

U.S. & Washington Area Economic Performance and Outlook

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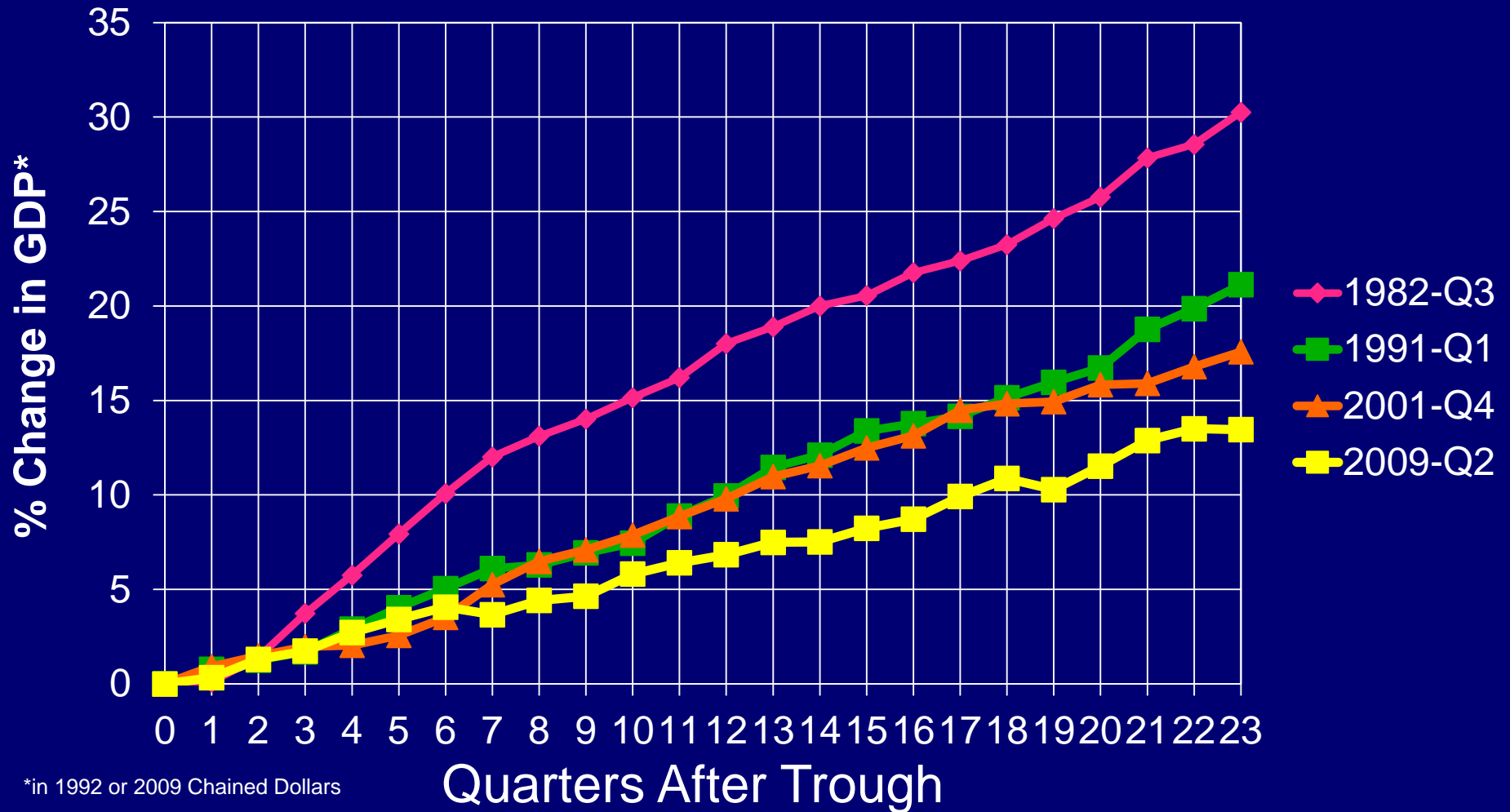
Director – Center for Regional Analysis

School of Policy, Government & International Affairs

George Mason University

July 23, 2015

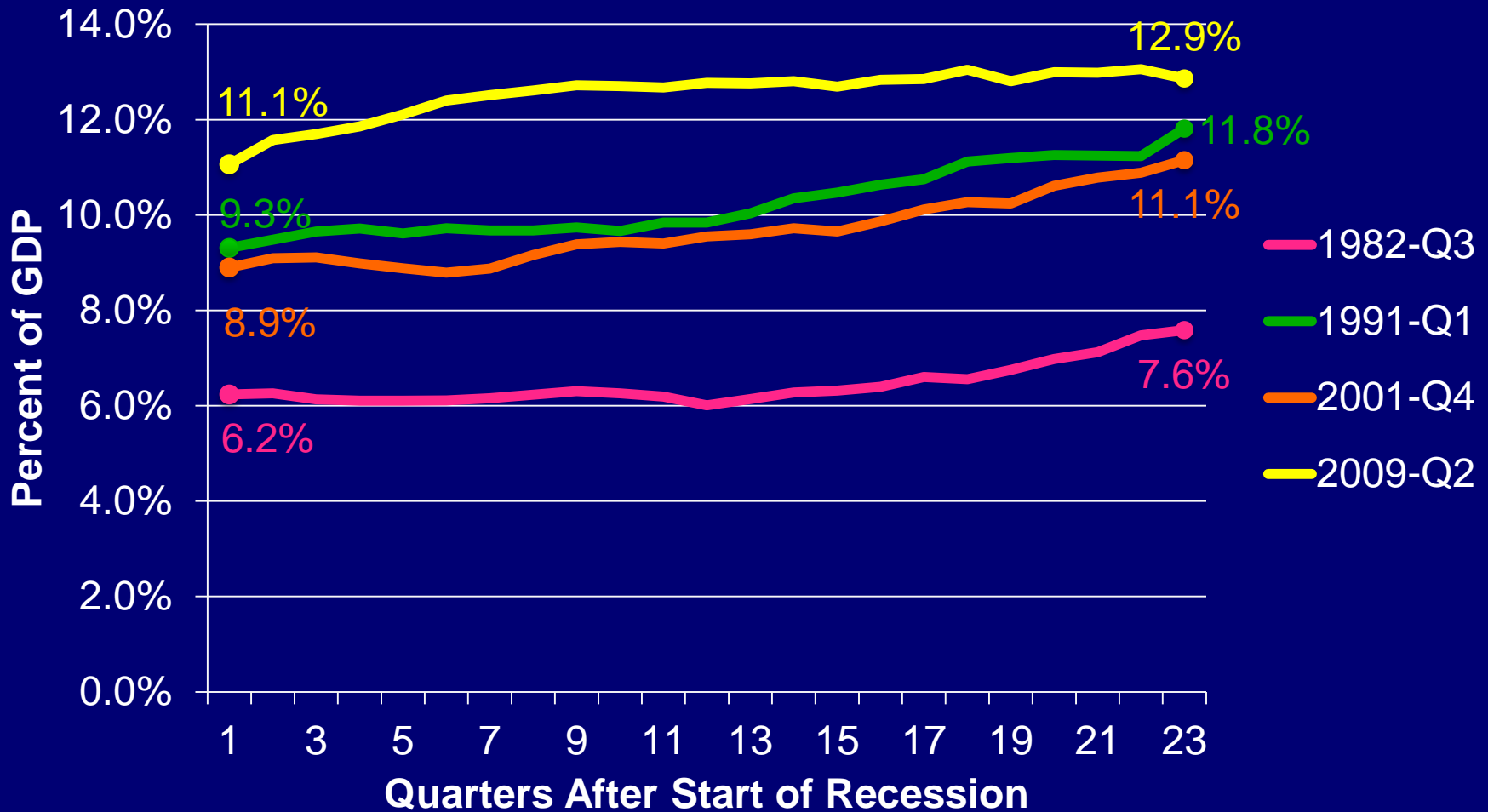
Recession Recovery Patterns of GDP Past Four Recessions



