



2nd Annual Stephen S. Fuller Institute Economic Forum

The Washington Region's Economy in 2018 And Its Near-Term Outlook

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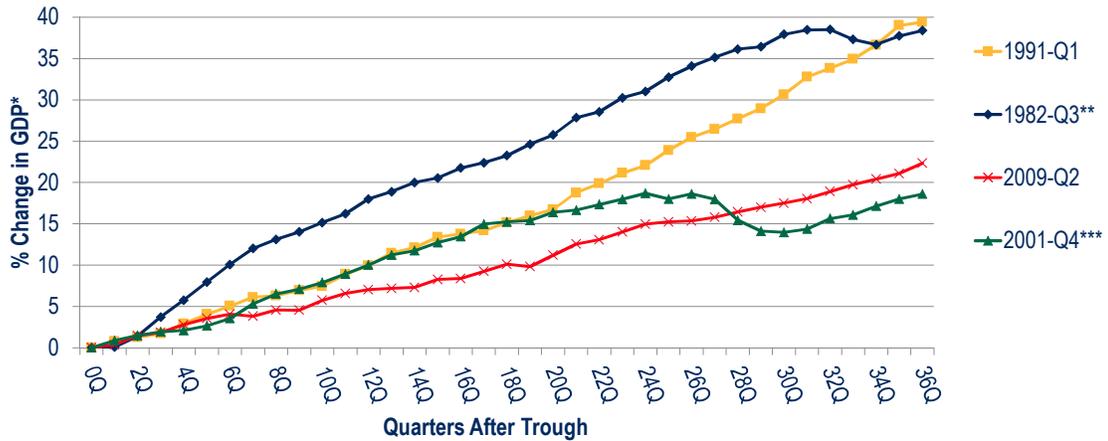


October 3, 2018

The Current and Near-Term Performance of the U.S. Economy



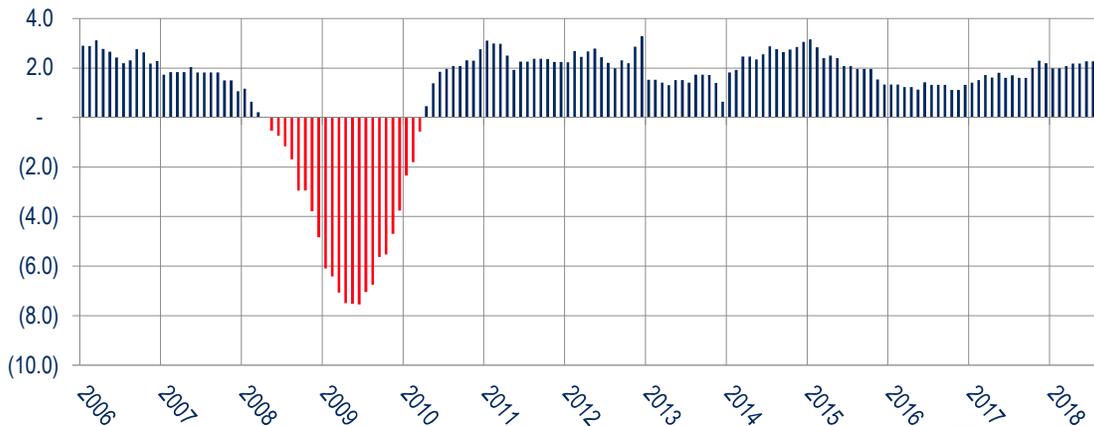
Recession Recovery Patterns of GDP Past Four Recessions



*in 1992 or 2009 Chained Dollars; ** 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



