



**25th Annual Economic Conference Sponsored by  
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*The Roadmap for the Washington Region's Future Economy:  
Pivoting the Region's Economy Away From Its Federal  
Dependency—A Progress Report and Assessment*

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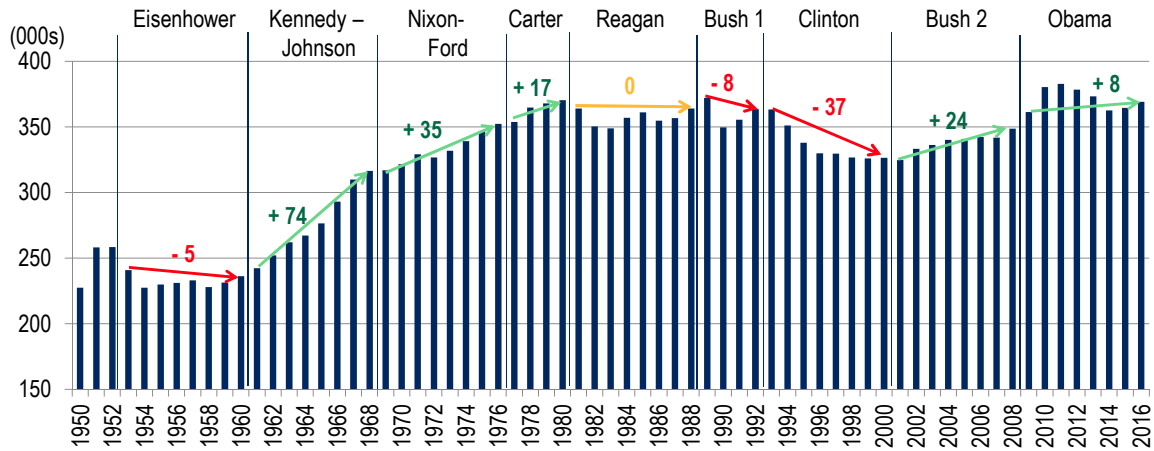


February 1, 2017

**The Downside of Being a Company Town**



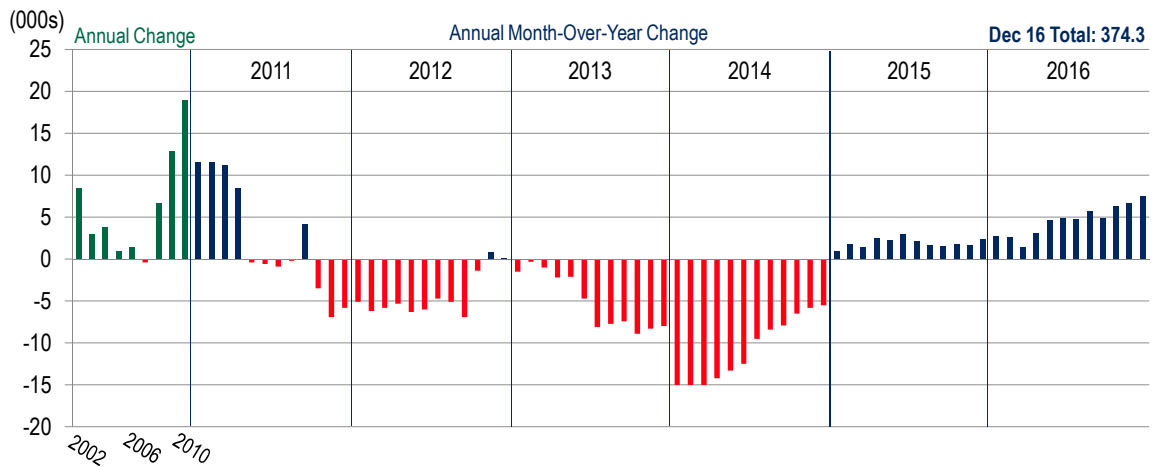
## Federal Employment in the Washington Region, 1950-2016



Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU



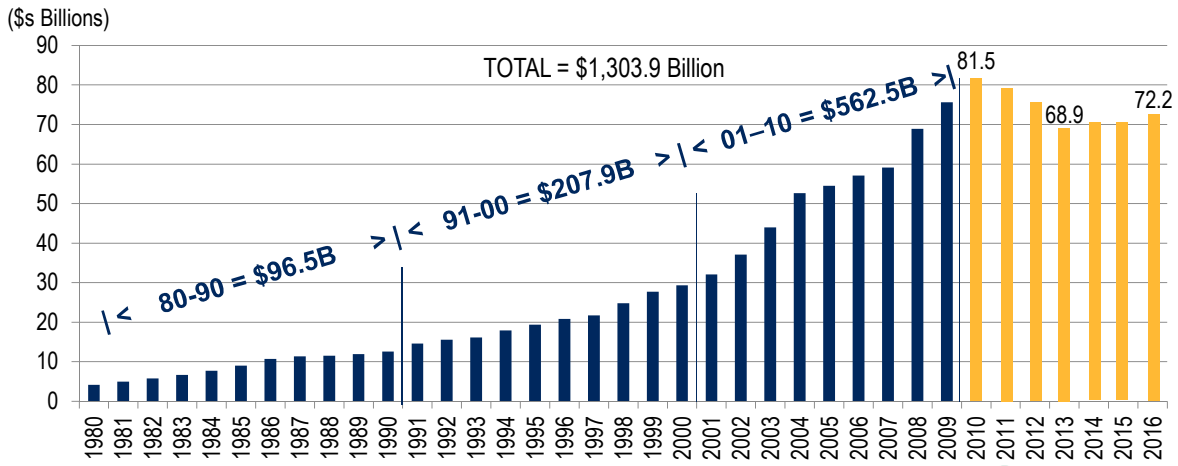
## Federal Government Jobs Washington Region



Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU



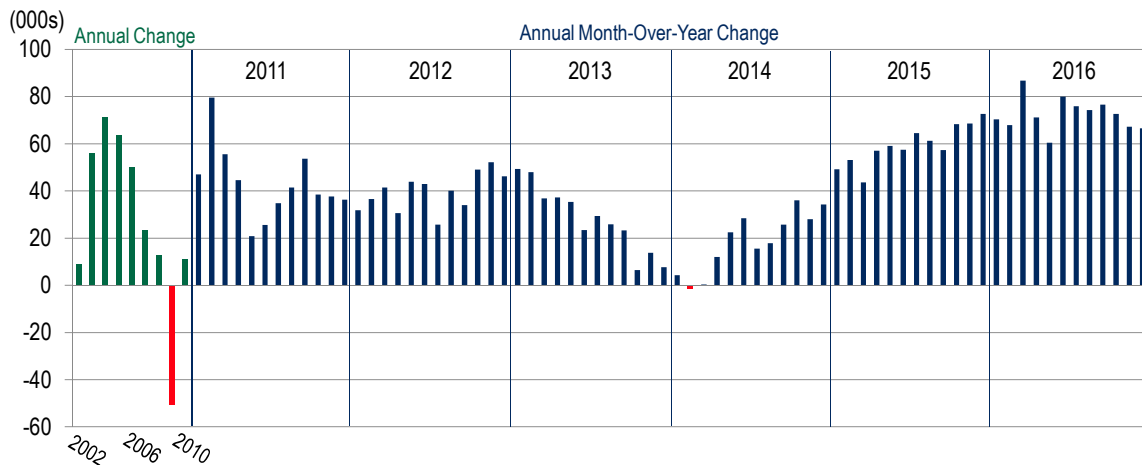
## Federal Procurement in the Washington Region, 1980-2016



Source: US Census, Consolidated Federal Funds Report and USAspending.gov, The Stephen S. Fuller Institute at the Schar School, GMU