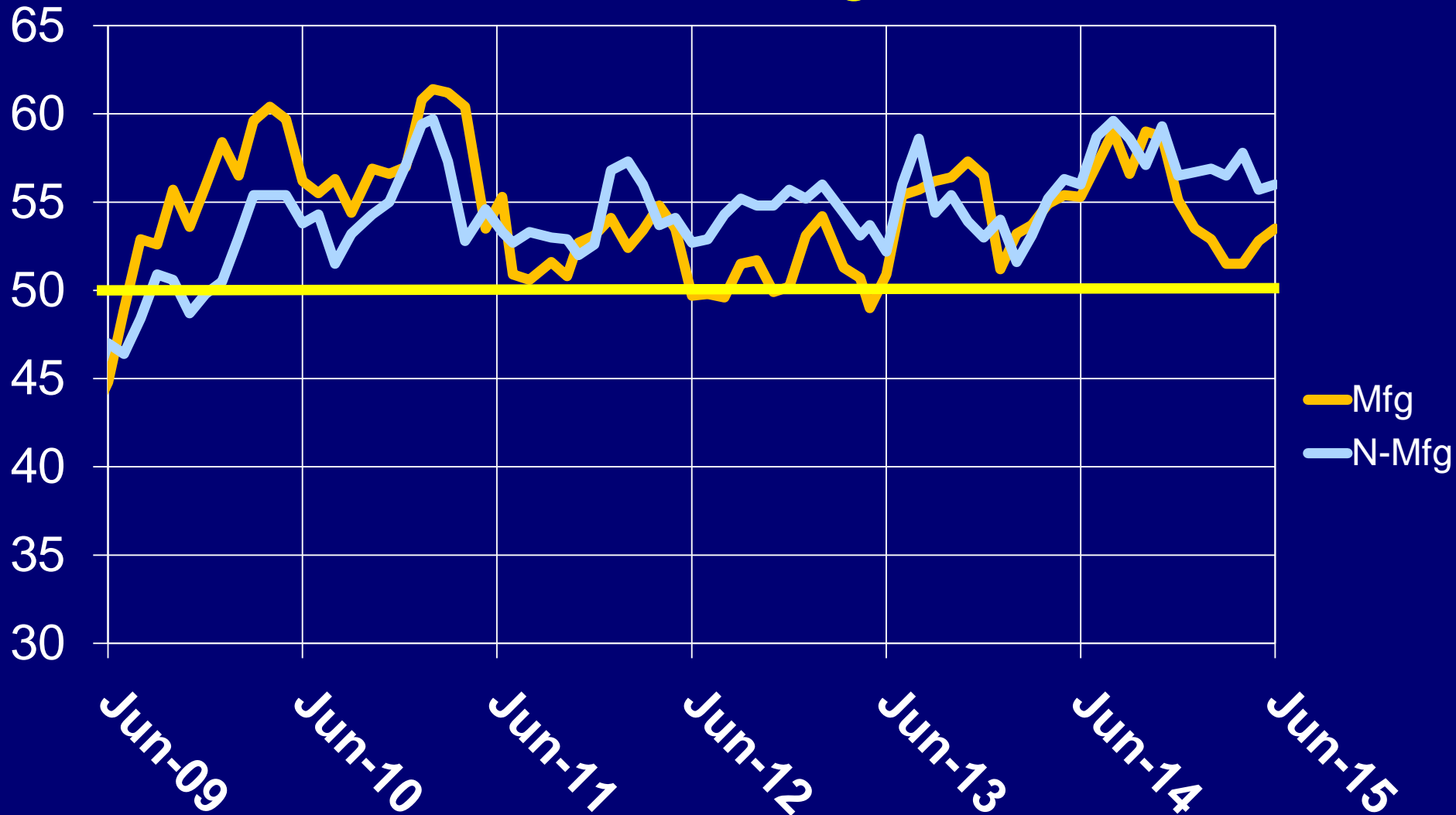
*in 1992 or 2009 Chained Dollars

Increasing Role of Exports

% of GDP 23 Quarters Post-Recession

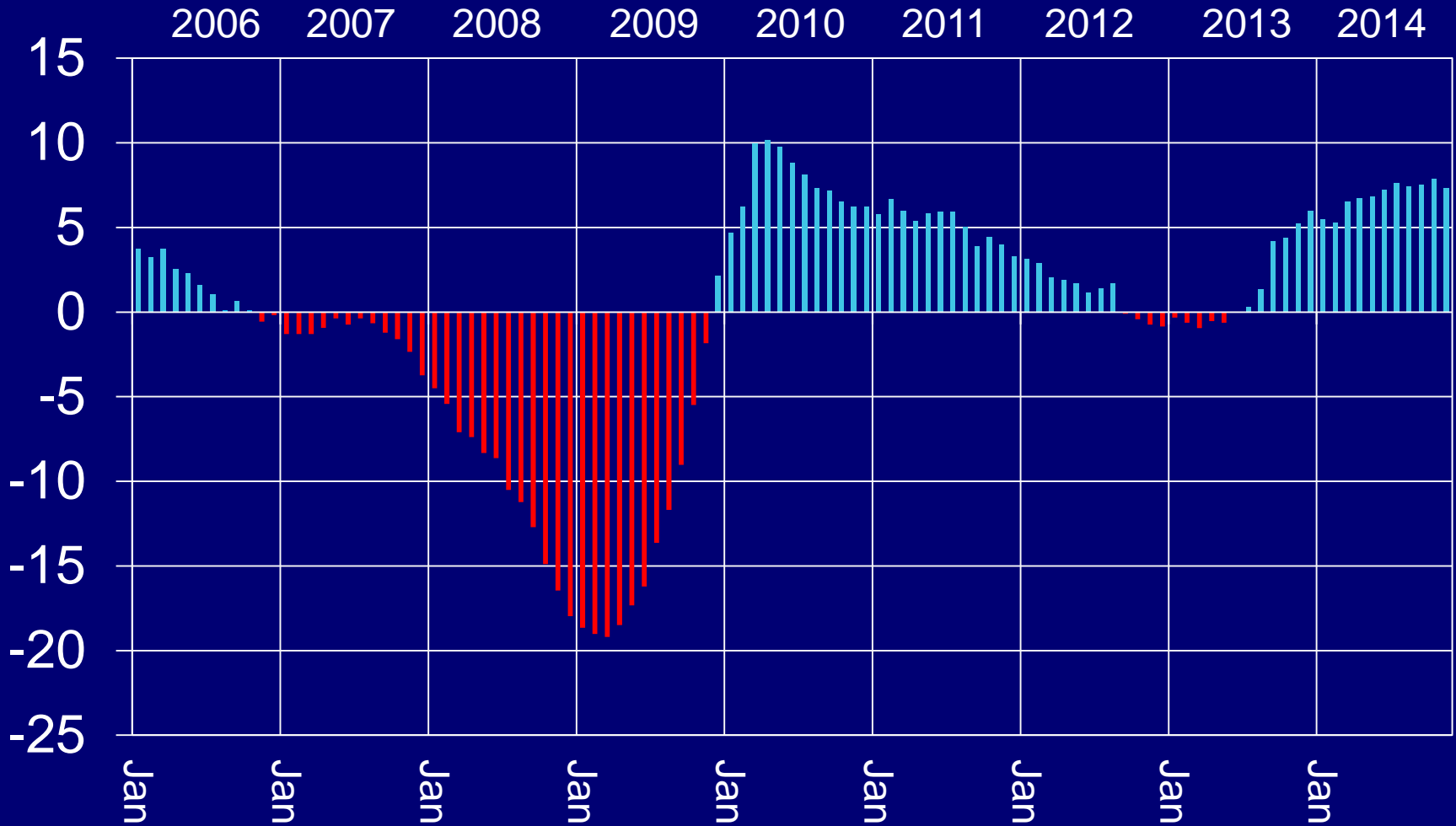


ISM Manufacturing and Non-Manufacturing Indices

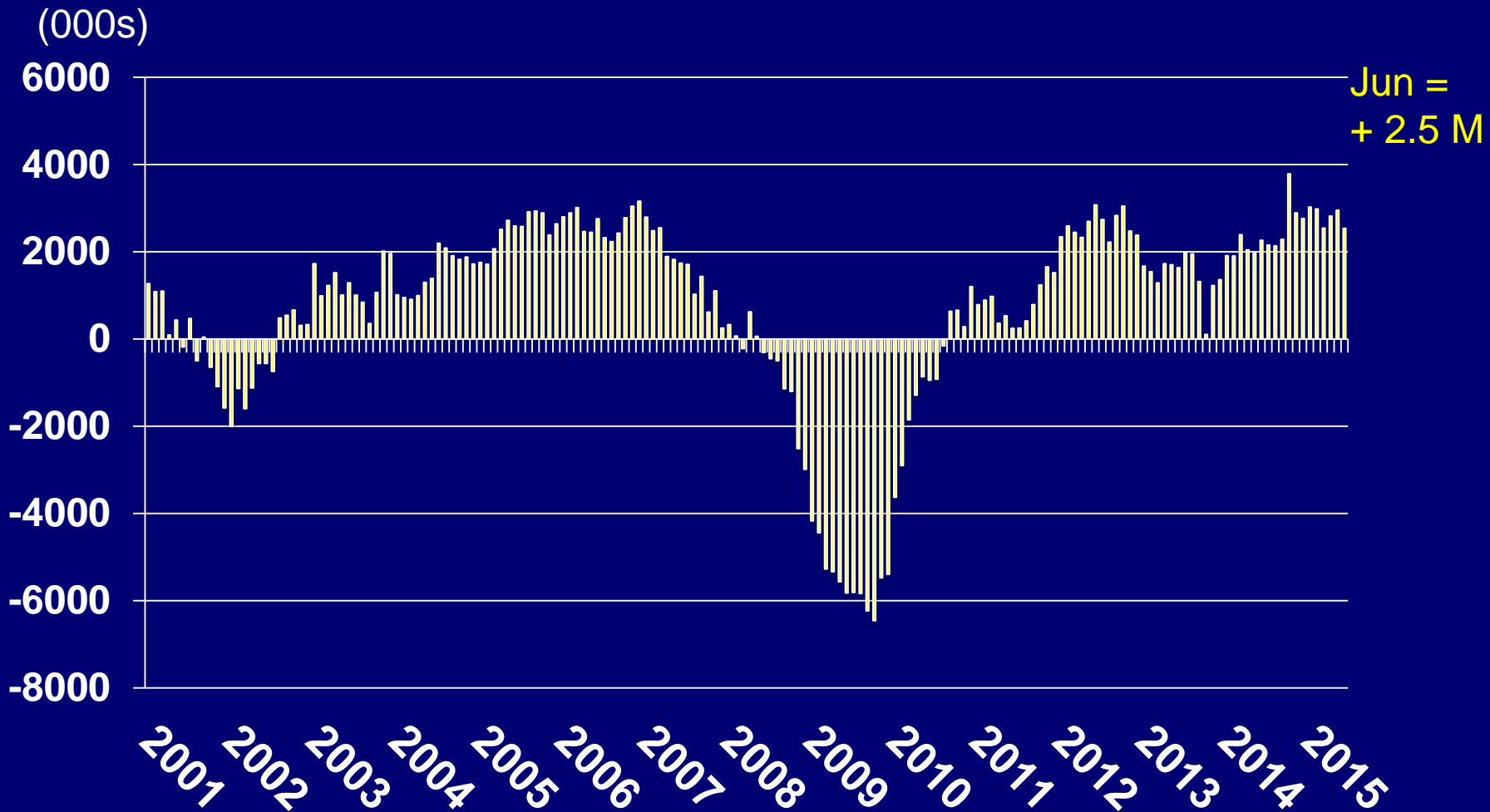