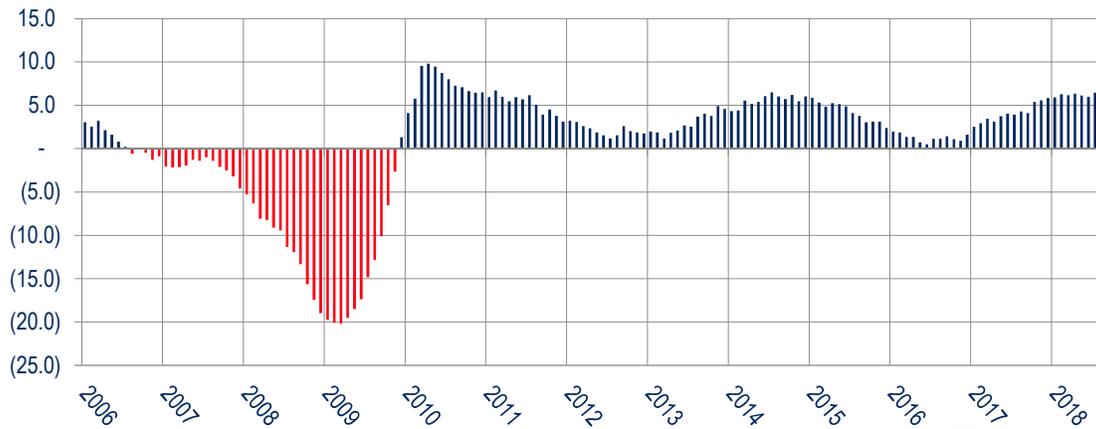
U.S. Coincident Index Month-Over-Year Percent Change



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



U.S. Leading Index Month-Over-Year Percent Change



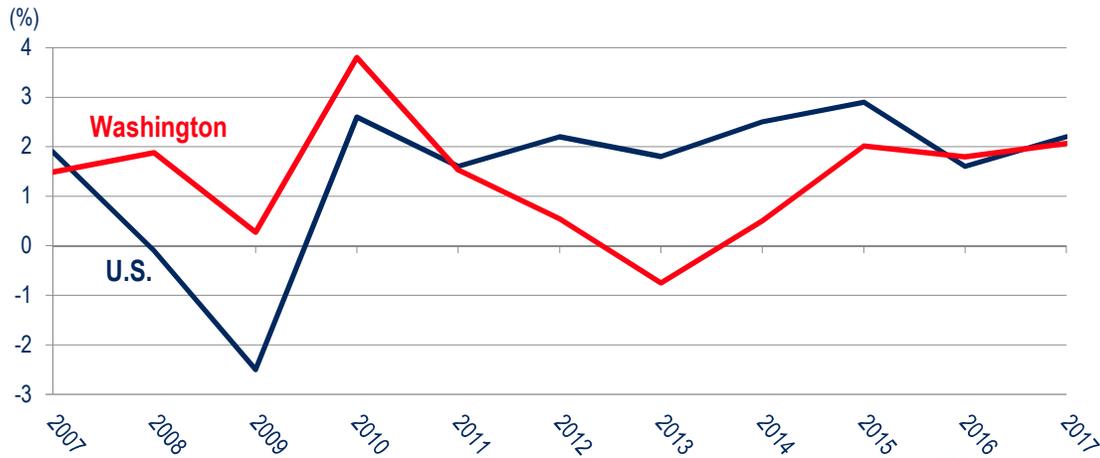
Sources: The Conference Board, The Stephen S. Fuller Institute at the Schar School, GMU



The Changing Structure of the Washington Region's Economy and its Consequences



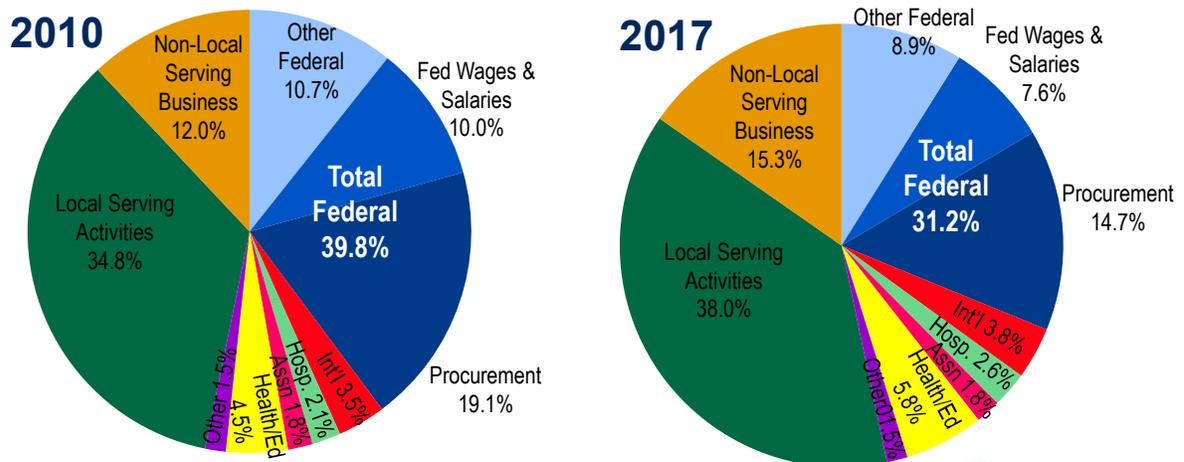
U.S. GDP and Washington MSA GRP 2007 – 2017 (Annual % Change)



