Roadmap Update: Where We Were; Where We Are; And Where We Need To Go

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May 9, 2019

Where We Were
Gross Regional Product in the Washington Region
1970 – 2017 (Billions of 2012 $s)

Sources: The Stephen S. Fuller Institute at the Schar School, GMU

Annual Growth Rate for the Decade

<table>
<thead>
<tr>
<th>Year</th>
<th>Growth Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970</td>
<td>3.6%</td>
</tr>
<tr>
<td>1980</td>
<td>4.9%</td>
</tr>
<tr>
<td>1990</td>
<td>3.6%</td>
</tr>
<tr>
<td>2000</td>
<td>3.2%</td>
</tr>
<tr>
<td>2010</td>
<td>1.1%</td>
</tr>
</tbody>
</table>

Job Change in the Washington Region
2010 – 2018 (in thousands)

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

*Preliminary
Washington MSA Job Change by Sector
2010 – 2018

Ranked by Size in 2018
1. Professional & Business Services
2. Education & Health Services
3. Federal Govt
4. State & Local Govt
5. Leisure & Hospitality
6. Retail Trade
7. Other Services
8. Construction
9. Financial Activities
10. Information Services
11. Transportation & Utilities
12. Wholesale Trade
13. Manufacturing

Total = +321.0

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

Growth Rates of the Washington Region’s Advanced Industrial Clusters, Annualized Growth

2014 - 2016
2016 - 2017

Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
The GRP* Effects of Private Sector Job Change in the Washington Region (Jobs in 000s, in 2012 dollars)

<table>
<thead>
<tr>
<th></th>
<th>Recession</th>
<th>2010 - 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Change</td>
<td>-180.5</td>
<td>+321.0</td>
</tr>
<tr>
<td>GRP Value</td>
<td>$145,711</td>
<td>$110,397</td>
</tr>
</tbody>
</table>

Recession 2010 - 2018

Source: IHS Economics; The Stephen S. Fuller Institute at the Schar School, GMU

*Gross Regional Product

The Changing Structure of the Washington Region Economy

2010

- Non-Local Serving Business: 12.0%
- Local Serving Activities: 34.8%
- Other Federal: 10.7%
- Fed Wages & Salaries: 10.0%
- Procurement: 19.1%
- Total Federal: 39.8%

2018

- Non-Local Serving Business: 15.5%
- Local Serving Activities: 38.0%
- Other Federal: 9.4%
- Fed Wages & Salaries: 7.4%
- Procurement: 14.1%
- Total Federal: 30.9%

Source: The Stephen S. Fuller Institute at the Schar School, GMU; Forecast January 2019
Average Annual GRP Change in the Largest Metros 2010-2017 (inflation-adjusted)

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

Where We Are
Population Growth by Sub-State Area
Washington Region, 2001 to 2018

Sources: U.S. Census Bureau (Intercensal & v2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU

Population Growth By Component Change
Washington Region (in 000s)

Sources: U.S. Census Bureau (Intercensal, v2009 and v2017 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
*Estimate
Washington MSA Job Change by Sector 2018

Ranked by Size in 2018
- Professional & Business Services
- Education & Health Services
- Federal Govt
- State & Local Govt
- Leisure & Hospitality
- Retail Trade
- Other Services
- Construction
- Financial Activities
- Information Services
- Transportation & Utilities
- Wholesale Trade
- Manufacturing

Employment Change by Sub-State Area (000s)

<table>
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<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>D.C.</td>
<td>15.8</td>
<td>13.9</td>
<td>8.7</td>
<td>7.2</td>
<td>4.6</td>
<td>4.7*</td>
<td>5.0</td>
<td>4.2</td>
</tr>
<tr>
<td>Sub. MD</td>
<td>10.6</td>
<td>14.2</td>
<td>15.2</td>
<td>3.0</td>
<td>11.0</td>
<td>-2.6*</td>
<td>9.1</td>
<td>7.1</td>
</tr>
<tr>
<td>No. VA</td>
<td>29.2</td>
<td>30.5</td>
<td>25.9</td>
<td>25.1</td>
<td>22.3</td>
<td>25.2*</td>
<td>17.6</td>
<td>16.0</td>
</tr>
<tr>
<td>REGION</td>
<td>55.6</td>
<td>58.6</td>
<td>49.8</td>
<td>35.3</td>
<td>38.2</td>
<td>27.3*</td>
<td>31.8</td>
<td>27.4</td>
</tr>
</tbody>
</table>

Source: BLS, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of January 2019)

NOTE: The regional totals include Jefferson, WV; Sub-state areas re-weighted to sum to region-wide total

*annual jobs based on 1st Quarter 2019
Where We Need To Go

U.S. GDP and Washington MSA GRP
2019 – 2030 (Annual % Change)

Sources: US: IHS Markit, January 2019; 2018-2023; CBO, August 2018, 2024-2028; The Stephen S. Fuller Institute at the Schar School, GMU
Forecast as of May 2019
Implications of Economic Growth in the Washington Region: 2019-2030

Baseline

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<table>
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<tr>
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<tbody>
<tr>
<td>Growth Rate</td>
<td>2.2%</td>
</tr>
<tr>
<td>Job Growth</td>
<td>312,100</td>
</tr>
<tr>
<td>Population</td>
<td>624,480</td>
</tr>
<tr>
<td>Housing Units*</td>
<td>28,595</td>
</tr>
</tbody>
</table>

Sources: IHS Markit, The Stephen S. Fuller Institute at the Schar School of Policy and Government, GMU
*annual average net housing units—for 2010-2018 period, 16,791 net new units were added annually.
### Implications of Economic Growth in the Washington Region: 2019-2030

<table>
<thead>
<tr>
<th></th>
<th>Baseline</th>
<th>GRP Rank Maintaining</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td>2.2%</td>
<td>4.1%</td>
<td>1.9% points</td>
</tr>
<tr>
<td>Job Growth</td>
<td>312,100</td>
<td>375,100</td>
<td>63,000</td>
</tr>
<tr>
<td>Population</td>
<td>624,480</td>
<td>750,480</td>
<td>126,000</td>
</tr>
<tr>
<td>Housing Units*</td>
<td>28,595</td>
<td>34,365</td>
<td>5,770</td>
</tr>
</tbody>
</table>

Sources: IHS Markit, The Stephen S. Fuller Institute at the Schar School of Policy and Government, GMU

*annual average net housing units—for 2010-2018 period, 16,791 net new HU were added annually.

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**Thank You**

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

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