U.S. Leading Index

Month-Over-Year Percent Change

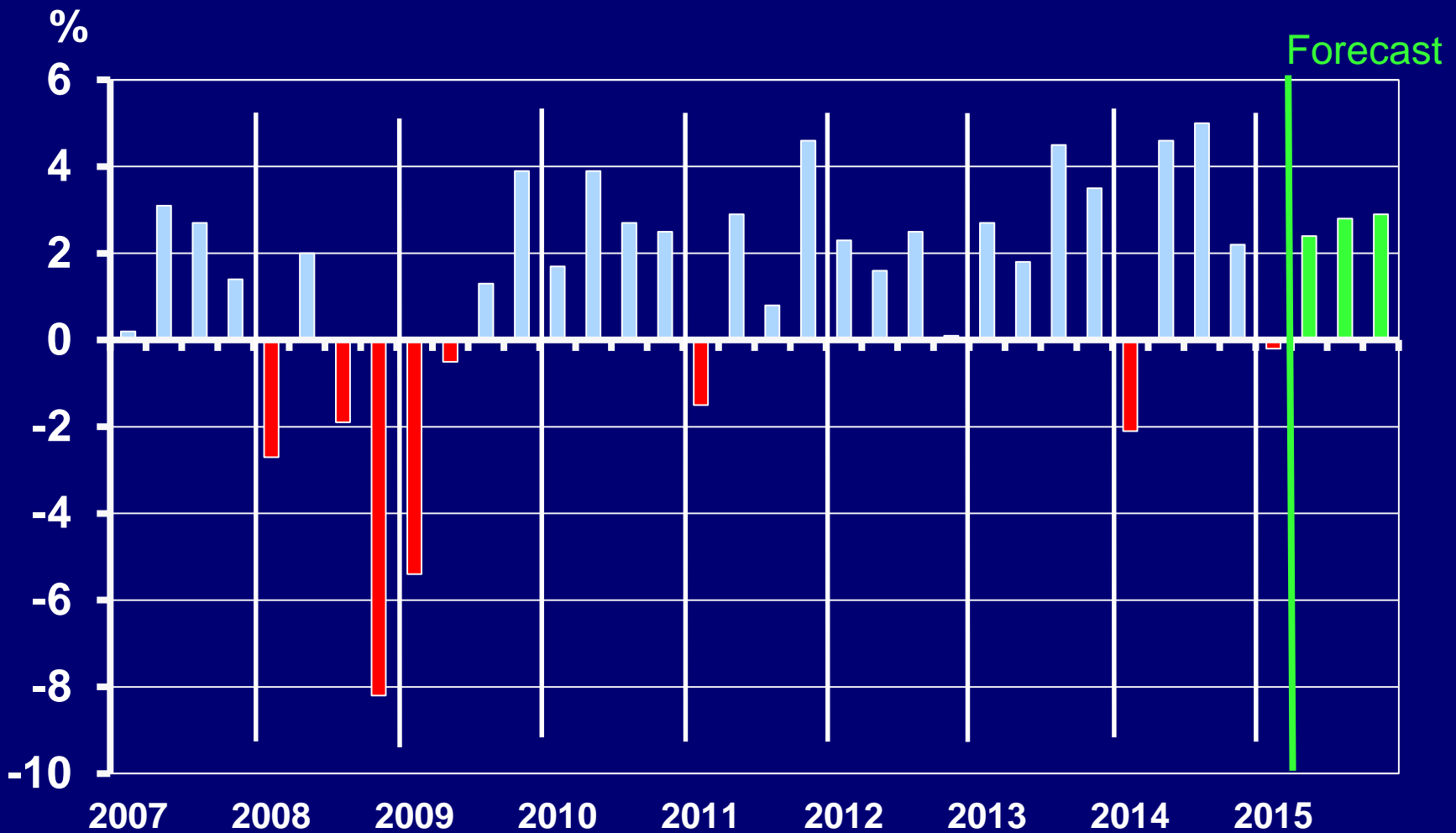


Annual Change in US Employed Workers*



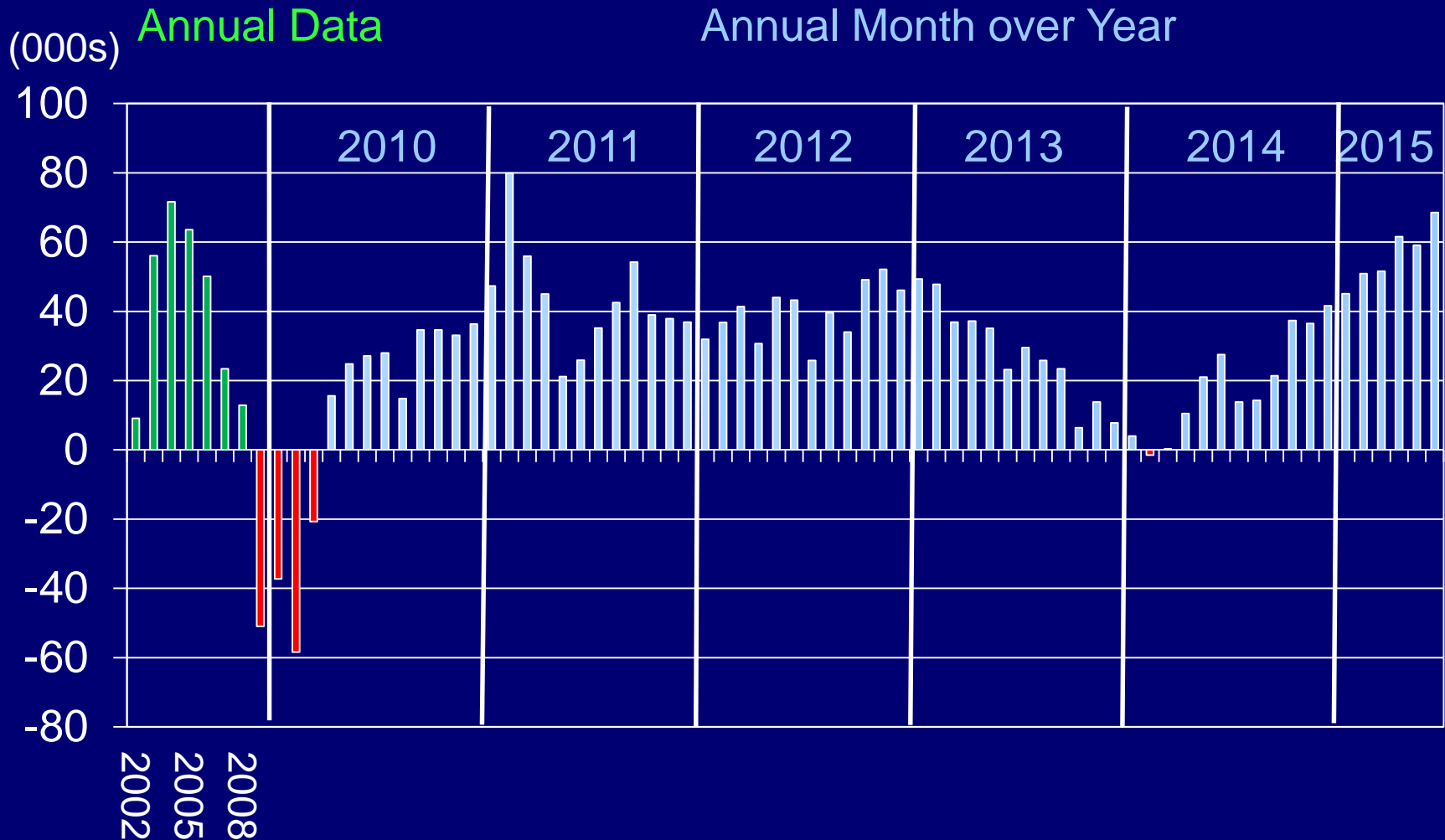
*employed workers include full-time, part-time, self-employed and contract workers