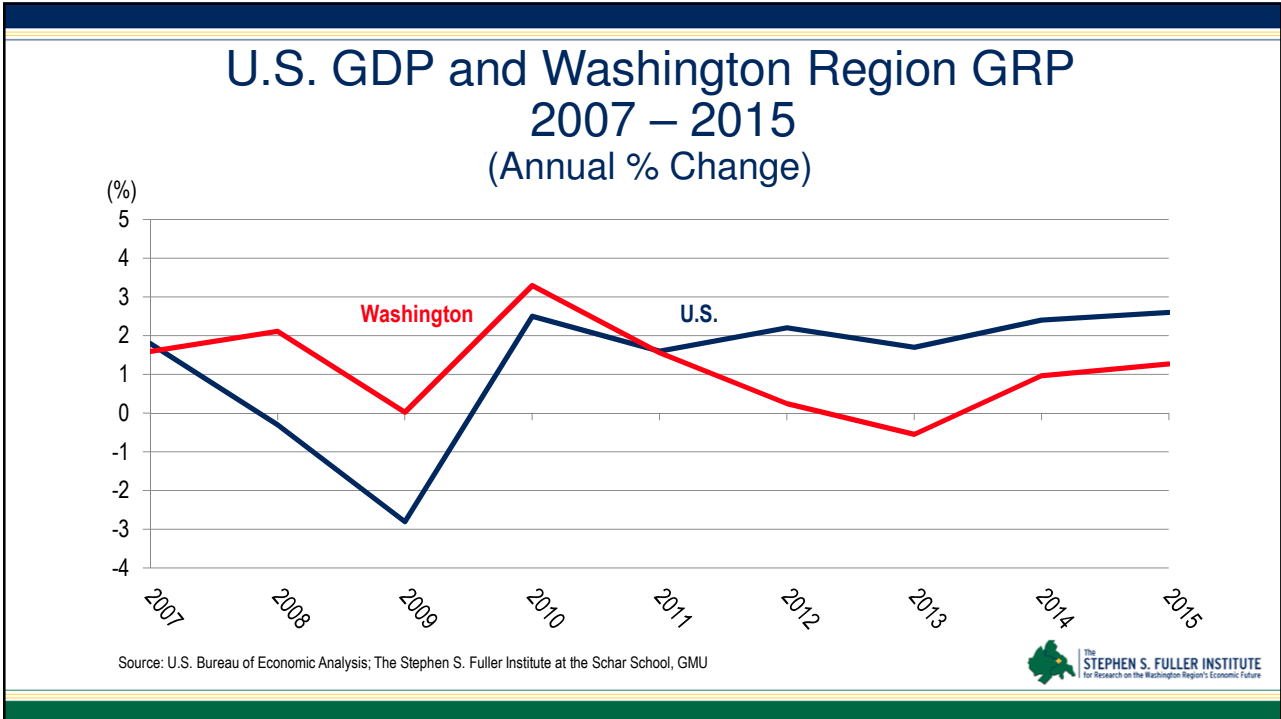


## Washington Region Annual Job Change, 2002-2016



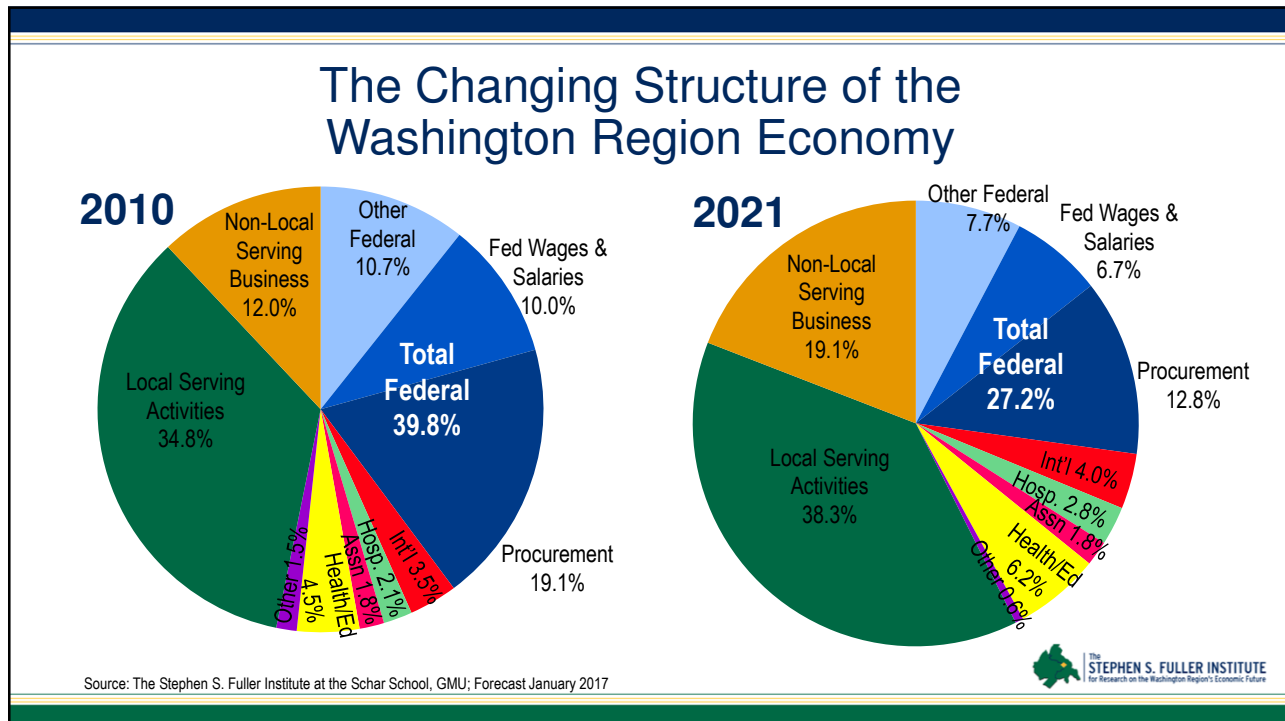
Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU





## What Will Drive Growth In the Washington Region Going Forward?

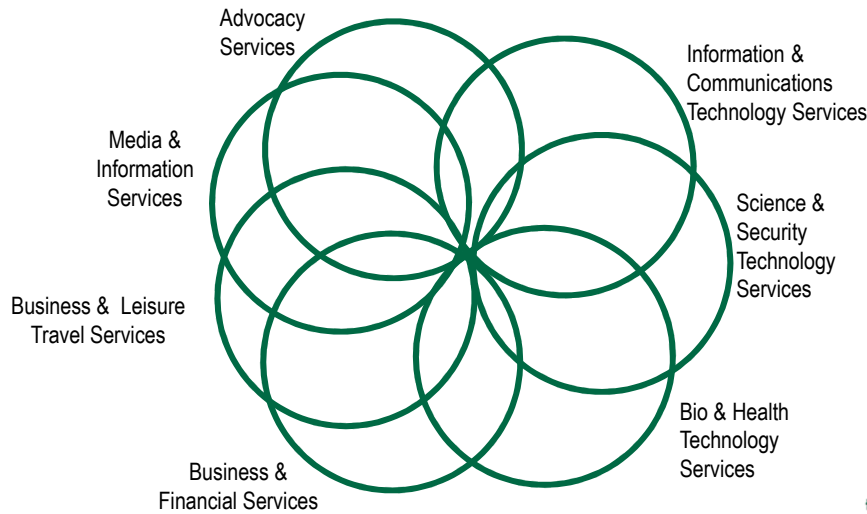




## The Roadmap for the Washington Region's Future Economy: Roadmap Objectives

- Re-position the economy away from Federal markets to national and global markets;
- Build on the region's competitive advantages;
- Focus on export-based, high-value added, high-growth potential businesses;
- Identify what these types of businesses need—their requirements—to grow in the Washington area; and,
- Formulate a call-to-action to address the region's "requirements" for future growth

## The Washington Region's Advanced Industrial Clusters



## The Washington Region's Advanced Industrial Clusters Job Growth Forecast

<u>Clusters</u>	<u>2014-2025 Job Forecast</u>			
	<u>Low</u>	<u>%</u>	<u>High</u>	<u>%</u>
Advocacy Services	122,303	5.7	138,868	20.0
Info & Comm. Tech	213,621	4.5	224,872	10.0
Sci & Security Tech	135,707	9.6	147,104	18.8
Bio & Health Tech	58,388	5.4	67,929	22.6
Business & Fin. Serv.	218,851	15.1	269,053	41.5
Media & Info Services	36,292	1.5	41,667	16.6
Business & Leisure T.	87,807	2.2	91,512	6.5
<b>All Clusters</b>	<b>872,969</b>	<b>7.6</b>	<b>981,005</b>	<b>20.9</b>
<b>All Jobs in WMA</b>	<b>3,092,270<sup>1</sup></b>	<b>4.0</b>	<b>3,402,570<sup>1</sup></b>	<b>14.4</b>

Source: Inforum, University of Maryland, December 2015

<sup>1</sup>Reflects narrower definition used in QCEW jobs data



## The Washington Region's Advanced Industrial Clusters Job Growth Forecasts

(percent change over the period indicated)

	<u>2003-2014</u>	<u>2014-2025</u>	
		<u>Low</u> <sup>1</sup>	<u>High</u> <sup>2</sup>
Sum of Clusters	14.6%	7.6%	20.9%
Total Metro Job Growth	9.3%	4.0%	14.4%
US. Job Growth	5.1%	9.5%	9.5%

<sup>1</sup>continuation of 2011-2014 trends.

<sup>2</sup>reflecting historic growth patterns plus reversals based on national forecasts for declining clusters.

