6	Newton	8,803	88	0.4	13,800	82	0.25
Clay	30,536	13	1.39	25,100	60	0.45	Noble	23,359	41	1.07	38,600	34	0.69
Clinton	27,370	22	1.25	31,800	44	0.57	Ohio	4,955	92	0.23	5,500	92	0.1
Crawford	13,941	78	0.64	10,200	87	0.18	Orange	14,678	74	0.67	19,300	71	0.35
Daviess	26,227	25	1.2	28,900	50	0.52	Owen	15,040	73	0.69	17,700	77	0.32
Dearborn	23,364	40	1.07	38,100	35	0.69	Parke	20,296	50	0.93	15,600	80	0.28
Decatur	19,277	58	0.88	24,100	61	0.43	Perry	18,240	64	0.83	18,900	73	0.34
Dekalb	24,307	33	1.11	35,500	41	0.64	Pike	18,544	62	0.85	12,900	85	0.23
Delaware	30,131	15	1.37	120,100	10	2.16	Porter	18,052	66	0.82	124,300	9	2.24
Dubois	20,253	51	0.92	36,700	38	0.66	Posey	21,529	45	0.98	26,300	57	0.47
Elkhart	39,201	6	1.79	151,100	6	2.72	Pulaski	11,233	83	0.51	13,300	83	0.24
Fayette	12,630	80	0.58	27,200	55	0.49	Putnam	22,335	42	1.02	30,200	47	0.54
Floyd	29,458	16	1.34	64,600	23	1.16	Randolph	28,085	18	1.28	27,600	54	0.5
Fountain	19,558	56	0.89	18,300	76	0.33	Ripley	19,350	57	0.88	25,300	59	0.46
Franklin	18,366	63	0.84	20,200	68	0.36	Rush	19,034	59	0.87	18,400	75	0.33
Fulton	16,746	70	0.76	18,700	74	0.34	St. Joseph	42,457	5	1.94	244,200	4	4.39
Gibson	24,920	30	1.14	33,000	43	0.59	Scott	7,833	89	0.36	20,900	67	0.38
Grant	31,493	11	1.44	75,800	19	1.36	Shelby	25,454	29	1.16	40,200	31	0.72
Greene	24,379	32	1.11	30,800	46	0.55	Spencer	22,060	43	1.01	20,200	68	0.36
Hamilton	26,123	27	1.19	102,300	14	1.84	Starke	7,339	90	0.33	22,200	65	0.4
Hancock	17,829	67	0.81	45,700	27	0.82	Steuben	14,478	76	0.66	28,100	52	0.51
Harrison	20,786	49	0.95	29,500	49	0.53	Sullivan	21,877	44	1	20,200	68	0.36
Hendricks	21,498	47	0.98	76,800	18	1.38	Switzerland	12,514	81	0.57	7,400	90	0.13
Henry	23,879	36	1.09	49,300	25	0.89	Tippecanoe	35,078	9	1.6	125,400	8	2.26
Howard	26,186	26	1.19	82,600	17	1.49	Tipton	18,157	65	0.83	16,300	79	0.29
Huntington	27,644	21	1.26	36,600	39	0.66	Union	7,006	91	0.32	6,900	91	0.12
Jackson	24,139	34	1.1	37,200	37	0.67	Vanderburgh	58,809	3	2.68	166,400	5	2.99
Jasper	11,185	84	0.51	26,200	58	0.47	Vermillion	13,154	79	0.6	17,500	78	0.31
Jay	23,478	39	1.07	22,000	66	0.4	Vigo	50,195	4	2.29	107,500	11	1.93
Jefferson	24,507	31	1.12	29,900	48	0.54	Wabash	27,126	23	1.24	35,600	40	0.64
Jennings	14,608	75	0.67	23,200	63	0.42	Warren	10,955	85	0.5	8,400	89	0.15
Johnson	19,561	55	0.89	85,800	16	1.54	Warrick	21,161	48	0.97	45,400	26	0.84
Knox	28,044	19	1.28	40,600	30	0.73	Washington	18,619	61	0.85	23,200	63	0.42
Kosciusko	28,645	17	1.31	65,400	21	1.18	Wayne	37,628	7	1.72	72,300	20	1.3
Lagrange	15,615	72	0.71	28,900	50	0.52	Wells	21,514	46	0.98	26,400	56	0.48
Lake	23,886	35	1.09	487,900	2	8.78	White	15,671	71	0.72	23,700	62	0.43
LaPorte	34,445	10	1.57	105,600	12	1.9	Whitley	17,768	68	0.81	27,900	53	0.5

born in France was small. In 1890, the Italian migrations to America had begun, but no great numbers had reached Indiana. The strength of Eastern Europe had yet to hear the factory whistles of Lake County.

Hoosier Counties

Some places have not changed much in number during the past 98 years. Back in 1890 Ohio County was Indiana's least populous county, with just under 5,000 persons. That small county in the southeastern

corner of the state is today still the smallest in both land area and population. Its 1988 population did increase, however, to 5,500. North by a few miles, Union County has today about the same number of persons—7,000—that it had in 1890.

In all, 75 of Indiana's 92 counties have larger populations today than they did in 1890 (see **Table 5**). The growth leader in number of persons is no surprise: Marion County has added nearly 651,000 since 1890. It was our largest county then, and it has been ever since. But there have been dramatic changes in the intervening decades. The percentage growth leader is not any of the burgeoning suburban counties (Hamilton, Porter, or Warrick), but Lake County, with a growth rate ten times that of the state. In 1890 there were fewer than 24,000 persons in Lake County, compared with nearly 488,000 in 1988. In that space of time, Lake County has advanced from 35th in the state to second. This followed a remarkable advance from 71st position in 1880, as Lake County led the state in the rate of growth a century ago. (**Figure 2** compares the growth rates of Indiana counties to those of the state and nation.)

During the 1880s, southeastern Indiana fell on hard times. Dearborn, Decatur, Franklin, Jefferson, Jennings, Ohio, Switzerland, and Union counties all lost population. These eight counties were among the 25 Hoosier counties out of 92 that declined in population during the 1880s. Rural America, demographers of the time noted, was being depopulated. But despite the fact that more than one-quarter of the state's counties declined in population, Indiana was actually going against the trend. In total, our rural areas continued to add population in the 1880s.

