The Washington Region’s Economy in 2019 and Beyond

Jeannette Chapman
Director
Stephen S. Fuller Institute
Schar School of Policy and Government
George Mason University

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The Current Performance of the U.S. Economy
Recession Recovery Patterns of GDP
Past Four Recessions*

- 1991-Q1*
- 1982-Q3***
- 2009-Q2
- 2001-Q4****

% Change in GDP
Quarters After Trough

*in 1992 or 2009 Chained Dollars; *Quarters 40+ include the 2001 Recession; ***Quarters 32+ include the 1991 Recession; ****Quarters 25+ include the 2009 Recession

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

U.S. Annual Change in Payroll Jobs
Month-Over-The-Year

Jan 20 = +2.2 M

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
NOTE: Includes temporary Census hires
U.S. Leading Index
Month-Over-Year Percent Change

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

U.S. GDP
2007 – 2018 – 2023 (Annual % Change)

Forecast

Sources: IHS Markit (December 2019); The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of January 2020)
**U.S. Economic Performance**

- Non-Res: Structures
- Residential Fixed
- GDP

*Forecast*

Sources: U.S. Bureau of Economic Analysis, IHS Markit (January 2020), The Stephen S. Fuller Institute at the Schar School, GMU

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**U.S. Interest Rates**

*Average Annual, 2001 - 2023*

- 30-Yr
- 10-Yr Treasury
- Fed

*Forecast*

Sources: IHS Markit (January 2020), The Stephen S. Fuller Institute at the Schar School, GMU
The Current and Near-Term Performance of the Washington Region’s Economy
Job Change in the Washington Region
1991 – 2019* (000s)

1990 – 2018 Average: 37,300

Prior Expansions: 61,300

2015-2019: 48,300

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
*2018 and 2019 include projected revisions to the preliminary data and do not align with the estimates published by BLS.
Unemployment Rate, Washington Region
Jan 1990 – Oct 2019

October 2019: 3.0%

Sources: U.S. Bureau of Labor Statistics (Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU

15 Largest U.S. Job Markets
2019* Job Change

*Through November **Includes projected revisions to the preliminary data and do not align with the estimates published by BLS.
Washington Region Job Change by Sector, 2019*

Ranked by Size in 2018
- Professional & Business Services: 13.6 (000s)
- Education & Health Services: 9.0 (000s)
- Federal Govt: 5.0 (000s)
- State & Local Govt: 4.6 (000s)
- Leisure & Hospitality: 7.9 (000s)
- Retail Trade: 1.0 (000s)
- Other Services: 0.0 (000s)
- Construction: -0.7 (000s)
- Financial Activities: 2.1 (000s)
- Information Services: 0.7 (000s)
- Transportation & Utilities: 0.0 (000s)
- Wholesale Trade: 0.0 (000s)
- Manufacturing: -1.0 (000s)

Total = 40,300

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
*Through October; includes projected revisions to the preliminary data and do not align with the estimates published by BLS.

Change in Jobs By Sub-State Area, 2014-2019*
Monthly Over-the-Year Change (in 000s)

*2018 and 2019 include projected revisions to the preliminary data and do not align with the estimates published by BLS.
Distribution of Job Growth in the Washington Region, 2019*

Sources: U.S. Bureau of Labor Statistics (Not Seasonally Adjusted), The Stephen S. Fuller Institute at the Schar School, GMU
*Through October; includes projected revisions to the preliminary data and do not align with the estimates published by BLS.

Out-Performing

Office Absorption (MMs of SF)

Sources: Newmark Knight Frank
### Employment Change by Sub-State Area (000s)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>D.C.</td>
<td>13.1</td>
<td>7.4</td>
<td>8.3</td>
<td>5.9</td>
<td>8.9</td>
<td>4.9</td>
<td>4.2</td>
<td>3.6</td>
</tr>
<tr>
<td>Sub. MD</td>
<td>13.4</td>
<td>12.9</td>
<td>4.4</td>
<td>5.4</td>
<td>9.2</td>
<td>7.2</td>
<td>5.2</td>
<td>1.3</td>
</tr>
<tr>
<td>No. VA</td>
<td>28.8</td>
<td>21.9</td>
<td>26.8</td>
<td>27.9</td>
<td>22.6</td>
<td>23.6</td>
<td>17.8</td>
<td>12.9</td>
</tr>
<tr>
<td>Residual**</td>
<td>3.3</td>
<td>7.6</td>
<td>(2.6)</td>
<td>1.1</td>
<td>0.2</td>
<td>0.1</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>REGION</td>
<td>58.6</td>
<td>49.8</td>
<td>36.9</td>
<td>40.3</td>
<td>40.9</td>
<td>35.8</td>
<td>27.4</td>
<td>17.9</td>
</tr>
</tbody>
</table>

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

*2018 and 2019 include projected revisions to the preliminary data and do not align with the estimates published by BLS.