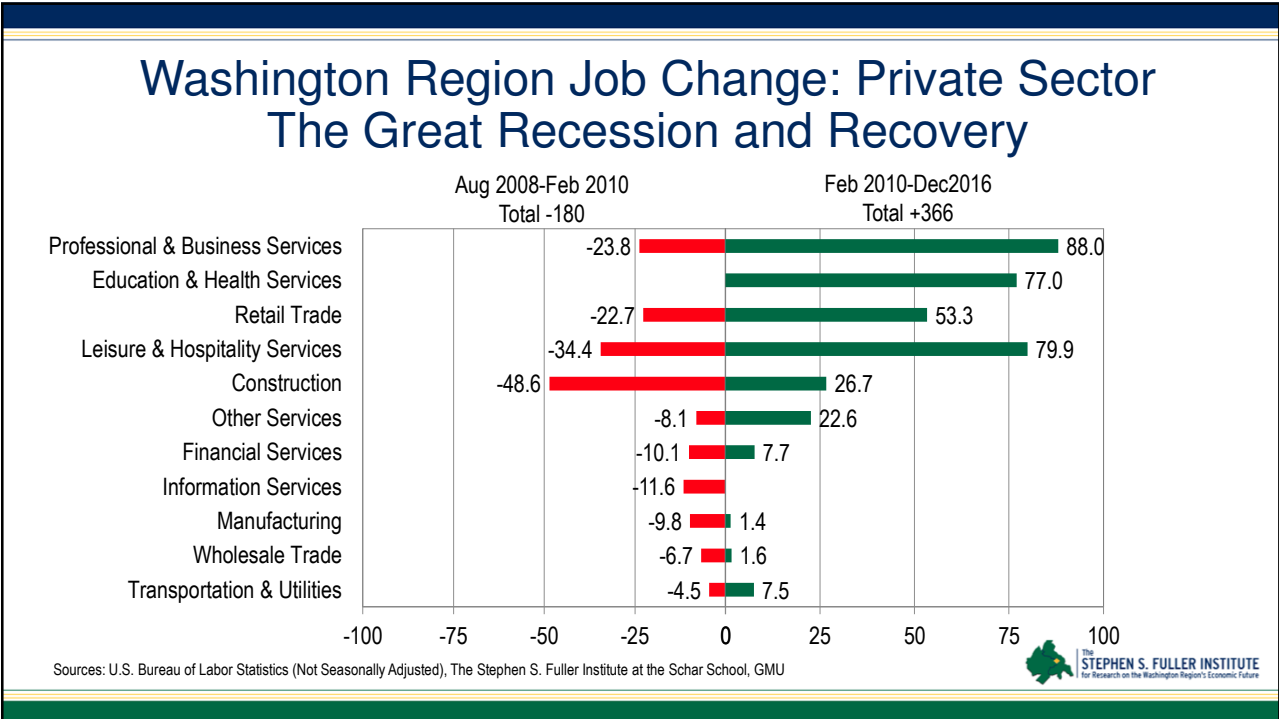
Source: Inforum, University of Maryland, December 2015



## The Washington Region Economy's Growth Trajectory: Has The Private Sector Pivoted Away From Its Historic Federal Dependency?