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



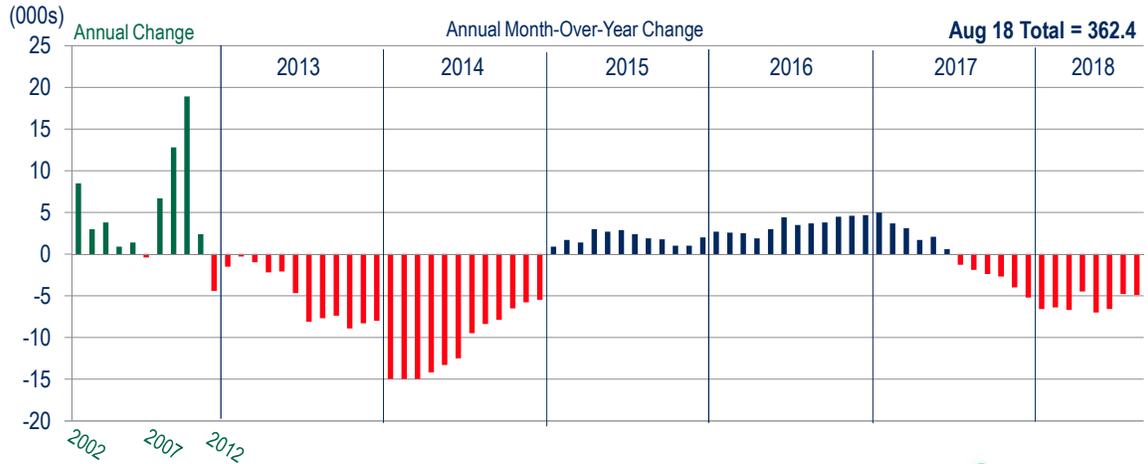
The Changing Structure of the Washington Region Economy



Source: The Stephen S. Fuller Institute at the Schar School, GMU; Forecast January 2017