U.S. Gross Domestic Product Quarterly Change: 2007 – 2015



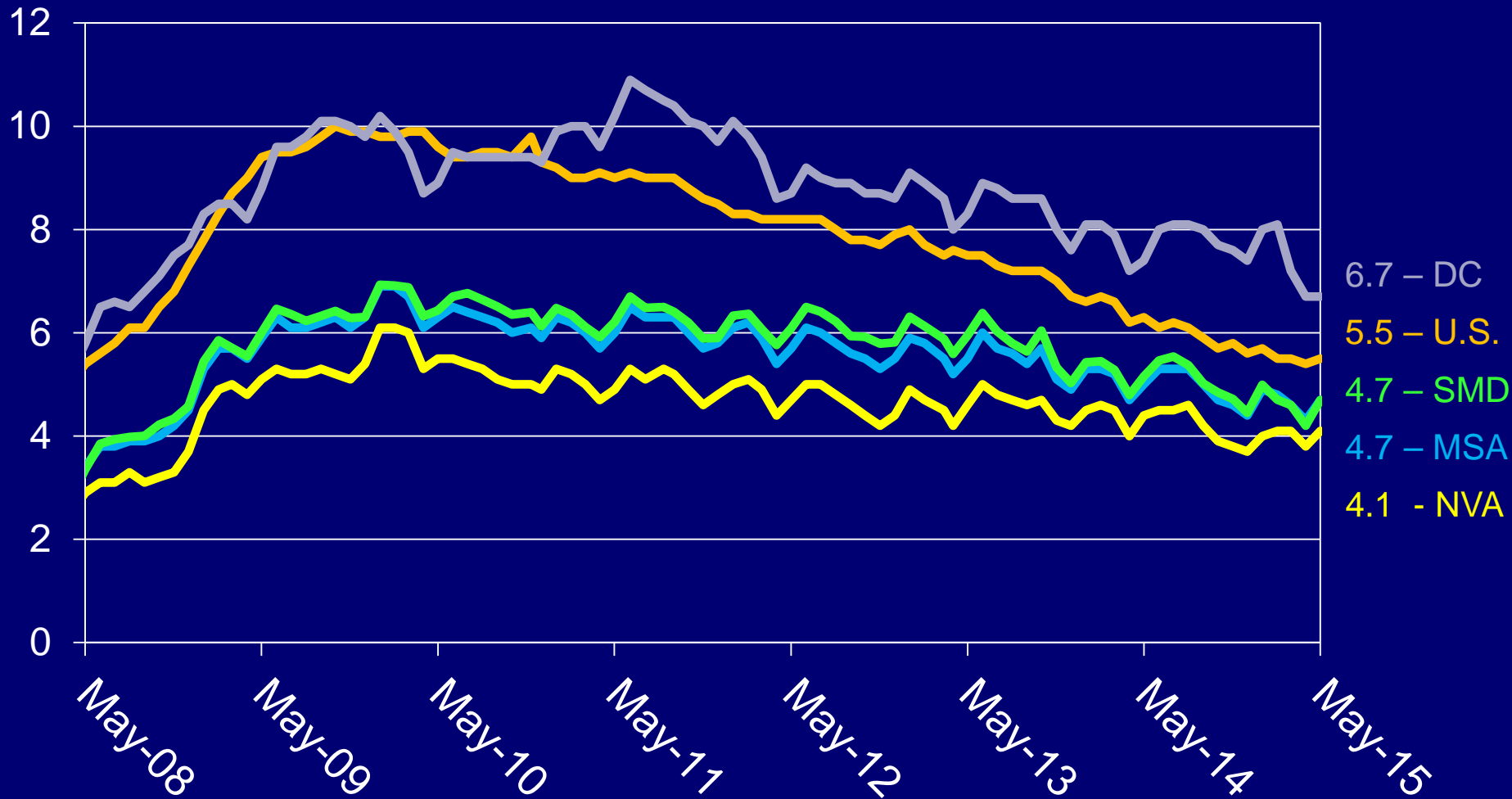
The Washington Economy

Annual Job Change Washington MSA, 2002-2015



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

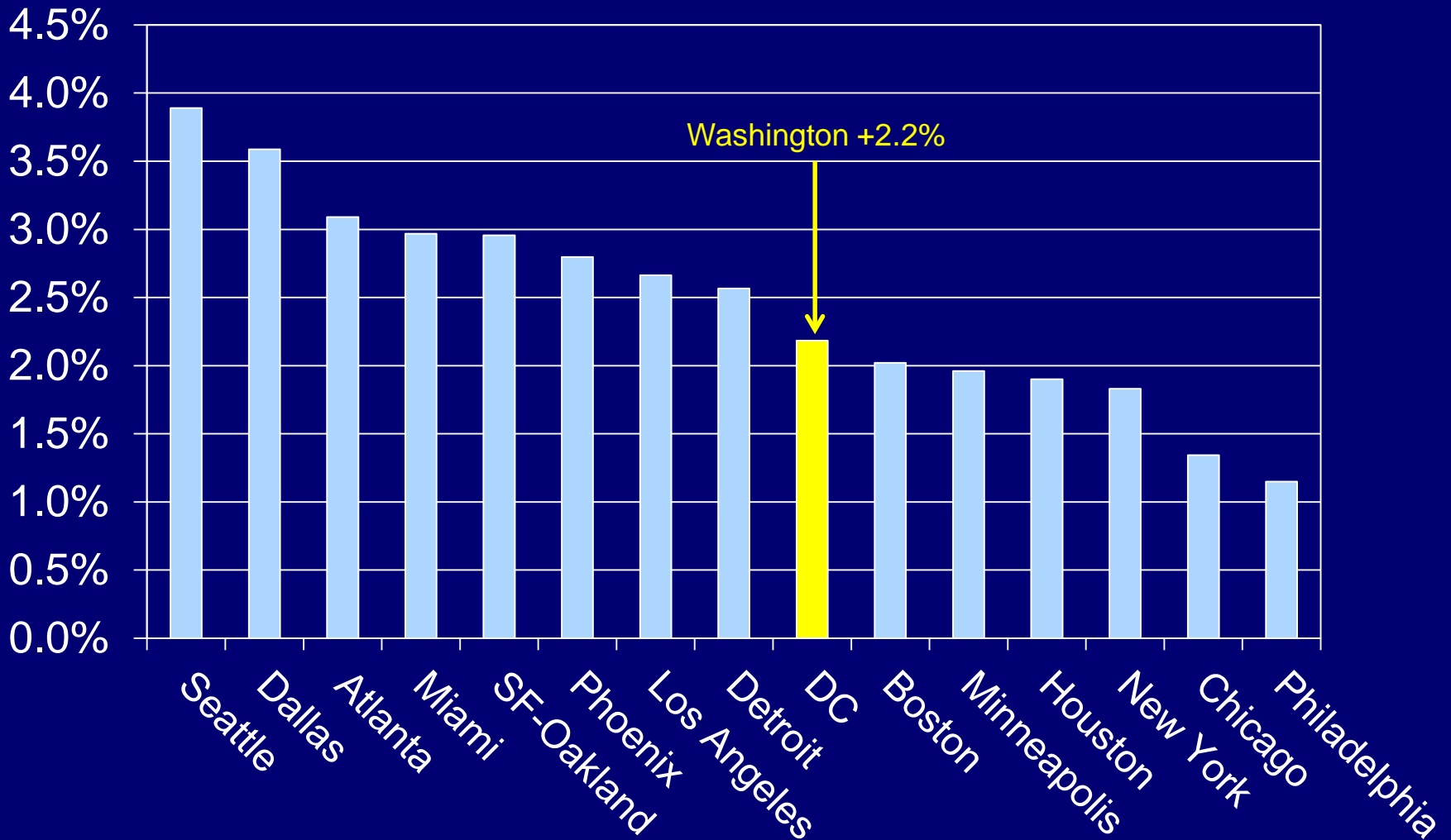
Unemployment Rates in the WMSA By Sub-State Area, 2008-2015



Source: Bureau of Labor Statistics (Region - Not Seasonally Adjusted, US – Seasonally Adjusted)