**Residual includes Jefferson, WV and jobs that cannot be attributed to a sub-state area.

### Washington Region GRP by Sub-State Area

#### 2011 – 2018 - 2023 (Annual % Change)

**Forecast**

- Northern Virginia
- D.C.
- Suburban Maryland

Sources: IHS Markit (November 2019); The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of December 2019)
The Changing Structure of the Washington Region’s Economy
Growth Rates of the Washington Region’s Advanced Industrial Clusters

Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU

Growth Rates of the Washington Region’s Advanced Industrial Clusters & Private Sector

Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
**Growth in the Washington Region’s Advanced Industrial Clusters, 2014-2018**

**Annualized Growth**

- **Established**
  - Business & Leisure Travel: 2.7% to 4.8%
  - Advocacy: 1.1% to 3.7%
  - New Media & Information: 4.8% to 4.8%
  - Business Services: 1.3%
  - Bio & Health Tech: 4.7% to 4.0%
  - Info. Comm. Tech.: 1.8%
  - Science & Security Tech: 2.1%

- **Emerging**
  - U.S.: 1.0%
  - Washington Region: 2.4%

**Sources:** U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU

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**The Washington Region’s Established Clusters: Influence, Management Services & Travel**

- **U.S.**
- **Washington Region**

**Sources:** U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
The Washington Region’s Established Clusters: Influence, Management Services & Travel

The Washington Region’s Emerging Clusters: Science, Security, Information & Health Technology

Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
Job Change Scenarios in the Washington Region 2015-2018

*2018 and 2019 include projected revisions to the preliminary data and do not align with the estimates published by BLS.

Distribution of Jobs in the Washington Region, 2018

Actual

Avg. Performance of Emerging Clusters

Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU
The Economic Impacts of Amazon’s HQ2: Post-Construction Outlays

<table>
<thead>
<tr>
<th>Post-Construction $s</th>
<th>Arlington County</th>
<th>Washington Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Outlays</td>
<td>$1.3 – $2.0 b</td>
<td>$2.5 - $3.8 billion</td>
</tr>
<tr>
<td>Total Output*</td>
<td>$1.7 – $2.5 b</td>
<td>$4.2 – 6.4 billion</td>
</tr>
<tr>
<td>Personal Income</td>
<td>$124 -$186 m</td>
<td>$1.2 - $1.9 billion</td>
</tr>
<tr>
<td>Jobs Supported</td>
<td>1,150 – 1,735</td>
<td>38,400 – 58,375</td>
</tr>
<tr>
<td>Local FT-equ Jobs</td>
<td>1,000 – 1,600</td>
<td>14,500 – 23,500</td>
</tr>
</tbody>
</table>

Sources: VEDP, The Stephen S. Fuller Institute at the Schar School, GMU. *reflects Arlington and MSA multipliers of 1.273 and 1.6804 respectively.
Density by Metro Area: Jobs Per Land Square Mile

Density: Arlington County vs. City of Seattle

<table>
<thead>
<tr>
<th></th>
<th>Arlington County</th>
<th>Seattle City</th>
<th>Arlington as a % of Seattle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sq. Mi.</td>
<td>26</td>
<td>83</td>
<td>31%</td>
</tr>
<tr>
<td>Residents</td>
<td>234,965</td>
<td>724,745</td>
<td>32%</td>
</tr>
<tr>
<td>--- Per Sq. Mi.</td>
<td>9,037</td>
<td>8,732</td>
<td>103%</td>
</tr>
<tr>
<td>Private Office Space (MMs SF)</td>
<td>32</td>
<td>55</td>
<td>58%</td>
</tr>
<tr>
<td>--- Per Sq. Mi.</td>
<td>1.2</td>
<td>0.7</td>
<td>186%</td>
</tr>
</tbody>
</table>

Sources: U.S. Census; Cushman & Wakefield; The Stephen S. Fuller Institute at the Schar School, GMU
The Washington Region’s Population Trends

Population Growth
Washington Region, 1971 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

Percent Change in 25-34 Years Olds
Largest 15 Metros, 2017 - 2018

Sources: U.S. Census Bureau (Vintage 2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
Share of 25-34 Year Olds
Largest 15 Metros, 2010

Sources: U.S. Census Bureau (Vintage 2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU

Share of 25-34 Year Olds
Largest 15 Metros, 2018

Sources: U.S. Census Bureau (Vintage 2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
Population by Age, Washington Region

Sources: U.S. Census Bureau (1970-79 Intercensal Estimates & v2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU

Population by Age, D.C.

Sources: U.S. Census Bureau (1990-99 Intercensal Estimates & v2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
Population by Age, Northern Virginia

Sources: U.S. Census Bureau (1990-99 Intercensal Estimates & v2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU

Population by Age, Suburban Maryland

Sources: U.S. Census Bureau (1990-99 Intercensal Estimates & v2018 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU
Questions?

For monthly reports on the Washington region’s economic performance go to sfullerinstitute.gmu.edu

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