

MU's impact

on

Missouri's economy

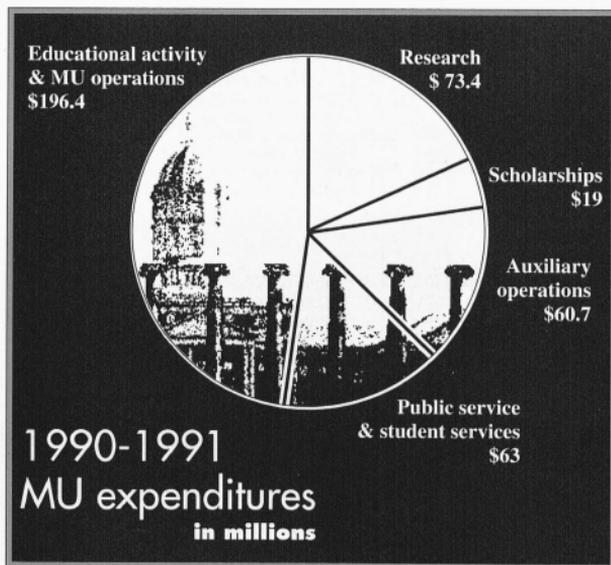
BY MARTY OETTING

The knowledge, leadership, creativity and economic productivity of MU's 70,000 alumni who live in Missouri greatly contribute to the state and its economy. Those MU graduates include nearly 900 veterinarians, more than 4,000 engineers, 1,500 physicians, 1,500 nurses, more than 3,200 attorneys and a host of journalists, business leaders, educators and farmers.

Studies indicate that a college graduate will earn an average of \$800,000 more in a working lifetime than a person who has not gone to college. If such statistics hold true for MU's graduates, they have a significant economic impact on the state.

In addition to contributions by alumni, research by MU's faculty has improved the quality of life and the economy for Missourians. More than 22,000 patients worldwide are free from dialysis machines as a result of pioneering peritoneal dialysis research by MU's physicians. MU has the nation's only rehabilitation research and training center for arthritic diseases that is helping people with arthritis improve the quality of their lives. Missouri's farmers can expect to save \$5 million a year thanks to researchers at MU who developed the Hartwig soybean variety, which is resistant to all known races of the soybean cyst nematode. This tiny roundworm costs Midwestern farmers millions of dollars annually.

"Higher education is a critical component of our economy," says Jo Frappier, president of the Missouri Chamber of Commerce in Jefferson City.



Every \$1 MU spends more than doubles
as it ripples through the state's economy.



MU has a \$1.1 billion impact in the state as a major consumer and employer, according to a study conducted by Ed Robb, a leading state economic forecaster and director of the College of Business and Public Administration's Research Center. He estimates MU's 6,858 employees and 24,927 students will spend more than \$750 million in the state in the coming year. As those dollars circulate through the local and state economy, they generate new spending and jobs, which together create a total impact of more than \$1.1 billion.

Add to that figure \$118 million in institutional purchases and \$60 million in construction expenditures, and MU creates more than \$2 in economic activity in Missouri for each \$1 spent, Robb says.

If Proposition B passes on Nov. 5, the new dollars flowing into education will produce a valuable return for the state, he adds. "It is safe to say the new money — and the resulting improvements in education — will benefit higher education's economic impact across the state," Robb says.

For that reason many business leaders in the state are supporting Proposition B. The state Chamber of Commerce has surveyed more than 3,000 Missouri businesses. Findings indicate that hiring productive, qualified employees is second only to health care costs as a major concern.

"The impact the University has on the economy by providing talent and leadership for business and industry far outweighs any economic impact it has through spending," Frappier says.

Other business leaders make a similar connection between education and the economy.

"The best way to assure a healthy economic environment is to have a healthy educational system," says David Kemper, president and chief executive officer of Commerce Bancshares Inc. in Kansas City. "Higher education is a way to inspire people into setting their sights higher. We have to have a first-class university system for economic growth in this state."

Supporters say Proposition B will help Missouri take a step

toward a world-class educational system.

"It is somewhat unusual for business to strongly support a tax increase," Frappier says, "but we consider this to be a critical issue. Without the University and its graduates we would be in a critical situation." 

The impact of student, faculty and staff Purchasing power

- **Housing** — \$380.2 million for homes, apartments and residence halls.
 - **Food and Beverages** — \$156.3 million for groceries and eating out.
 - **Transportation** — \$156 million for automobiles, insurance, gasoline, motor oil and public transportation.
 - **Education** — \$132.1 million for tuition, books and fees.
 - **Entertainment** — \$58.1 million for movies, concerts and other leisure activities.
 - **Apparel and upkeep** — \$52.9 million for clothes, shoes and dry cleaning.
 - **Health Care** — \$49.4 million for medicine, doctor visits and hospital stays.
 - **Personal care** — \$11 million for toiletries and other personal goods.
- Visitors to Campus spend an additional \$34 million.**