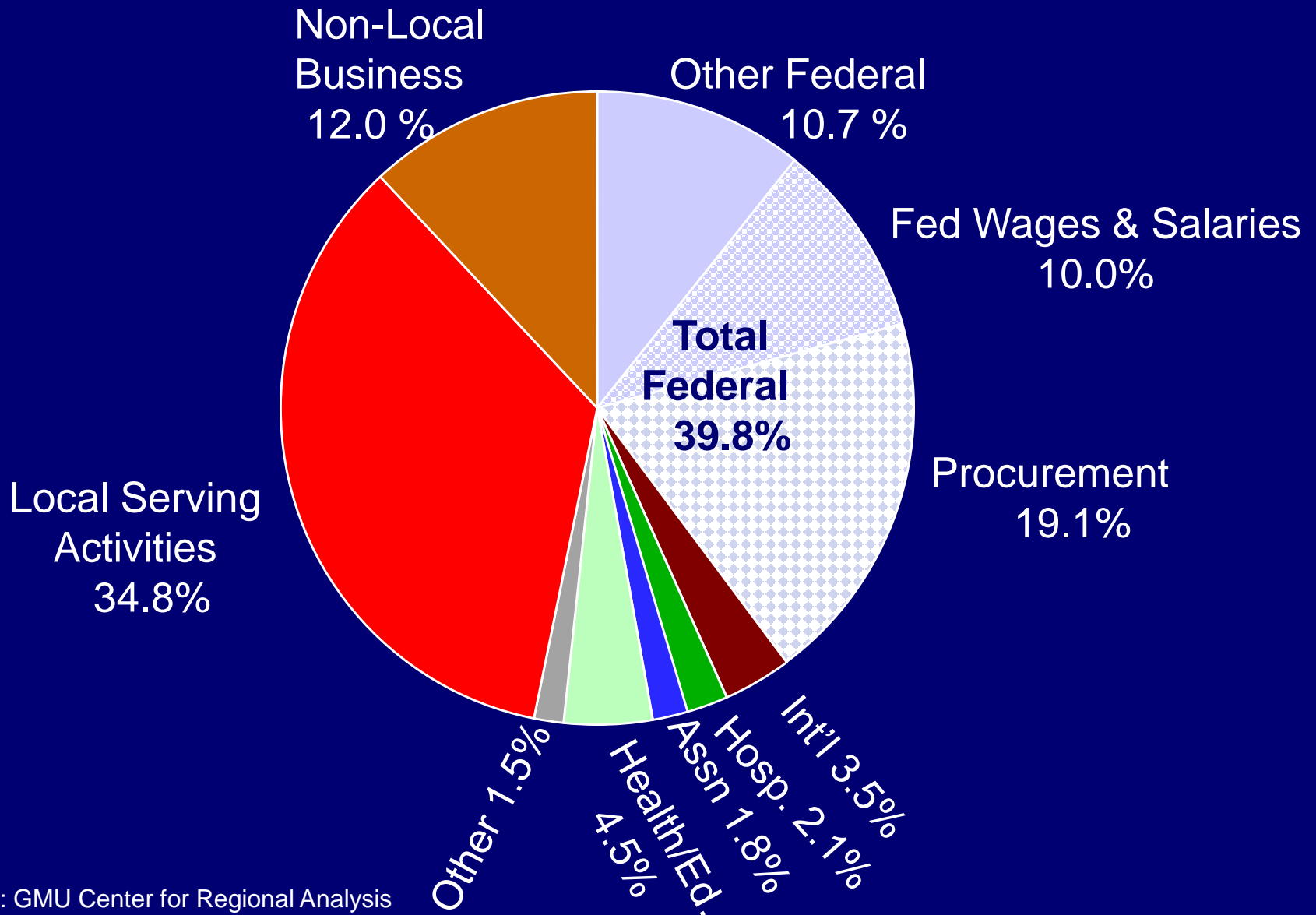
15 Largest Job Markets

Job Change: Jun 2014 – Jun 2015



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

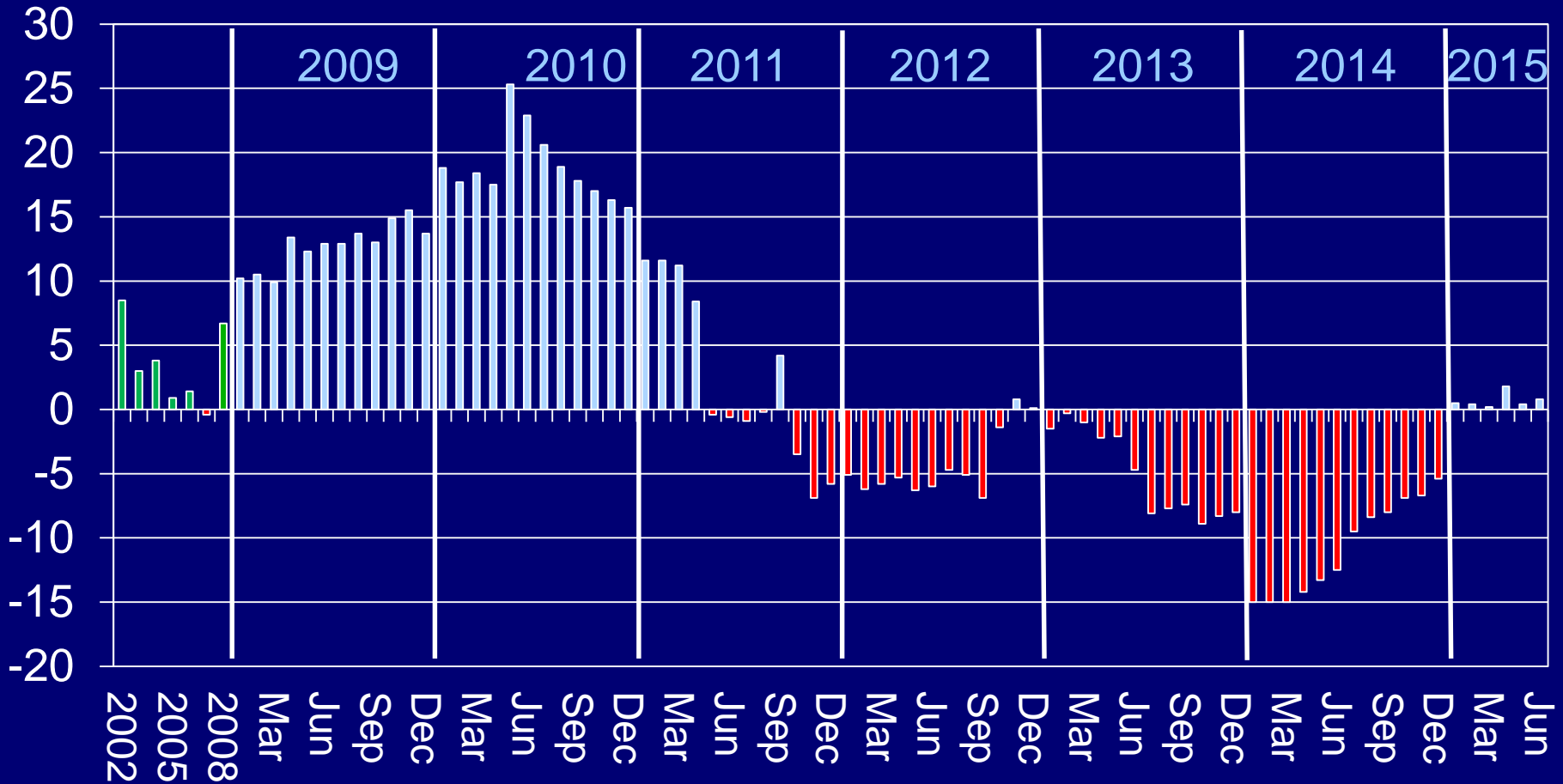
2010 Structure of the Greater Washington Economy



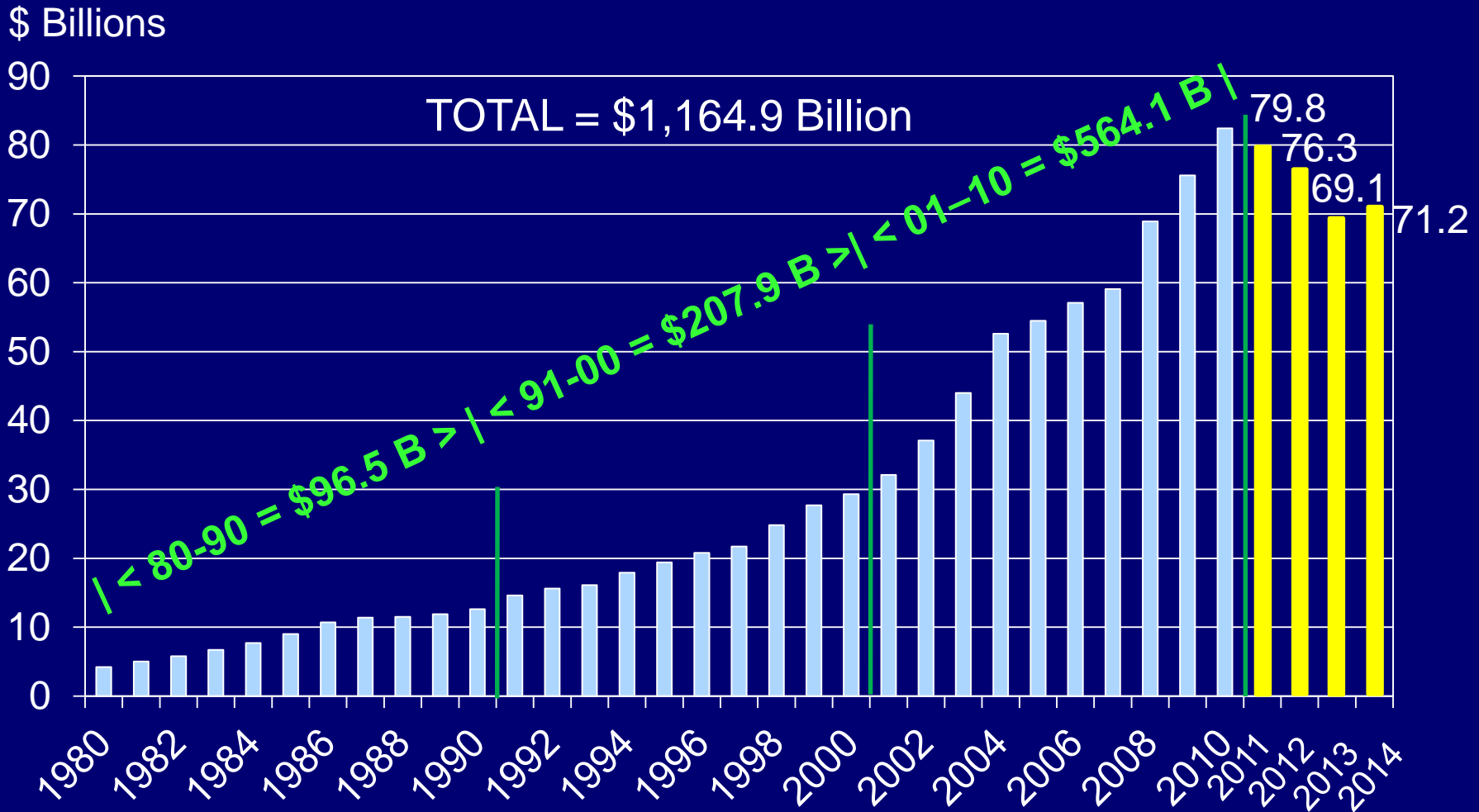
Federal Government Washington MSA

(000s) Annual Data

Annual Month over Year



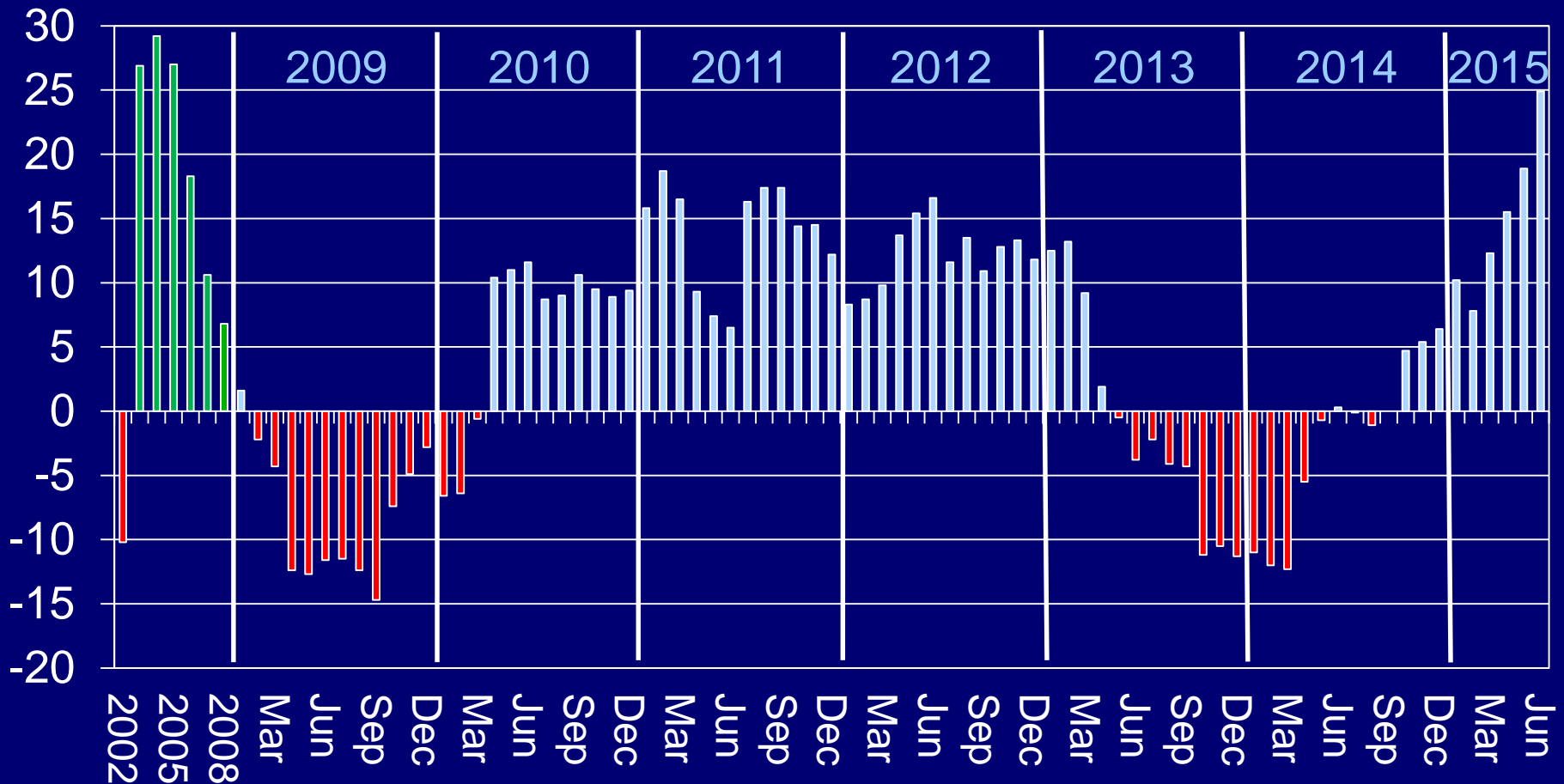
Federal Procurement in the Washington Metro Area, FY 1980-2014