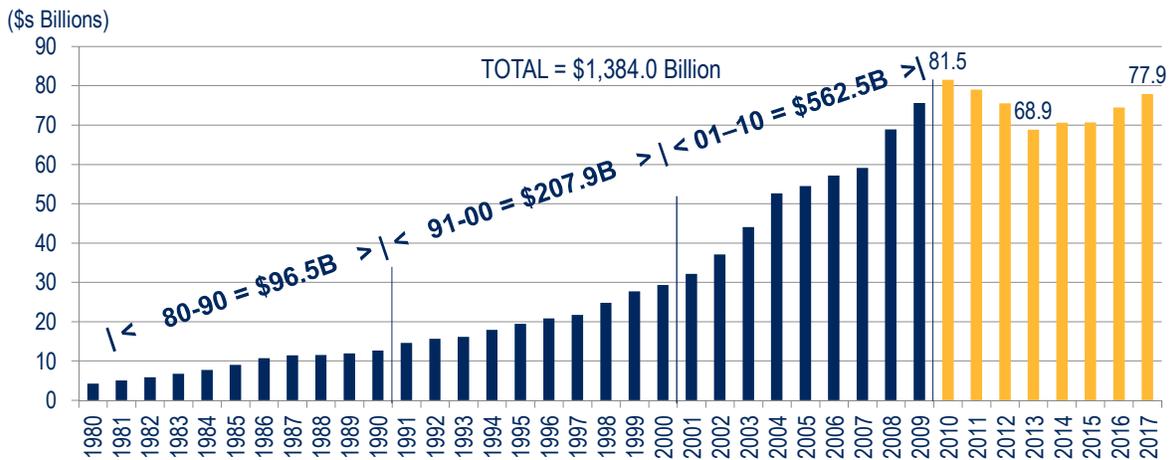
Federal Government Jobs Washington MSA



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



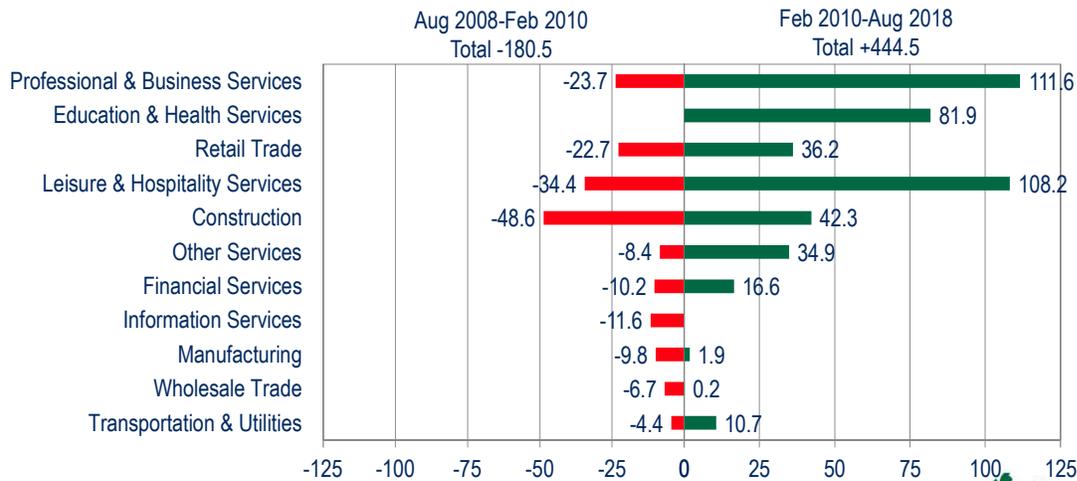
Federal Procurement in the Washington Region, 1980-2017



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



Washington Region Job Change: Private Sector The Great Recession and Expansion



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



The GRP* Effects of Private Sector Job Change in the Washington Region ~2007 to August 2018 (in 2018 \$s)

<u>Job Change</u>	<u>Average GRP* Value</u>	<u>Total GRP* Value</u>
-180,500	\$173,166	-\$31,256,500,000
+444,500	\$129,066	+\$57,369,800,000
+264,800		+\$26,113,300,000

*Gross Regional Product
Source: The Stephen S. Fuller Institute at the Schar School, GMU



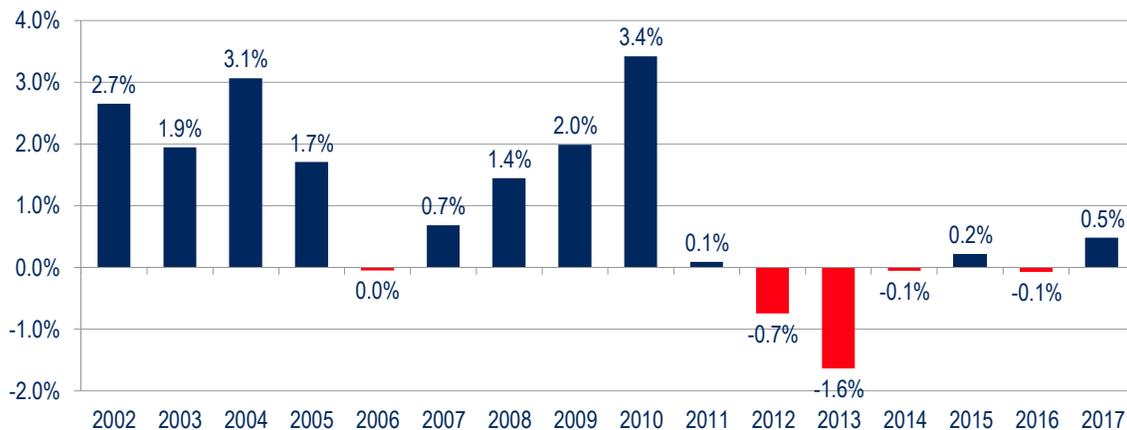
2000-2006	2010-2016
Los Angeles	SF-Oakland
Miami	Seattle
Phoenix	Detroit
Washington	Los Angeles
Philadelphia	Chicago
SF-Oakland	Dallas
Boston	Minneapolis
Houston	New York
New York	Atlanta
Seattle	Philadelphia
Minneapolis	Miami
Chicago	Phoenix
Atlanta	Boston
Dallas	Houston
Detroit	Washington