In 1880, Wayne County had the fifth highest population in the state (38,613) and 1.95% of the state's population. Wayne, along with the top four counties (Marion, Allen, Vigo, and Vanderburgh), contained 14.4% of the state's population.

By 1890, Wayne County had been displaced in the top five (it moved down to seventh) and St. Joseph occupied fifth place (up from eighth), with 42,457 or 1.94% of the 1890 state total. Hence, to be in fifth place the necessary population had increased by 3,800 persons although the share of the state remained the same. The top five counties now had 16.4% of the Hoosier citizenry.

The geographic concentration of the state's population has advanced dramatically (see **Figure 3**). The top five counties had 14.4% and 16.4% in 1880 and 1890; in 1988 they had 35.9%. In the list of most populous counties, Marion, Allen, Vanderburgh, and St. Joseph remain, with Lake now replacing Vigo. Vanderburgh, qualifying as fifth in 1988 with 2.99% of the state's population, had 166,400 persons—nearly four times the number in St. Joseph County when it held fifth place 100 years ago. Back in 1890 it

Figure 2
Growth Rates of Indiana Counties Compared to Those of the State and the U.S.

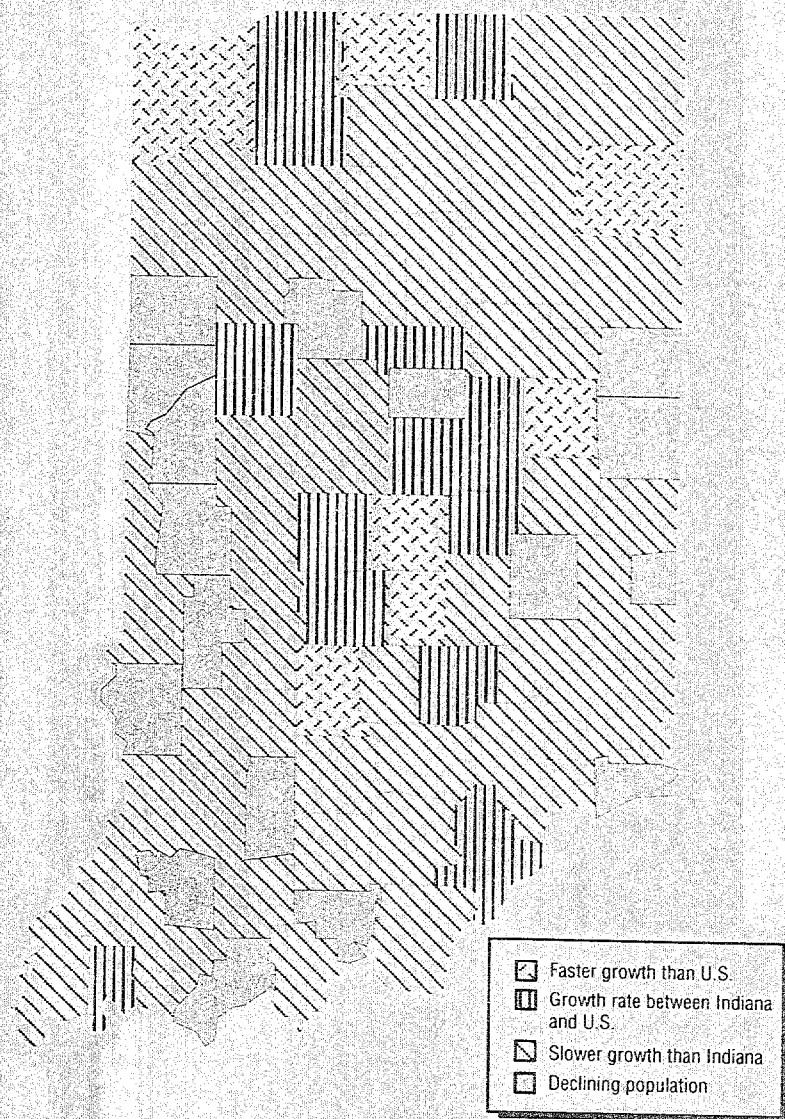
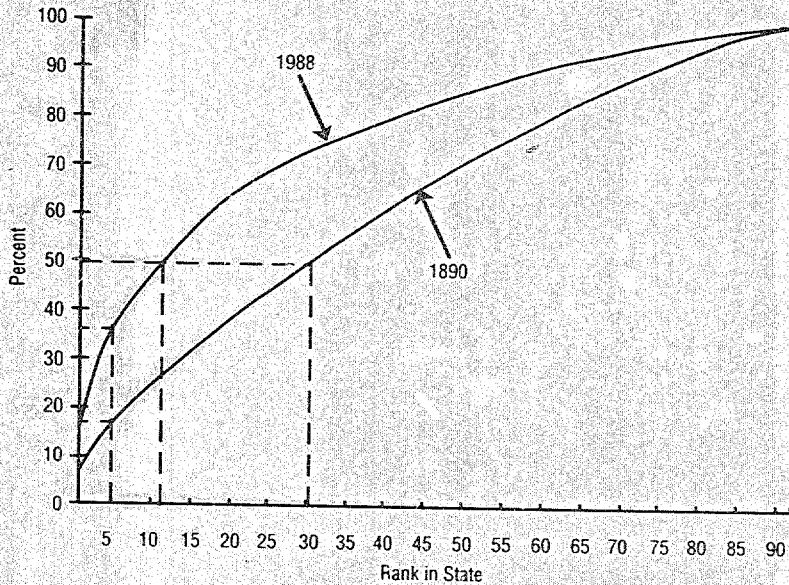


Figure 3
Geographic Concentration of Indiana Population



would have taken a trip to 30 counties to meet half the people in the state; today the majority live in just 12 counties, and they can all be reached electronically—simultaneously, if they are tuned in.

Hobbsier Cities

Indiana had 18 cities of 8,000 or more persons in the year 1890 (see Table 6). To put that into perspective, in 1988 we had 74 cities of that size. In our times, Plymouth, Chesterton, Tell City, and Mount Vernon all have populations exceeding 8,000.