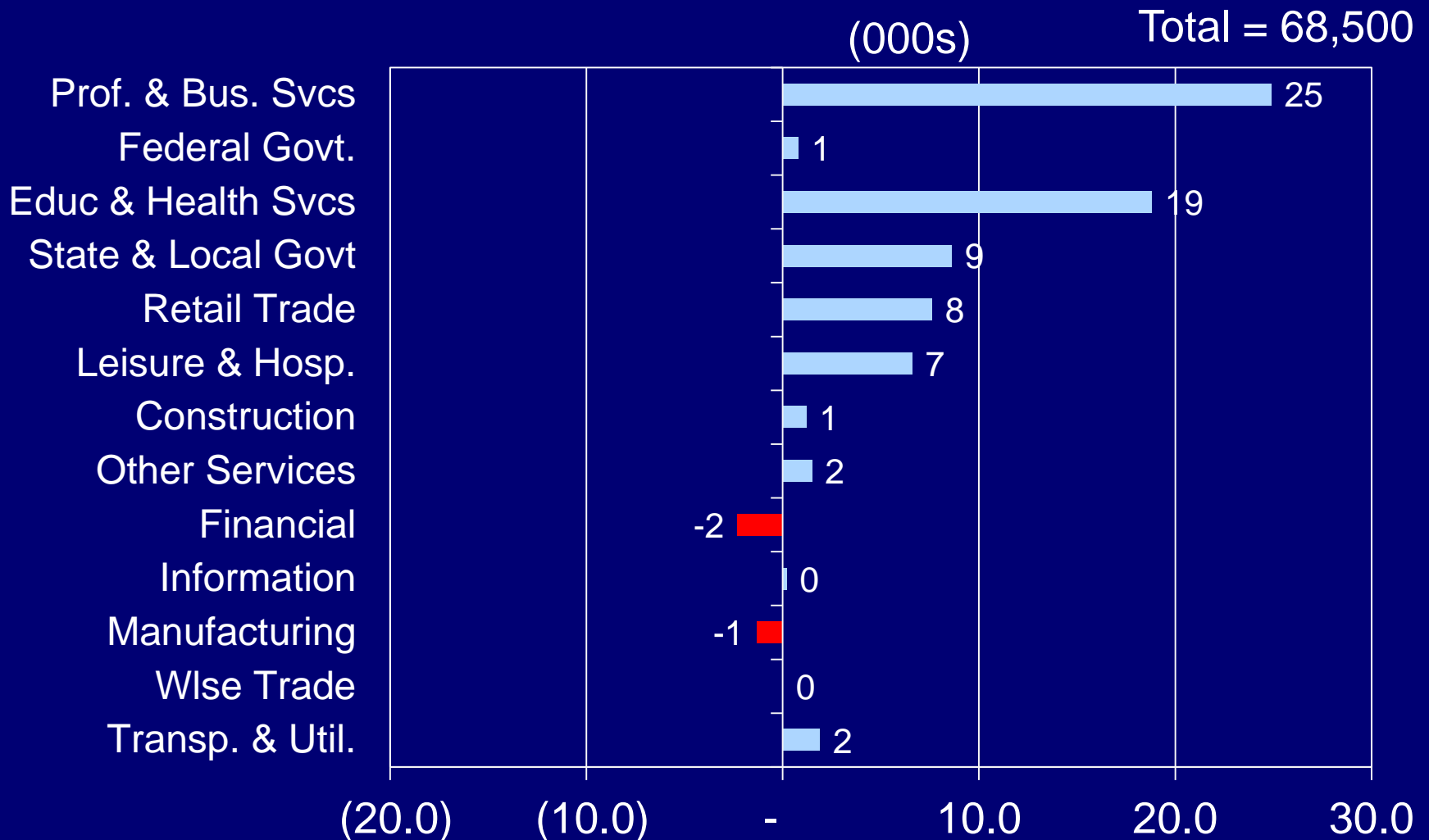
Professional & Business Services Washington MSA

(000s) Annual Data

Annual Month over Year



Job Change by Sector Jun 2014 – Jun 2015 Washington MSA

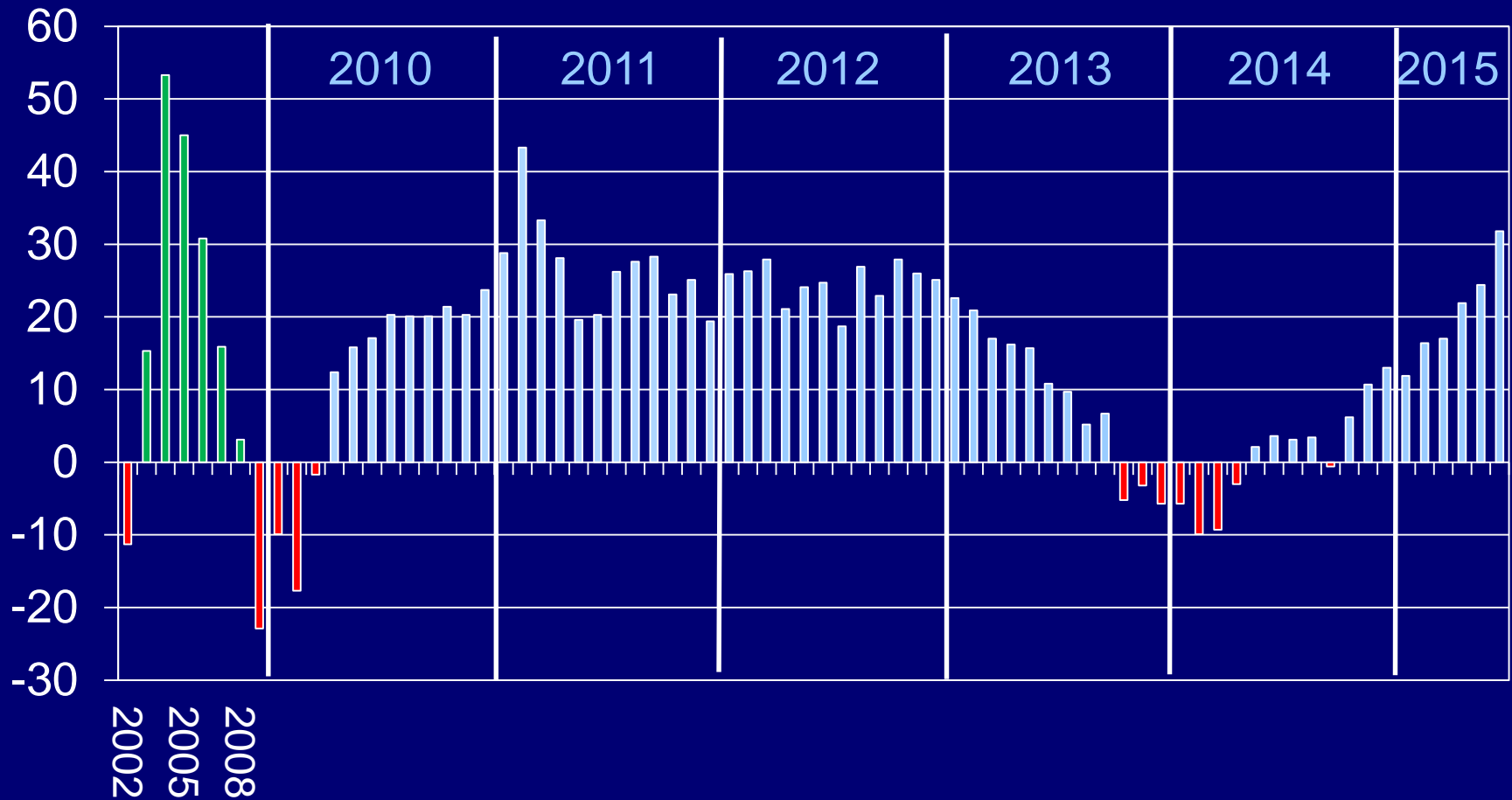


Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Annual Job Change Northern Virginia, 2002-2015