Per Capita Personal Income Growth Rank

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

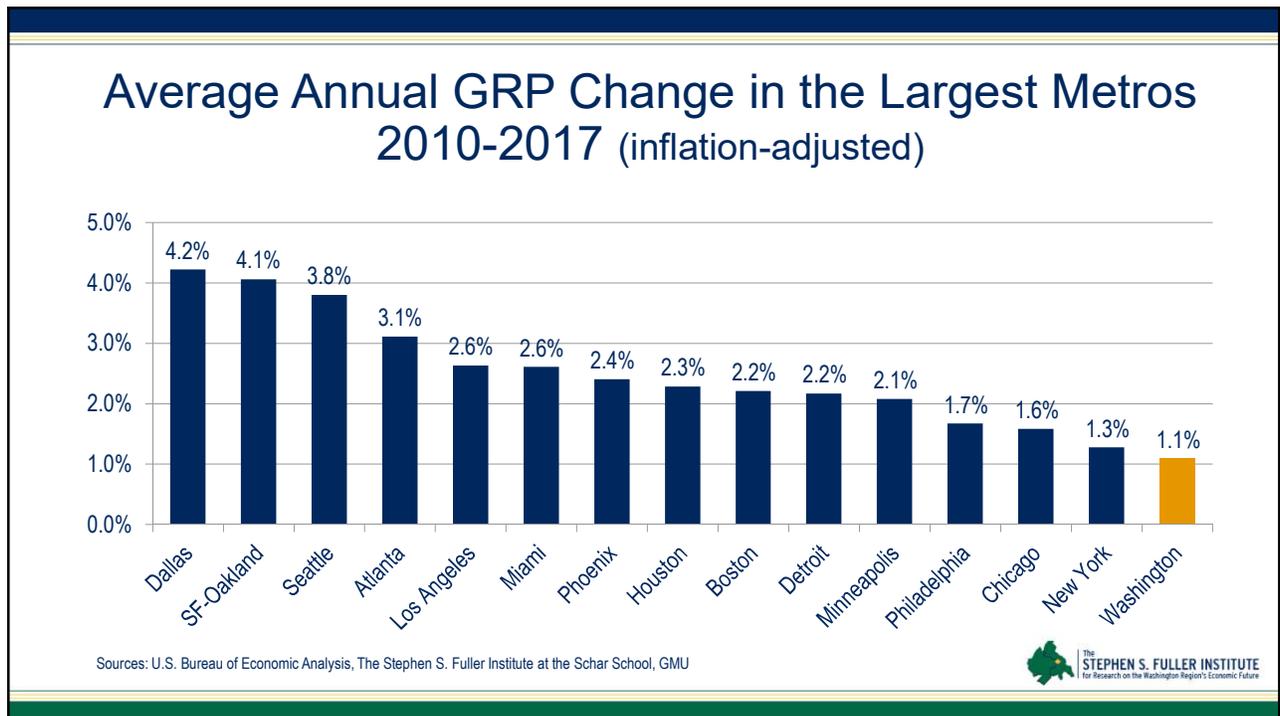
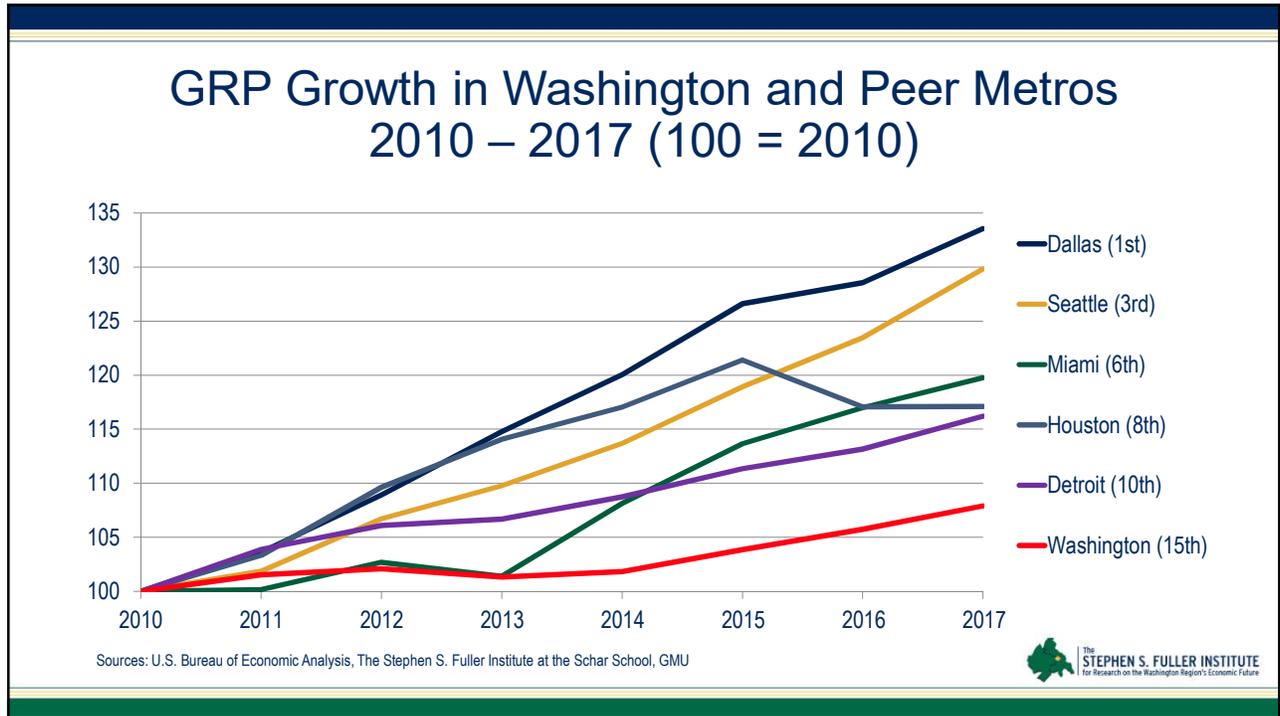