### Recession-Sequester-Recovery



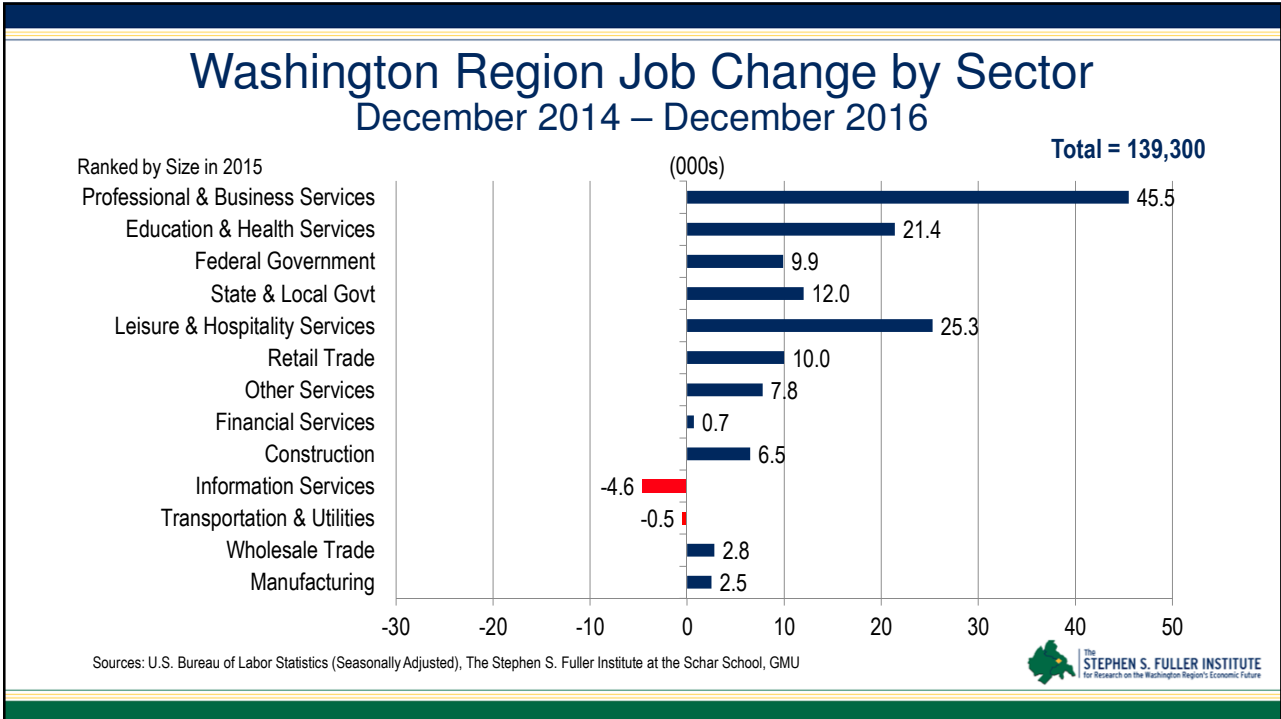


### Washington Region Job Change: Private Sector Recession and Recovery: Aug 2008-Dec 2016 (percent distribution)

<u>Sector</u>	<u>Jobs Lost</u>	<u>Jobs Gained</u>
Education and Health Services	N/A	21.1%
Retail Trade	12.6%	14.6%
Leisure & Hospitality Services	19.1%	21.8%
<b>Subtotal</b>	<b>31.7%</b>	<b>57.5%</b>
Professional & Business Services	13.2%	24.1%
All Other Jobs	55.1%	18.5%
<b>Totals</b>	<b>100.0%</b>	<b>100.0%</b>

Source: U.S. Bureau of Labor Statistics; The Stephen S. Fuller Institute at the Schar School, GMU



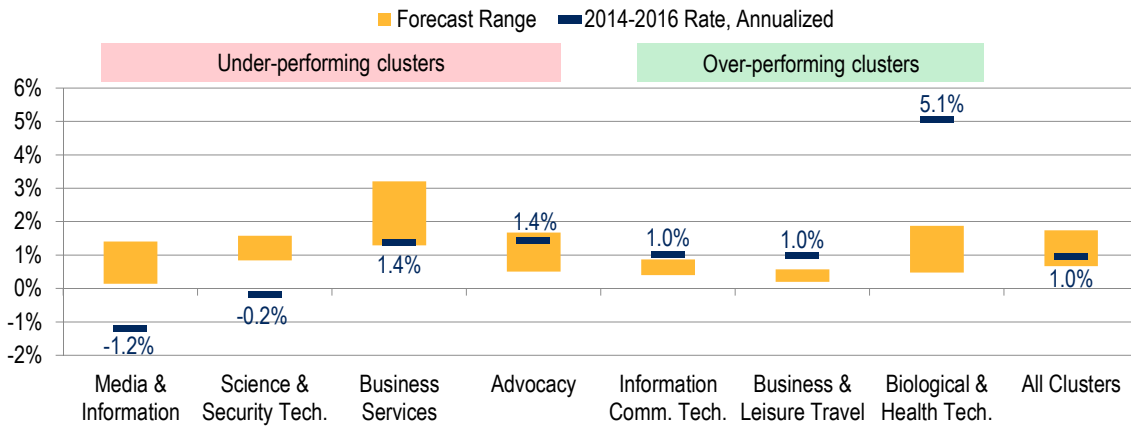


### The Washington Region's Advanced Industrial Clusters March 2014 – March 2016

<u>Clusters</u>	<u>Job Change</u>	<u>% Change</u>	<u>% of Total</u>
Advocacy Services	3,300	2.9%	3.2%
Info & Comm. Tech	4,120	2.0	4.0
Sci & Security Tech	- 420	- 0.4	- 0.4
Bio & Health Tech	1,280	10.4	1.3
Business & Fin. Serv.	5,030	2.8	4.9
Media & Info Services	- 690	- 2.4	- 0.7
Business & Leisure T.	1,410	2.0	1.4
<b>All Clusters</b>	<b>14,030</b>	<b>1.9%</b>	<b>13.7%</b>
Non-Cluster, Private	76,010	4.9	74.4
Total Government	12,160	1.8	11.9
<b>All Jobs in WMA</b>	<b>102,200</b>	<b>3.5%</b>	<b>100.0%</b>

Source: U.S. Bureau of Labor Statistics (Quarterly Census of Employment and Wages); The Stephen S. Fuller Institute at the Schar School, GMU