(000s) Annual Data

Annual Month over Year

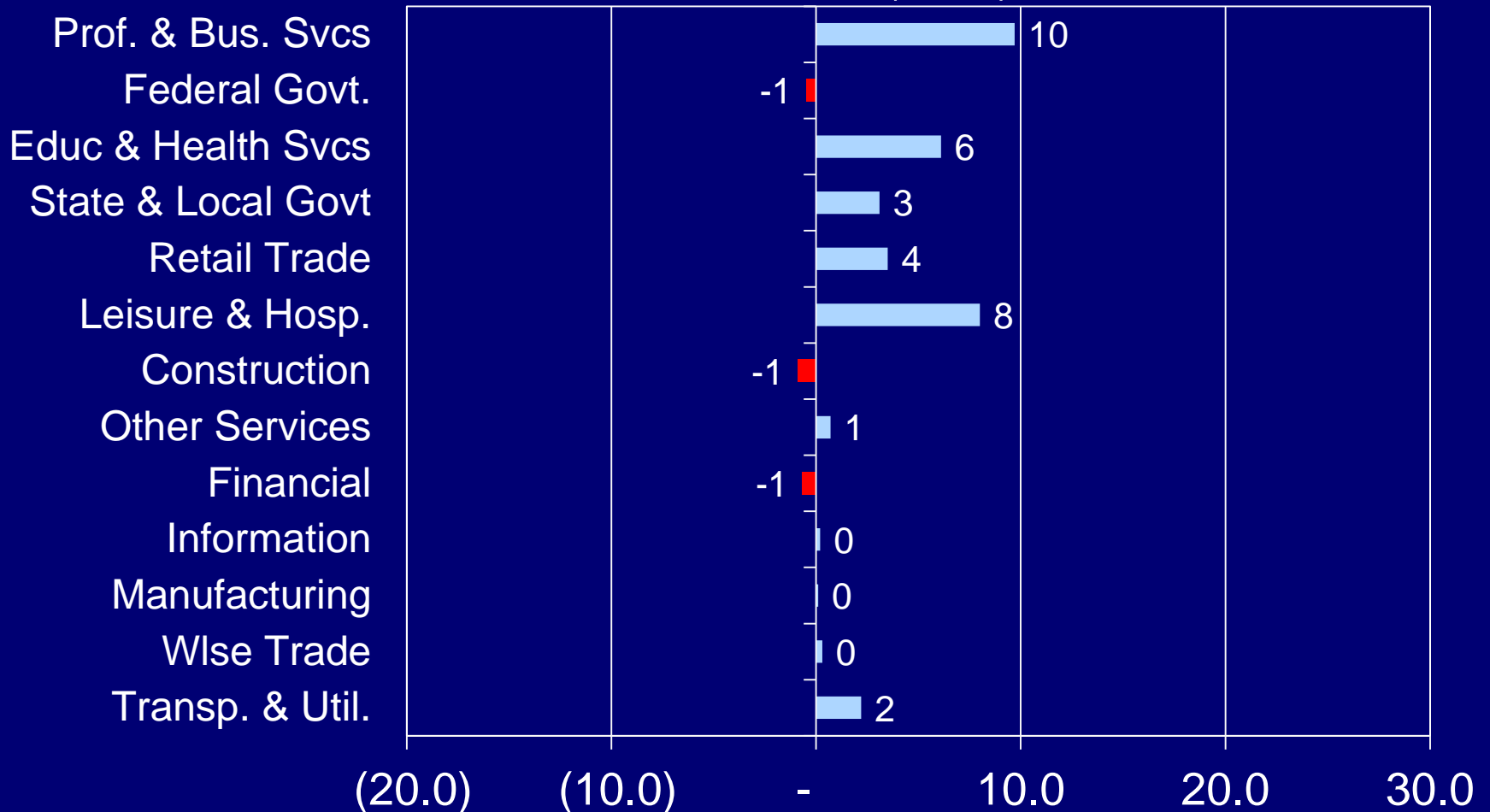


Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Job Change by Sector Jun 2014 – Jun 2015 Northern Virginia

(000s)

Total 31,800



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

WMSA Payroll Job Change: Private Sector

The Great Recession and Recovery

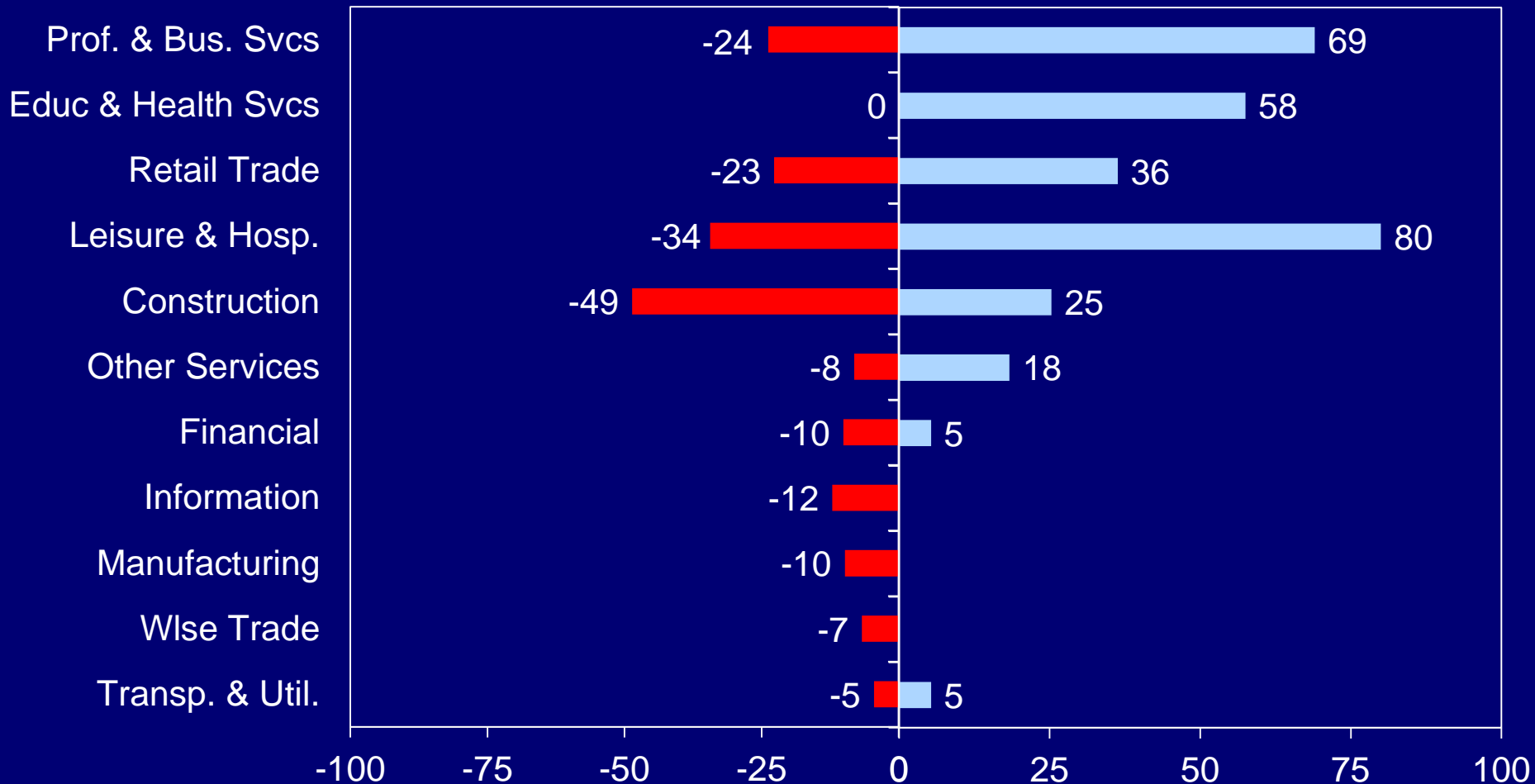
Aug 2008-Feb 2010

Feb 2010-Jun 2015

Total -181

(000s)

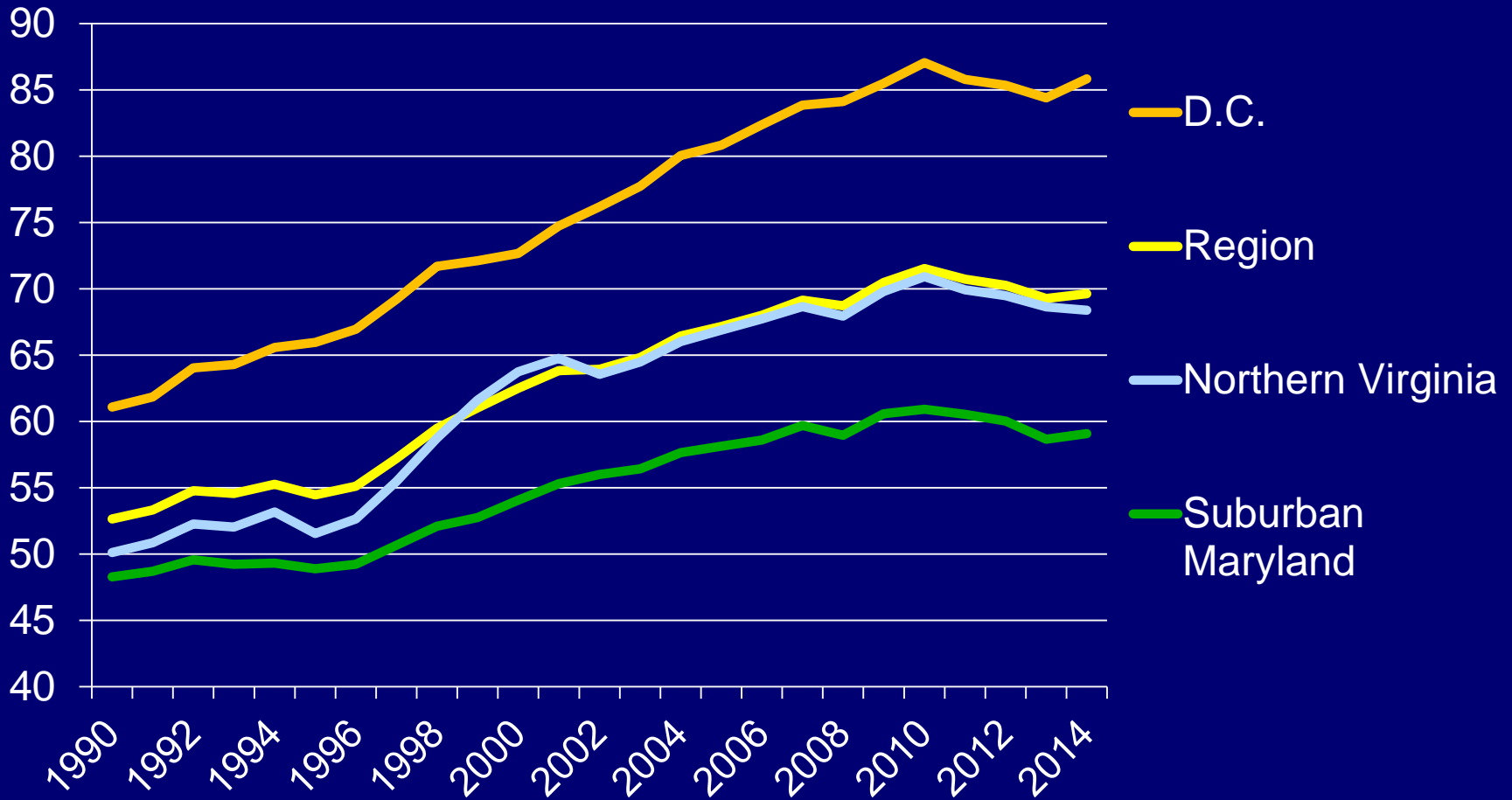
Total 297



Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Average Wage, Washington Metro Area