The largest city in Indiana 100 years ago was Indianapolis, with just over 105,000 persons. It was the nation's 27th largest city. Today, Indianapolis has more than 727,000 residents and ranks about 13th in the nation. To have some idea of the size of Indianapolis's population in 1890, we need to think in terms of South Bend today. But changes in urban transportation have altered the geographical distribution of today's cities. Hence, South Bend in 1990 does not have the same high population density that was true of Indianapolis in 1890.

The 18th largest Indiana city in 1890 was Kokomo, with nearly 8,300 persons. Today number 18 would be Michigan City, with more than 35,000. Both Kokomo and Michigan City are among the 13 cities that have remained on the list of Indiana's 18 largest cities.

Not on the list in 1890 were any places in Lake County. The steel mills were more than a decade away from being built at that time. Today, the 18 largest cities would include Gary (#3), Hammond (#6), and East Chicago (#17), all in Lake County. Also not on the list in 1890 were Bloomington, which today is 10th, and Mishawaka, now 14th.

These five rapidly growing cities have replaced Jeffersonville (today #32), Logansport (#37), Madison (#56), Marion (#19), and Vincennes (#34). Of course, the 1990 Census results may change these rankings again.

As a group, the 18 largest cities of the 1880s grew during that decade by nearly 42% compared with the state's growth rate of just under 11%. They added nearly 118,000 to their numbers, thereby accounting for more than 55% of the total growth in the state's population. In 1880 they equaled 14.3% of the state's population; by 1890 they held 18.3%.

Four cities on the list more than doubled in population in the 1880s. Marion led the parade of growth with a 176% increase, as it moved from 3,200 to 8,800 persons. Only one place, Madison, failed to grow. Indianapolis added 30,000 persons during those ten years and Evansville followed with a 21,000 addition to its population.

It was a time when young people were leaving the farms for the new jobs in the expanding manufac-

Table 6
Cities over 8,000 persons in 1890

Rankings 1890	Rankings 1988	City	Population		Change 1890 to 1988	
			1890	1988	Number	Percent
1	1	Indianapolis	105,436	727,130	621,694	589.6
2	4	Evansville	50,756	128,210	77,454	152.6
3	2	Fort Wayne	35,393	179,810	144,417	408.0
4	9	Terre Haute	30,217	56,330	26,113	86.4
5	5	South Bend	21,819	106,190	84,371	386.7
6	16	New Albany	21,059	37,540	16,481	78.3
7	15	Richmond	16,608	39,200	22,592	136.0
8	12	Lafayette	16,243	44,290	28,047	172.7
9	37	Logansport	13,328	17,290	3,962	29.7
10	11	Elkhart	11,360	45,250	33,890	298.3
11	7	Muncie	11,345	73,320	61,975	546.3
12	18	Michigan City	10,776	35,330	24,554	227.9
13	8	Anderson	10,741	60,720	49,979	465.3
14	32	Jeffersonville	10,666	21,210	10,544	98.9
15	56	Madison	8,936	11,800	2,864	32.1
16	34	Vincennes	8,853	20,170	11,317	127.8
17	19	Marion	8,769	34,980	26,211	298.9
18	13	Kokomo	8,261	43,950	35,689	432.0
Total			400,566	1,682,720	1,282,154	320.1

turing plants that were growing along railroad sidings throughout the urban landscape. In addition, cities were expanding their boundaries and taking in the suburbs of their days. As new homes were built and urban transit lines were extended in this era of the horse cart and trolley car, the cities of Indiana represented more of their counties.

Although their growth has slowed considerably in this century, these 18 cities have come to represent more than 30% of the state's population (compared with 18.3% in 1890). Whereas these 18 accounted for more than 55% of the state's growth in population from 1880 to 1890, they represented 38% of that growth from 1890 to 1988. While the state excluding these cities grew by 116%, these 18 advanced by 320%.

Indianapolis, Muncie, Anderson, Kokomo, and Fort Wayne were the percentage growth leaders in this period. Eight of the 18 cities, however, did not match the 154% increase achieved by the state since 1890. Although none of these eight cities have declined in population, Logansport and Madison have been averaging additions of 40 or fewer persons per year for the past century.

In 1880, these 18 cities had populations equal to 44% of their counties. Ten years later, the majority of the populations in these counties were in the major cities (see Table 7). This was not true everywhere, however. Whereas 86% of the Vanderburgh County population lived in Evansville and 75% of Marion County residents were in Indianapolis, less than 30% of Grant, Elkhart, and Madison counties' residents lived in the cities of Marion, Elkhart, and Anderson.

By 1988, cities had expanded to represent 61.4% of their counties. Indianapolis, through growth and annexation, climbed to 92% of Marion County. Evansville, by contrast, had fallen from 86% to 77% of Vanderburgh County and was one of the six cities that in 1988 represented a smaller portion of its county than it had in 1890. This relative shrinkage occurs when other cities in a county become urban centers in their own right, or when suburban areas resist incorporation into the fold of the central city's governmental garment. Mishawaka and West Lafayette are examples of cities currently adjacent to larger entities that might fall into either of these classifications. Goshen and LaPorte are cities still at a distance

Table 7
Cities Over 50,000 Persons in 1890 as a Percent of County Population in 1890 and 1988

City	County	1890	1988
Indianapolis	Marion	74.7	91.8
Evansville	Vanderburgh	86.3	77.0
Fort Wayne	Allen	53.1	59.2
Terre Haute	Vigo	60.2	52.4
South Bend	St. Joseph	51.4	43.5
New Albany	Floyd	71.5	58.1
Richmond	Wayne	44.1	54.3
Lafayette	Tippecanoe	46.3	35.3
Logansport	Cass	42.8	43.3
Elkhart	Elkhart	29.0	29.9
Muncie	Delaware	37.7	61.0
Michigan City	LaPorte	31.3	33.5
Anderson	Madison	29.4	46.1
Jeffersonville	Clark	35.2	23.8
Madison	Jefferson	36.5	39.5
Vincennes	Knox	31.6	49.7
Marion	Grant	27.8	46.1
Kokomo	Howard	31.5	53.2
18 cities combined		51.8	61.4

from, but growing toward, their larger neighbors. Elkhart and Michigan City. As these two places have grown, they have restrained the potential relative importance of their larger neighbors within the counties.