GRP Per Worker in the Washington Region Annual Percent Change (Real GRP)



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

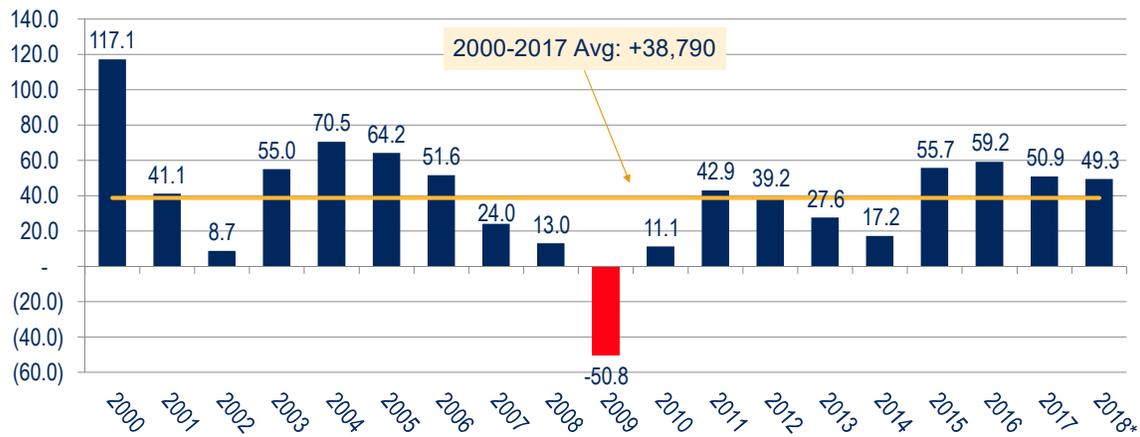




Current Job Growth Trends in the Washington Region

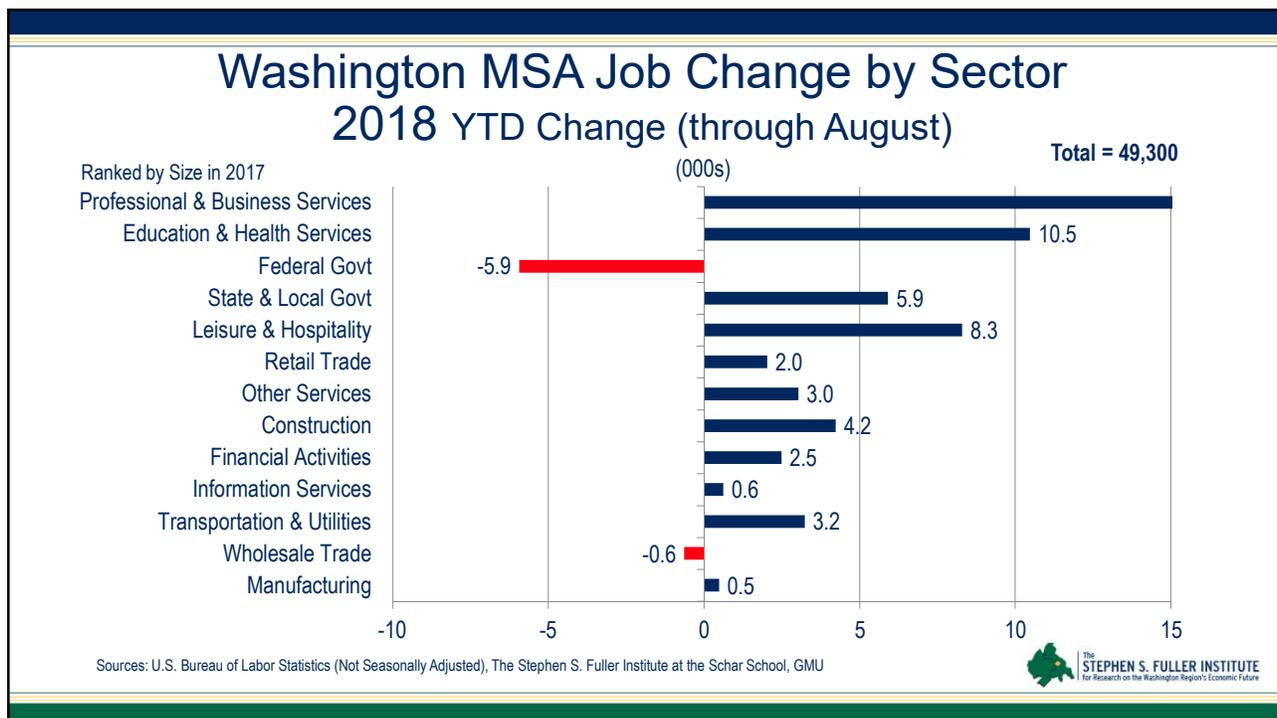


Job Change in the Washington Region 2000 – 2018* (in thousands)



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





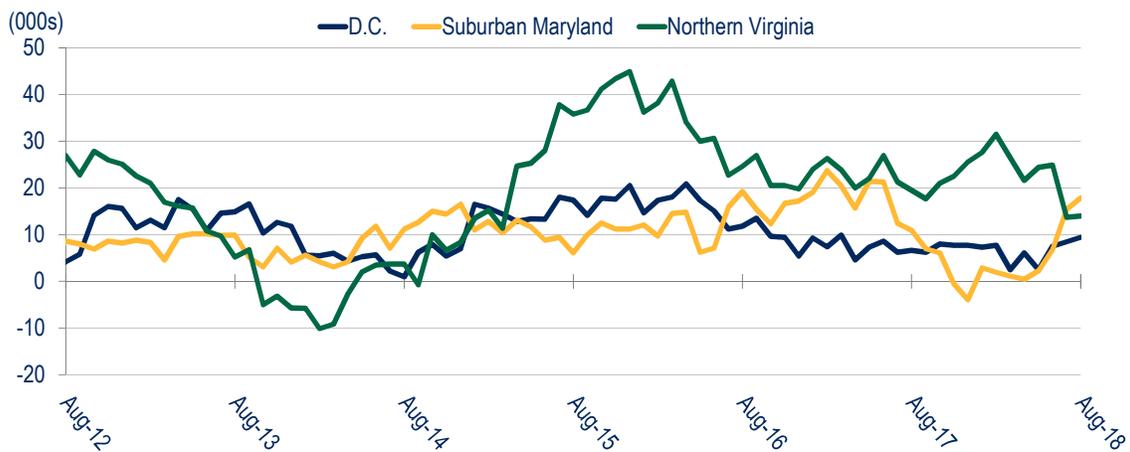
The Washington Region's Major Sources of Growth (jobs in 000s, Through August 2018; GRP in 2018 \$s)

Sectors	Total Jobs	New Jobs*	GRP/Job
Prof. & Bus. Services	778.5	15.1	\$163,053
Education & Health Serv.	438.2	10.5	77,763
Federal Government	362.4	(5.9)	209,349
State & Local Government	319.1	5.9	98,315
Leisure & Hospitality Serv.	348.6	8.3	54,031
Retail Trade	280.3	2.0	72,293
Major Sector Jobs	2,527.1	35.9	\$89,593
Total Jobs, 2018	3,333.1	49.3	\$152,730
<i>Major Sectors / Total %</i>	75.9%	72.8%	58.7%
GRP/Job, all jobs			\$162,918
2018 New Jobs Average GRP: % of Total			93.7%
2018 Major Sectors Average GRP: % of Total			55.0%