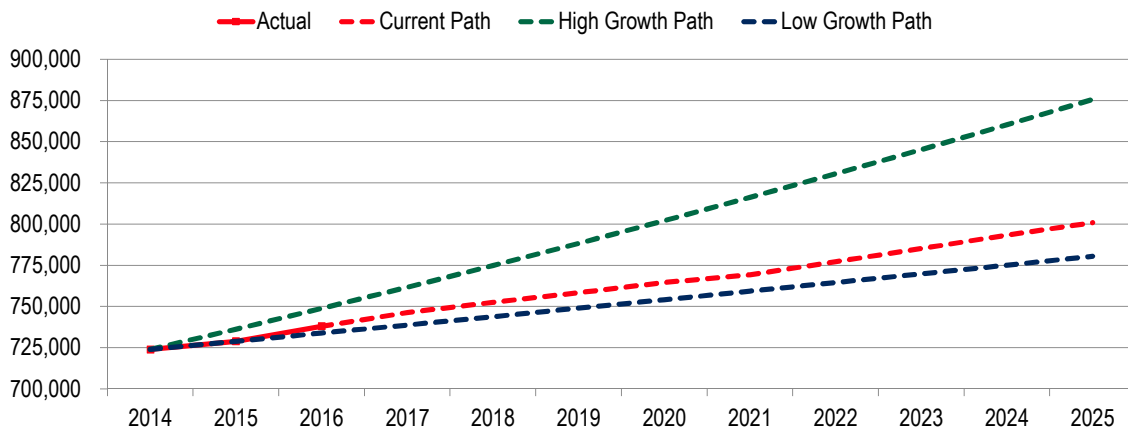
## The Washington Region's Advanced Industrial Clusters Annual Growth Rates



Source: U.S. Bureau of Labor Statistics (Quarterly Census of Employment and Wages); The Stephen S. Fuller Institute at the Schar School, GMU



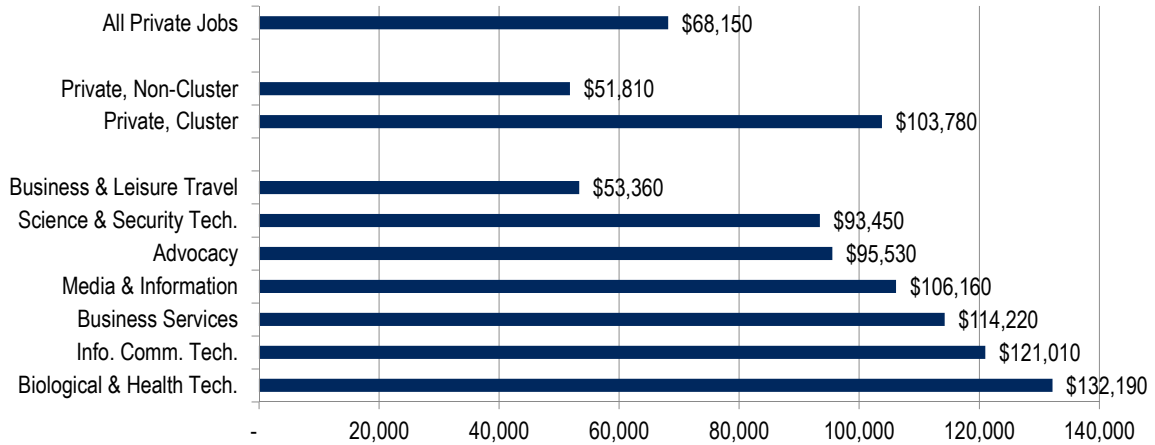
## The Washington Region's Advanced Industrial Clusters Current and Projected Job Growth Trajectory, 2014-2025



Source: U.S. Bureau of Labor Statistics (Quarterly Census of Employment and Wages); The Stephen S. Fuller Institute at the Schar School, GMU