In these few pages we have not been able to explore the full wealth of information available from a Census. Yet we have seen two key, repeated, but opposed findings: Change is not uniform, and there is much stability over time. When the 1990 Census becomes available for analysis, we can then note the changes of our times and the stable linkages with our past.

Note: The source for all 1880 and 1890 data was the microfilm record of the Census of 1890, U.S. Department of Commerce, Bureau of the Census. The 1988 estimates of population are also from the Bureau of the Census via EDIN tables. Other data for our times were obtained from the Statistical Abstract of the United States, 1990, published by the Bureau of the Census. Research assistance was provided by Michael Steele.

A LaPorte County Profile



LaPorte County is one of three Indiana counties bordered by Lake Michigan. An estimated population of 105,600 in 1988 ranks it 12th in the state. The major cities in LaPorte County include Michigan City, with a 1988 population of 36,850, and LaPorte, with 21,796 in 1988.

Michigan City is the retail hub of LaPorte County. The Lighthouse Place Manufacturers' Outlet Mall has attracted numerous shoppers to this area. The north LaPorte County area is developing its tourist potential with the investment of millions of dollars in restaurants, retail shops, and recreational facilities.

The City of LaPorte, the county seat, is in the early stages of developing 100 acres as an industrial park. Small manufacturing firms, attracted by the interstate highway system, are gradually moving into the LaPorte area. These are among the visible factors that stimulate business activities in this area.

Industry and Employment

LaPorte County had the highest number of manufacturing establishments and employees in 1988 among the other counties within the Kankakee Valley Service Delivery Area (an area also including Porter, Jasper, Newton, Starke, and Pulaski counties). It ranked 7th in the state in the number of manufacturing establishments and 11th in manufacturing employment in 1987. During the last five years, the number of manufacturing establishments has increased by 32.3% (60

facilities). Manufacturing is the major industry of LaPorte County, representing on average 34.4% of industrial employment from 1980 to 1987 (see Figure 1). However, employment growth has climbed rather slowly. The number of jobs in manufacturing was only 1% (83 jobs) greater in 1987 than during the recession of 1982.

The major manufacturing firms in the county include the Anderson Company, Sullair Corporation, Weil-McLain Company, and Jaymar-Ruby Incorporated. These firms each employ from 500 to 1,000 workers, although the average number of employees per manufacturing establishment in the county is 62. Some of the products manufactured by the area's industries include windshield wiper blades and arms, air compressors, boilers, radiator equipment, and clothing. These products offer export opportunities.

Much of the recent growth has been in the retail trade and service industries. During the period 1980 to 1987, retail trade and services each took 18.1% of the total industry employment. Employment growth between 1982 and 1987 in the service sector increased by 13.5% (870 jobs) and in the retail sector by 19.7% (1,267 jobs). Between 1986 and 1987, wholesale trade and construction outgrew other industry employment in this area, with increases of 13.7% and 7.8%. Transportation, communication, and public utilities were the only industries that experienced a loss of jobs between 1982 and 1987. From 1982 to 1988 the county experienced overall employment growth of 14.5% (6,080 jobs), less than 1% above the state level (see Figure 2).

Residential and Nonresidential Construction

The type of housing constructed during any period of time is affected by a combination of economic conditions and governmental policies. In its service delivery area, LaPorte County was responsible for 22.3% of the number of residential building permits during 1976-1988 (see Figure 3). The number of residential buildings in the area has grown at an annual rate of 11%. The average annual growth of the number of residential buildings in LaPorte County has been about 8.3% since 1982, although last year's growth was only 4.4% (see Figure 4).

Between the first quarters of 1988 and 1989, the number of single-family unit permits remained unchanged (see the Table). That number increased 33.3%, however, between fourth quarter 1988 and first quarter 1989. Two-family housing units increased by 50% between the first quarters of 1988 and 1989 and by 66.7% from fourth quarter 1988 to first quarter 1989.

There was an overall decline in total housing units in 1988 and 1989. This decline may have occurred in response to rising mortgage rates in 1987.

Tantatone Brahmasrene
400 S. ...
600 S. ...
ACME

Figure 1
Relative Share of Industry Employment
LaPorte County, Average 1980-1987

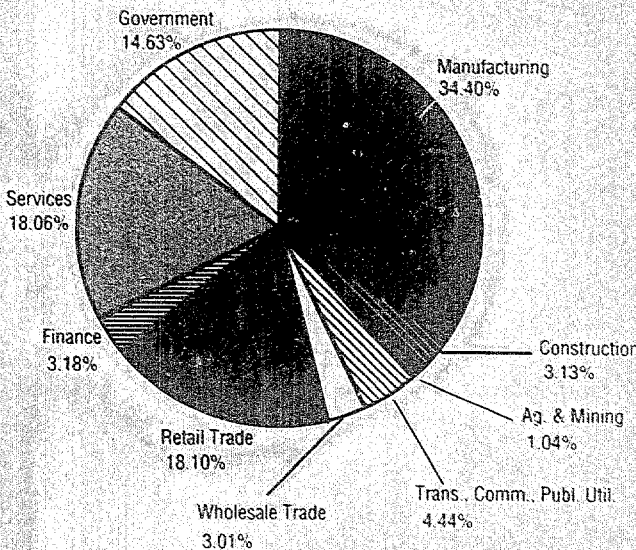


Figure 2
 Employment Index
 LaPorte County and Indiana (1978 = 100)