(000s of 2014 \$s)

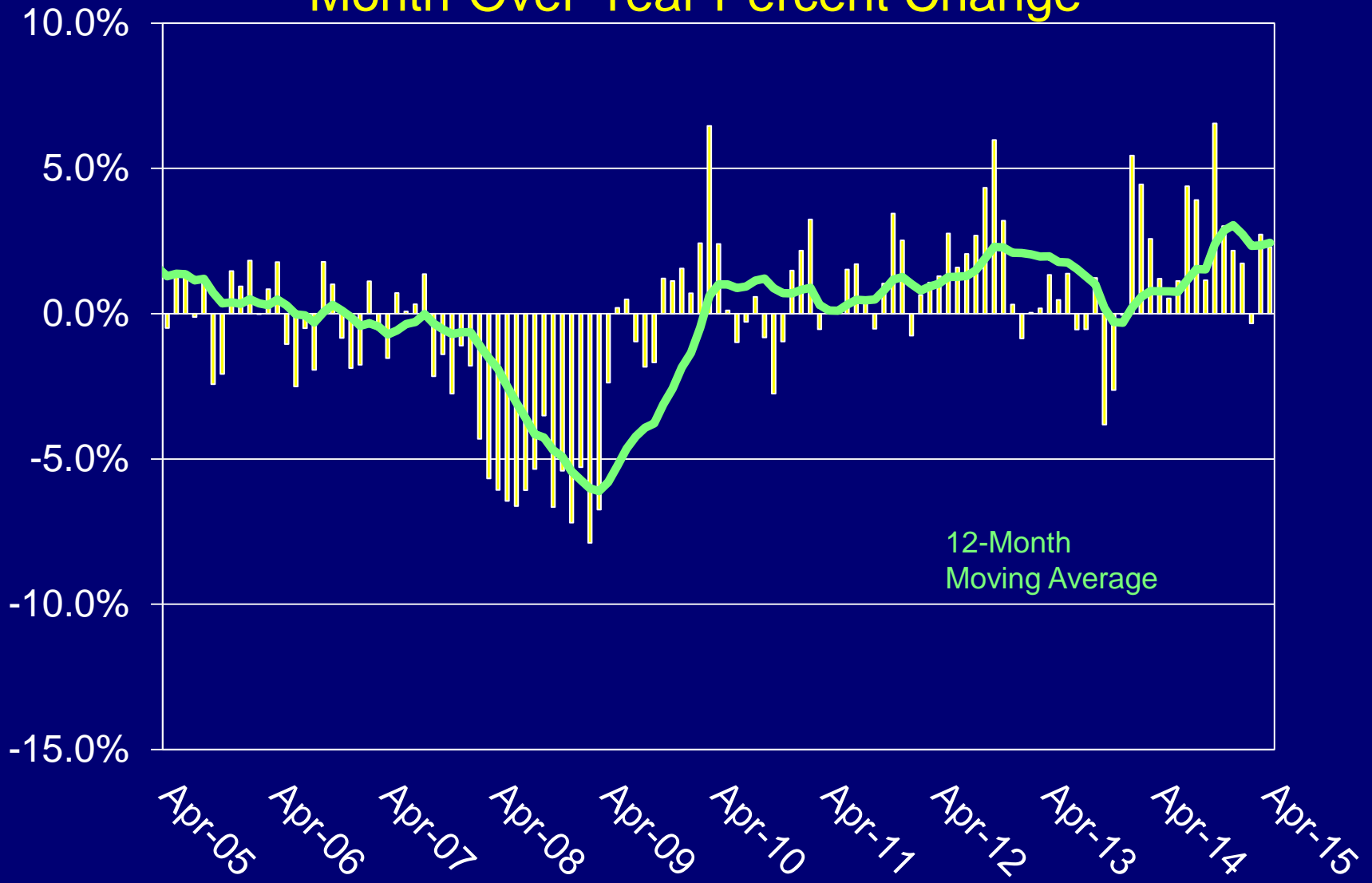


The Household Income Effects of Structural Change in the Washington Metropolitan Area

<u>Jurisdiction</u>	<u>Median HH Income 2013*</u>	<u>Change from 2009*</u>
District (DC)	\$67,575	\$2,919
Frederick Cty	84,308	- \$5,856
Montgomery Cty	98,326	- \$4,552
Prince George's Cty	72,052	- \$4,060
Arlington County	102,501	- \$1,675
Fairfax County	111,079	- \$249
Loudoun County	116,768	- \$7,283
Prince Wm County	95,268	- \$2,234
Alexandria City	86,775	\$2,985
Total Metro Area	\$90,149	- \$2,287

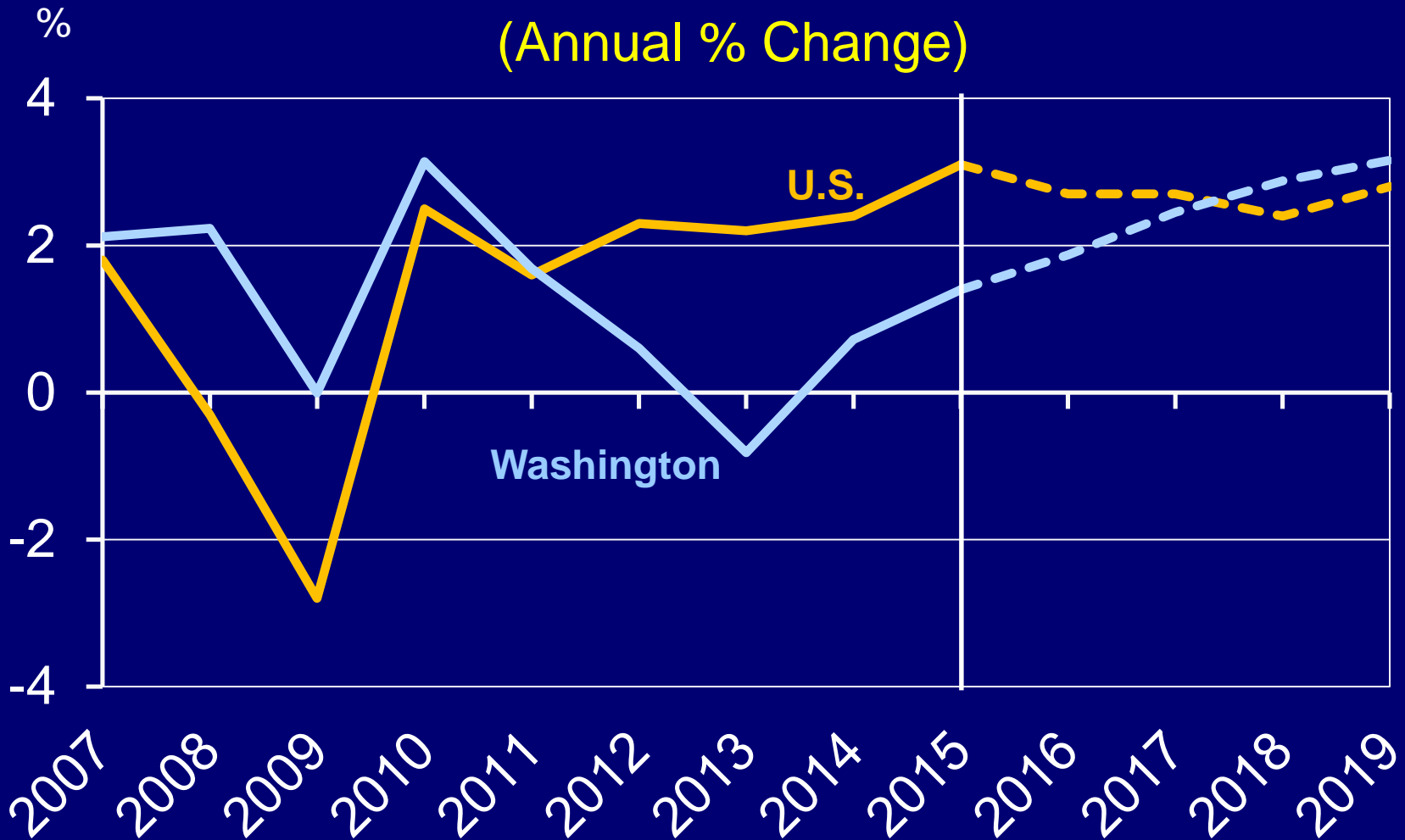
Washington MSA Leading Economic Index

Month-Over-Year Percent Change



Source: GMU Center for Regional Analysis

U.S. GDP and Washington Area GRP 2007 – 2015 – 2019 (Annual % Change)



Where we are:

- We are technically growing, but remain a highly specialized economy:
 - No long a leader among major metro areas
 - Declining quality of jobs
 - Average wages decreased for three consecutive years ('10-'13)
 - Local fiscal resources under strain
 - Will impact services, infrastructure, quality of life
 - Federal spending could/should increase as national economy improves, but we need to diversify

Rethinking The Regional Economy's Future

- Exports are key to growing the economy

Scientific & Tech Serv	Higher Ed & Health
Manufacturing	Ag & Natural Resources
Leisure & Hospitality	FDI
- High-value added employment
 - Higher induced impacts, strengthens the tax base
- Increased emphasis on non-federally dependent economic assets
 - B2G \longrightarrow B2B
- Unify local & regional economic development
 - reduce conflicting messages / predatory practices
 - regional messaging

Thank You

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