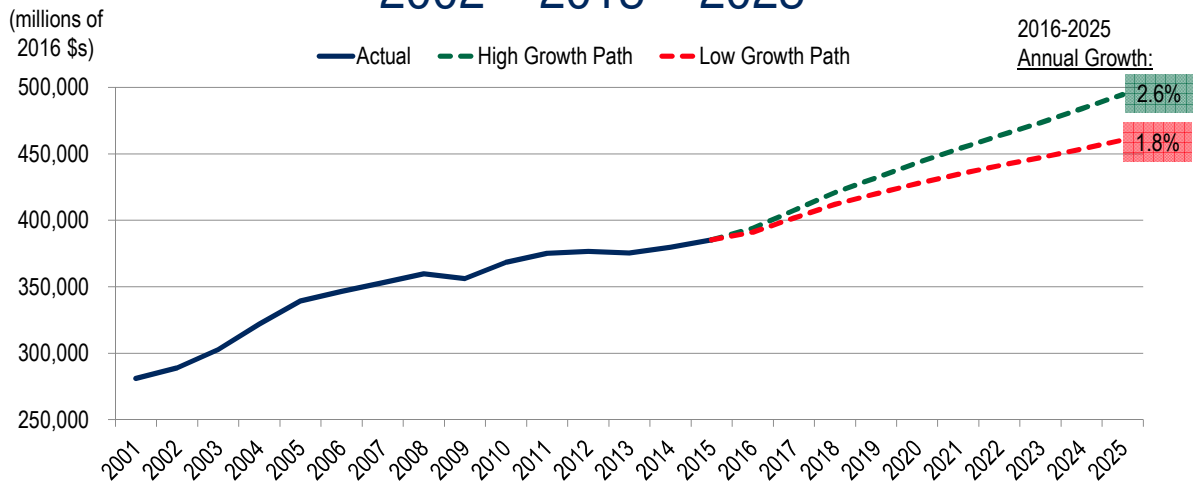
## The Washington Region's Advanced Industrial Clusters Average Wage in 2015



Source: U.S. Bureau of Labor Statistics (Quarterly Census of Employment and Wages); The Stephen S. Fuller Institute at the Schar School, GMU

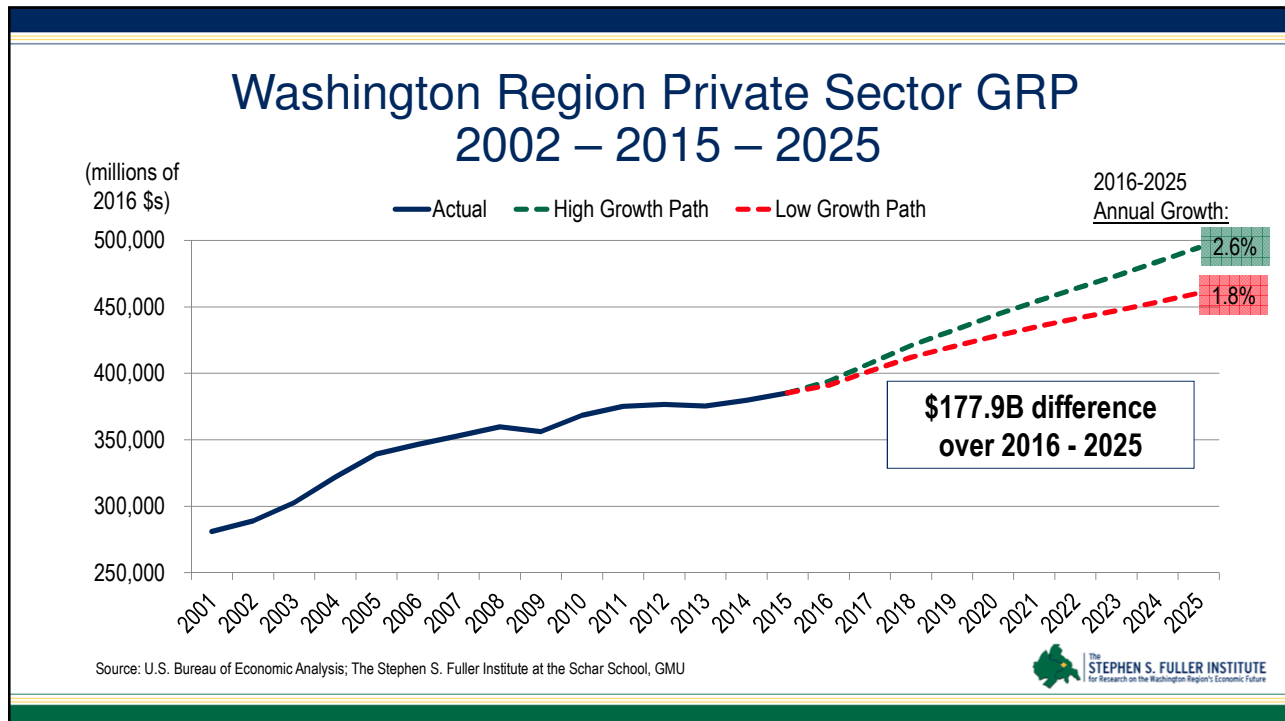


## Washington Region Private Sector GRP 2002 – 2015 – 2025



Source: U.S. Bureau of Economic Analysis; The Stephen S. Fuller Institute at the Schar School, GMU





## Thank You & Questions

For monthly reports on the Washington region's economic performance go to:

[sfullerinstitute.gmu.edu](http://sfullerinstitute.gmu.edu)



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for Research on the Washington Region's Economic Future