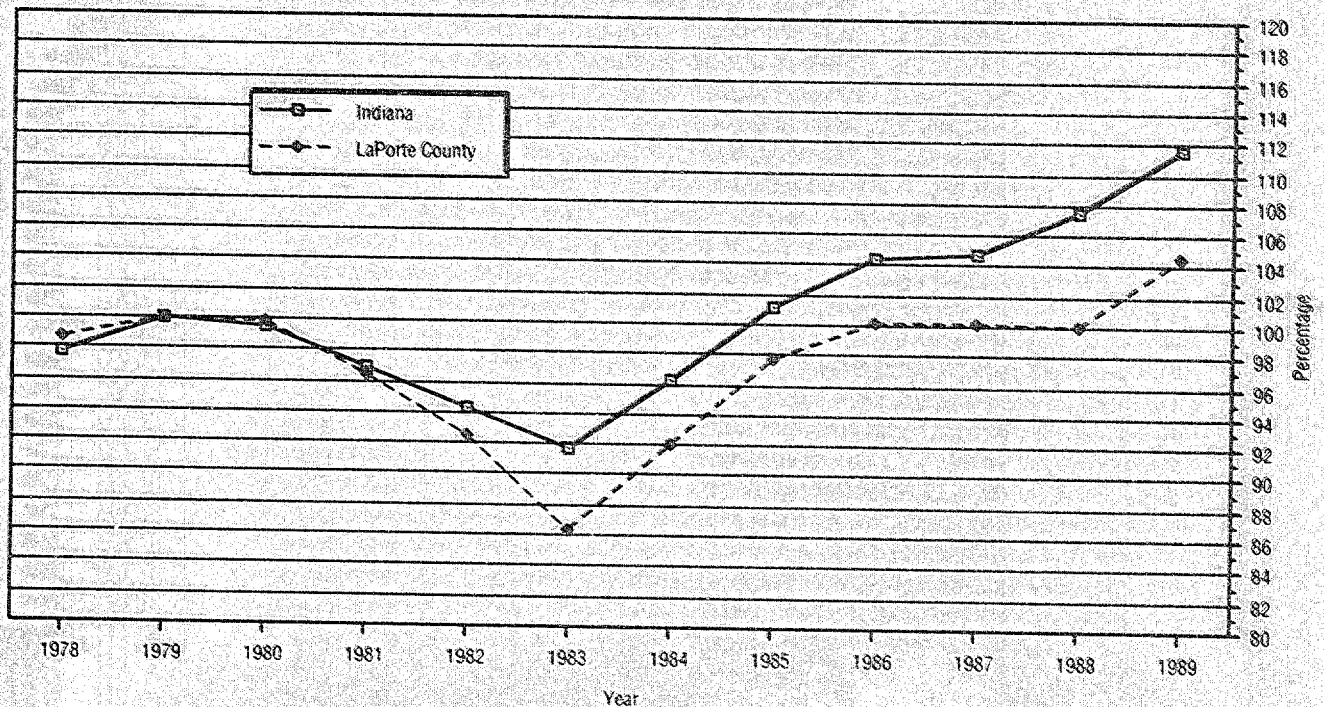
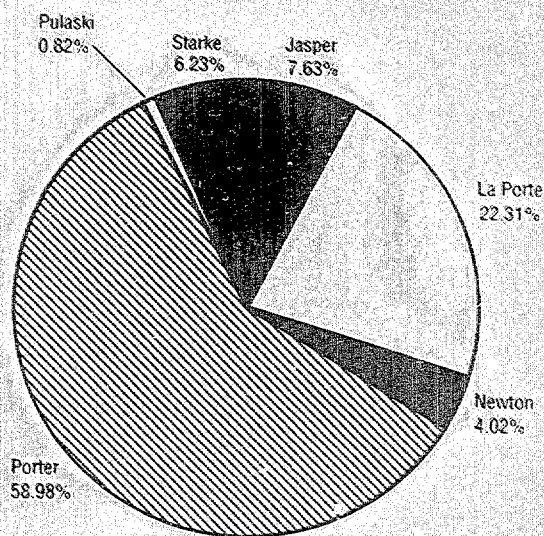


Figure 3
 1976-88 Residential Permits in Selected Valued SQA

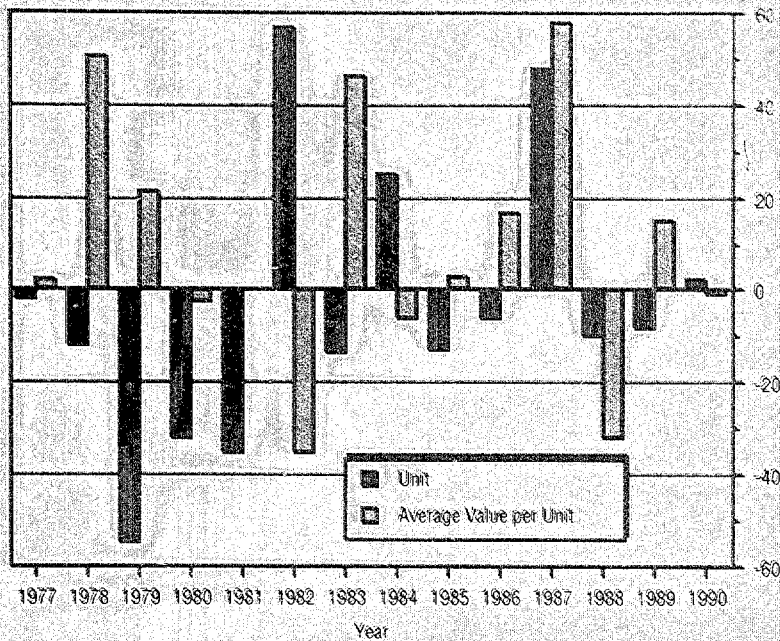


Single-family homes are especially sensitive to changes in interest rates. The statewide number of single-family homes as a percentage of all housing units increased from 69.3% in 1987 to 76.1% in 1988. Locally, the figure was up from 95.1% to 95.3%. These figures also indicate LaPorte County's high proportion of single-family housing.

Nonresidential structures became stronger than residential housing last year. New nonresidential building permits increased by 21.1% (from 199 in 1987 to 241 in 1988).

Housing costs, as previously mentioned, rose significantly during the 1980s. Between first quarter 1988 and first quarter 1989, the average value per unit increased by 30.1% for single-family units and 127.5% for two-family houses. While housing markets were affected by rising prices, the average value of LaPorte County's housing between 1984 and 1988 remained well below the state average. During that time the county's average value of housing was \$49,000, a substantial increase of 27.3% from the 1984 average of \$38,500 (see Figure 5). Indiana's average housing value was \$47,900 in 1984 and \$72,300 in 1988, an increase of 50.9%.

Figure 4
Residential Housing



1989 Estimated, 1990 Projected

Work of the Future

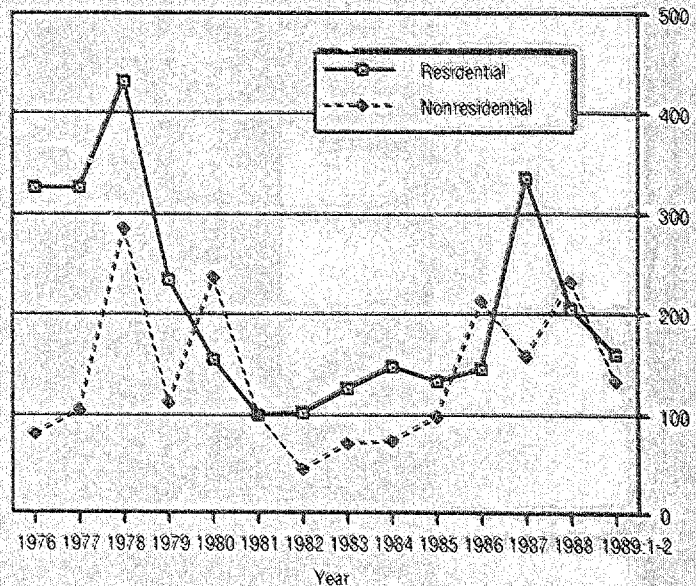
LaPorte County's economic growth is anticipated to be parallel with the state's by exhibiting a modest economic slump. The estimated employment growth may end up falling by less than 1% by the end of the year. The sluggish growth in manufacturing employment may be overcome by the potential growth that is seen in service industries such as restaurants, hotels, motels, and various business services.

After the recession of 1981-1982, the average value of housing climbed to a 1987 peak that corresponded to an increase in mortgage rates. This effect lessened in later years due to several financial market innovations and changing regulations that affected mortgage markets. The average housing value is anticipated to fall in 1990. Developers' efforts to remain cost-competitive in housing markets, coupled with an increase in productivity as a result of a substantial reduction of capacity utilization, can be linked to these circumstances. The number of housing units in LaPorte County is projected to increase by 2% in 1990, but this growth may appear only in the northern region of the county. This is evidenced by the construction of an 11-story, 68-unit luxury condominium near Lake Michigan. Given the increase in tourism for the area, LaPorte County, at least for the moment, should fare relatively well in the face of a recession.

Table
Selected Data for Residential Housing Construction

	1988-1	1988-4	1989-1	% Change	
				1988-1 1989-1	1988-4 1989-1
<i>Single Family Houses</i>					
Number of Permits Issued	36	27	36	0.0	33.3
Estimated Value of Permits Issued	\$1,912,742	\$1,618,300	\$2,487,850	30.1	53.7
Average Value Per Unit	\$53,132	\$59,937	\$69,107	30.1	15.3
<i>Two-Family Buildings</i>					
Number of Permits Issued	2	3	5	150.0	66.7
Estimated Value of Permits Issued	\$80,000	\$122,000	\$455,000	468.8	273.0
Number of Units	4	6	10	150.0	66.7
Average Value Per Unit	\$20,000	\$20,333	\$45,500	127.5	123.8

Figure 5
Value of Permits, 1976-1990



A Statistical Overview of LaPorte County



When considering the people and affairs of a county, it is necessary to understand the size and characteristics of the population, the types of work opportunities available to them, and the nature of the business and industrial communities within that county. This overview of LaPorte County considers these factors using the most recent data available, but does not include information from the latest census. Without those valuable characteristics that the decennial census provides, we will instead provide an overview based upon current estimates of population, including gender and age data, employment, income, and business estimates.

With these limitations in mind, we are able to produce an overall picture of LaPorte County as it more or less exists today. Much of the data utilized are 1988 estimates, with comparisons to earlier years. Providing a more detailed picture of the retail

and service industries was possible because of the recent release of data from the 1987 Economic Censuses.

The People

LaPorte County is home to more than 100,000 people—50% of whom are females (see **Table 1**). The county's population total has remained stable over the past 20 years, although it is projected to decline somewhat into the next century to just under 100,000 (see **Figures 1 and 2**). Based on 1988 estimates, LaPorte County ranked 20th in population in Indiana. Close to 15% of its people are retirement age and older, while 30% are under the age of 20.

In 1988, nearly half of the county's population was in the labor force, and 95% of those were employed (see **Table 2**). The majority of jobs are in the private sector, including 26% in manufacturing, 22%

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 Director, Economic
 Development
 LaPorte County
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Table 1
 The Population

	Census 1970	Census 1980	Estimate 1988	%Chg 70-80	%Chg 80-88	1988 % of Total Pop.
Total	105,300	108,600	105,600	3.13%	-2.76%	100.00%
Female	53,153	54,673	52,800	2.86%	-3.43%	50.00%
Nonwhite	7,362	9,770	10,060	32.71%	2.97%	9.53%
Less than 20 years	40,534	35,824	31,730	-11.62%	-11.43%	30.05%
65 years and older	9,596	11,571	13,960	20.58%	20.65%	13.22%

Source: U.S. Bureau of the Census and the Indiana Business Research Center and EOIN.

Figure 1
 Population Percent Change, 1980-2020
 Indiana and LaPorte County

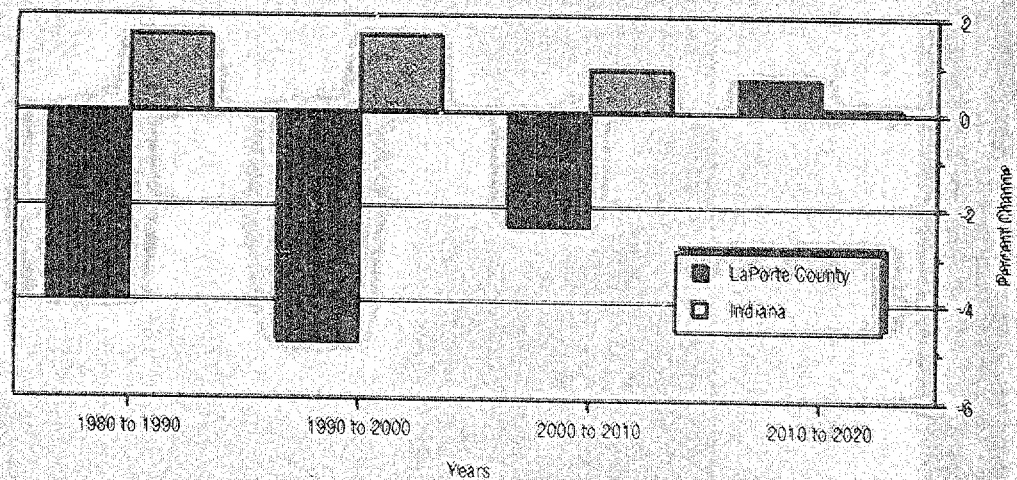
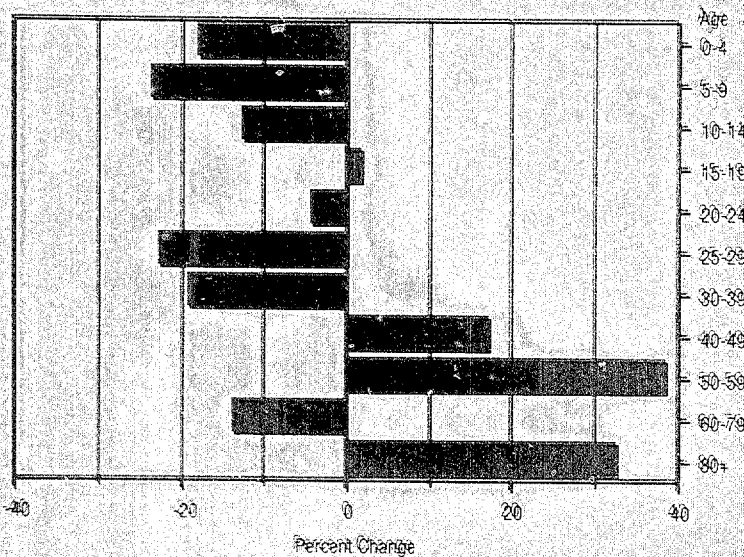


Figure 2
Projected Population Change by Age, 1983-2000
LaPorte County



	1978	1986	1989	% Change 78-86	% Change 86-89
Total Labor Force	48,331	50,900	51,260	3.18%	0.71%
Employed	46,339	48,800	48,650	4.99%	3.95%
Unemployed	2,991	4,100	2,610	37.08%	-36.34%
	6.1%	8.1%	5.1%		

Source: Indiana Dept. of Employment and Training Services and EDIN

services, and 18% retail (see Table 3). The government sector accounted for 14% of the employment, and less than 3% were employed in farming.

LaPorte County personal income, the income received by all individuals in the county from all sources, was \$1.5 billion in 1988, nearly 2% of the state's total personal income (see Table 4). That share of the state total has remained constant throughout the 1980s. Per capita personal income has also remained close to that of the state. In 1988 the per capita income in LaPorte County was nearly \$15,000, ranking 20th in the state (see Figure 3). Between 1980 and 1983, it ranked 13th. By 1984 it fell to 25th in the state, and since 1985 it has remained 20th.

LaPorte County generated earnings of nearly \$1 billion, and the net income brought into the county by residents working elsewhere (in other counties or other states) was \$182 million, making LaPorte County an "importer" of income and an "exporter" of labor.

The Business

The business of the county is structured around manufacturing, its base industry. According to County Business Patterns data, in 1987 there were 192 manufacturing establishments employing 12,000 people. Most were engaged in making fabricated metal products (36 establishments), nonelectrical machinery (29 establishments), and rubber and plastics (14 establishments). Overall, the manufacturing establishments in LaPorte County had an average of 52 employees, indicating the predominance of large companies. According to the 1990 Industrial Outlook of the U.S. Department of Commerce, the three industries in which LaPorte County has a substantial presence were forecast to grow during 1989 and 1990 and to have very good export growth potential as well.

To support these large employers and their employees, there were 627 retail establishments and 722 service establishments. The 1987 Economic Censuses of Retail and Service provide more detailed

Table 3
Employment by Sector

	1978	1982	1988	% Chg. 82-88	% of Total in 1978	% of Total in 1988
Total	50,180	45,430	51,324	12.85%	100.00%	100.00%
Farm	1,753	1,613	1,345	-16.62%	3.49%	2.62%
Non-farm	48,427	43,867	49,979	13.93%	96.51%	97.38%
Manufacturing	16,980	12,668	13,362	5.48%	33.84%	26.03%
Retail	6,382	7,948	9,236	16.21%	16.70%	18.00%
Services	8,793	9,341	11,527	23.40%	17.52%	22.46%
Government	6,149	6,275	6,919	10.26%	12.25%	13.48%

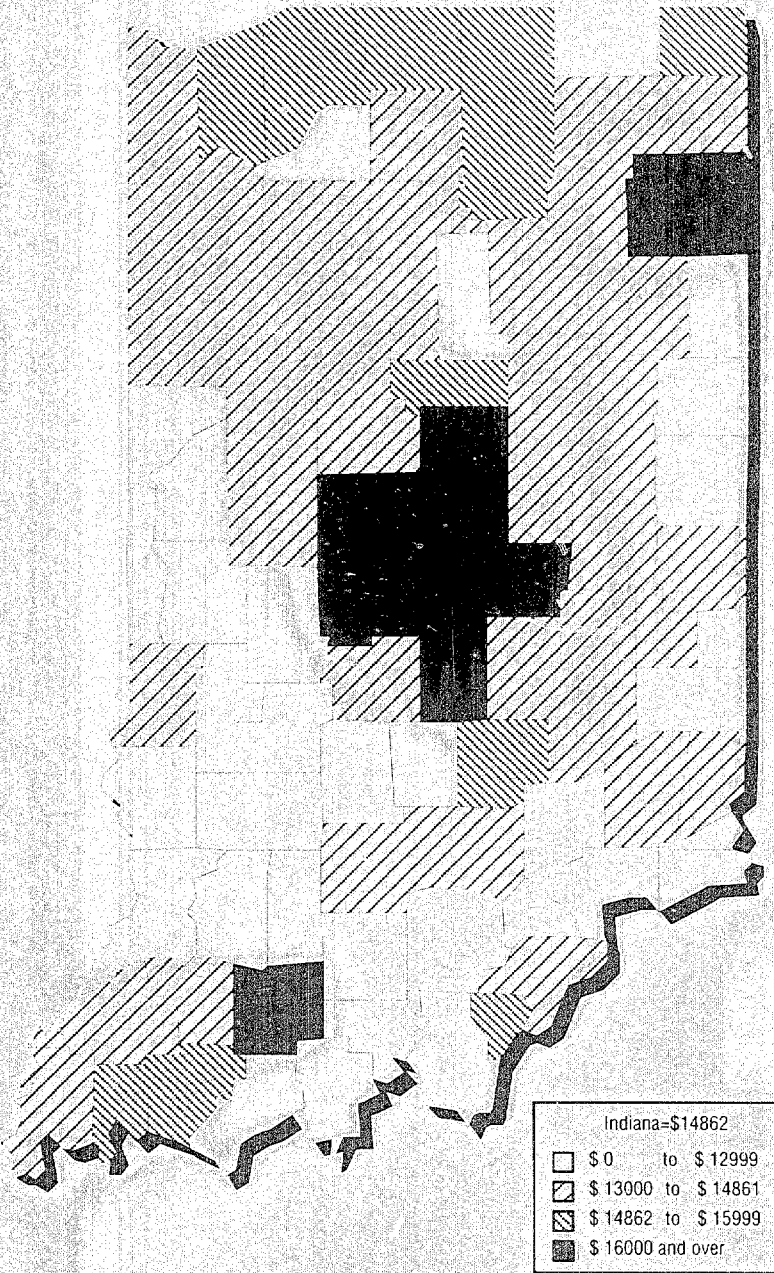
Source: U.S. Bureau of Economic Analysis and EDIN

Table 4
Personal Income, Current Dollars

	1978	1982	1988	Percent Change 78-82	Percent Change 82-88
Earnings (\$000)	619,015	715,187	895,664	15.54%	39.22%
Personal Income (\$000)	887,412	1,153,639	1,573,836	30.00%	36.42%
Per Capita (\$)	\$8,156	\$10,634	\$14,909	30.38%	40.20%

Source: U.S. Bureau of Economic Analysis and EDIN

Figure 3
Estimated Per Capita Personal Income (1988-89)



perspectives on these industries. Since 1977, the number of retail establishments has remained relatively stable, although there were 10 fewer in 1987 than a decade before (see **Table 5**). Those 625 retailers employed nearly 7,000 people (an increase of less than 1% since 1977) and had nominal sales per capita of \$5,364. In 1982 dollars, however, those sales per capita were \$4,485—just \$500 more than the sales in 1977 (again, expressed as 1982 dollars).

Auto dealers accounted for the highest percentage of total retail sales (24%), whereas food stores accounted for merely 20% (see **Table 6**). Competition between car dealers was certainly exacerbated by an increase of dealers from 45 in 1982 to 52 in 1987. A net loss of one food store occurred during the same five-year time span, and there were 16 fewer gas stations.

The service industries grew substantially over the decade between 1977 and 1987, with 219 more such establishments employing a total of nearly 5,000 people (see **Table 7**). Receipts per capita increased from \$387 to \$1,748. Expressed in 1982 dollars, receipts equalled \$1,462 in 1987, compared to \$324 in 1977. Health services, which included private hospitals for the first time with the 1990 Census, accounted for 43% of the total receipts; business services accounted for 13.8% and auto repair 8.2% of the total receipts (see **Table 8**).

Table 5
Retail Trade

	1977	1982	1987	% Chg. 77-87	% Chg. 82-87
Establishments	635	597	628	-1.6%	4.7%
Employees	6,869	6,087	6,923	-10.8%	13.7%
Sales (millions)	\$372.1	\$432.6	\$561.1	53.6%	29.7%
Sales per capita	\$3,429	\$3,986	\$5,064	55.4%	34.6%
Payroll (millions)	\$42.4	\$48.6	\$62.6	47.6%	28.8%
Payroll per employee	\$6,179	\$7,991	\$9,046	46.4%	13.2%

Source: U.S. Bureau of the Census

Table 6
Retail by Type of Business

	Percent of Total Sales		Number of Establishments		Sales as % of State
	1982	1987	1982	1987	
Auto Dealers	17.1	23.9	45	52	1.7
Food Stores	23.7	20.4	58	57	1.9
General Merchandise	12.7	12.6	15	19	1.7
Eating & Drinking	9.3	8.7	163	159	1.5
Gas Stations	13.8	7.5	64	48	1.6
Building Materials	4.8	5.9	30	31	1.7
Misc. Retail	5.2	5.7	95	109	1.0
Apparel & Accessories	5.0	5.5	67	72	2.4
Drug Stores	4.9	5.1	18	20	2.1

Source: U.S. Bureau of the Census

Table 7
Service Industry

	1977	1982	1987	% Chg. 77-87	% Chg. 82-87
Establishments	331	457	550	76.8%	20.4%
Employees	1,965	3,685	4,967	152.8%	34.8%
Receipts (millions)	\$42.0	\$105.0	\$182.9	335.5%	74.2%
Receipts per capita	\$387	\$967	\$1,748	351.7%	80.8%
Payroll (millions)	\$13.0	\$43.3	\$67.5	419.2%	55.9%
Payroll per employee	\$6,637	\$11,760	\$13,599	104.9%	15.6%

Source: U.S. Bureau of the Census

Table 8
Services by Type of Business

	Percent of Total Receipts		Number of Establishments		Receipts as % of State
	1982	1987	1982	1987	
Health Services	43.4	43.4	127	151	2.2
Business Services	NA	13.8	NA	71	1.2
Auto Repair & Garages	8.0	8.2	57	67	1.4
Misc. Repair	NA	8.1	NA	32	3.3
Professional Services	NA	6.6	NA	45	1.0
Personal Services	NA	5.8	NA	81	1.6
Hotels, Motels, etc.	NA	5.3	16	21	1.9
Legal Services	4.7	3.4	34	37	1.0
Amusements	4.4	3.3	20	28	1.0

Source: U.S. Bureau of the Census

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