Sources: U.S. Bureau of Labor Statistics, U.S. Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU. *first 6 months of 2018



Job Growth By Sub-State Area Monthly Over-the-Year Change, 2012-2018



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



Recent Geographic Shift in Job Growth in the Washington Region, 2017 & 2018* (jobs in thousands)

Sub-State Area	2017		2018*	
	Jobs	% of MSA	Jobs	% of MSA
D.C.	8.9	17.5	8.7	17.7
Suburban Maryland	15.2	29.9	8.2	16.7
Northern Virginia	26.8	52.6	31.2	63.3
Total	50.9	100.0	49.3	100.0

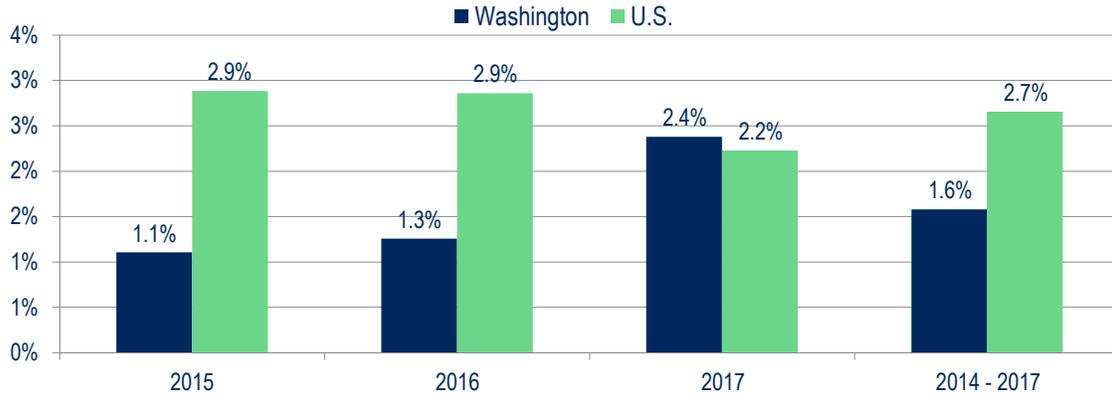
Sources: U.S. Bureau of Labor Statistics, The Stephen S. Fuller Institute at the Schar School, GMU.
*first eight months



The Washington Region's Non-Federally Dependent, Export-Based Economy



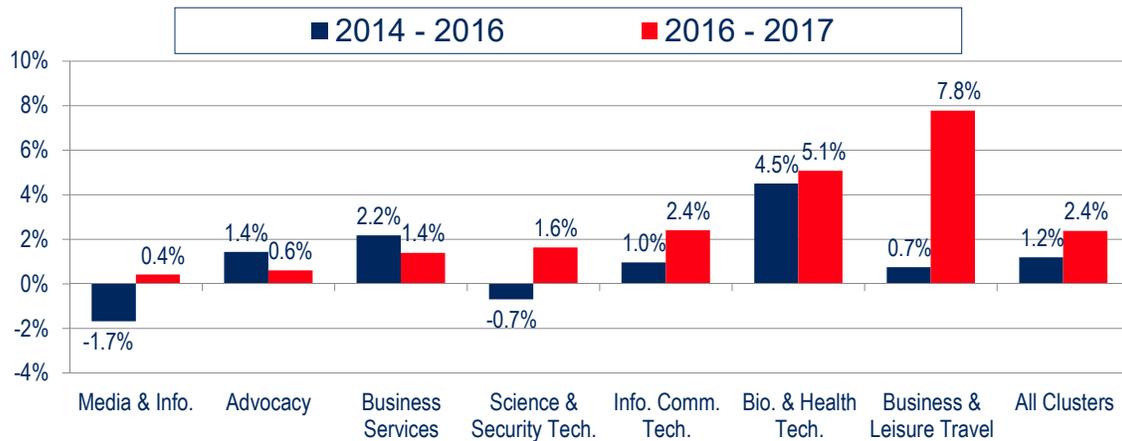
Growth Rates of the U.S. and Washington Region's Advanced Industrial Clusters, 2015-2017



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



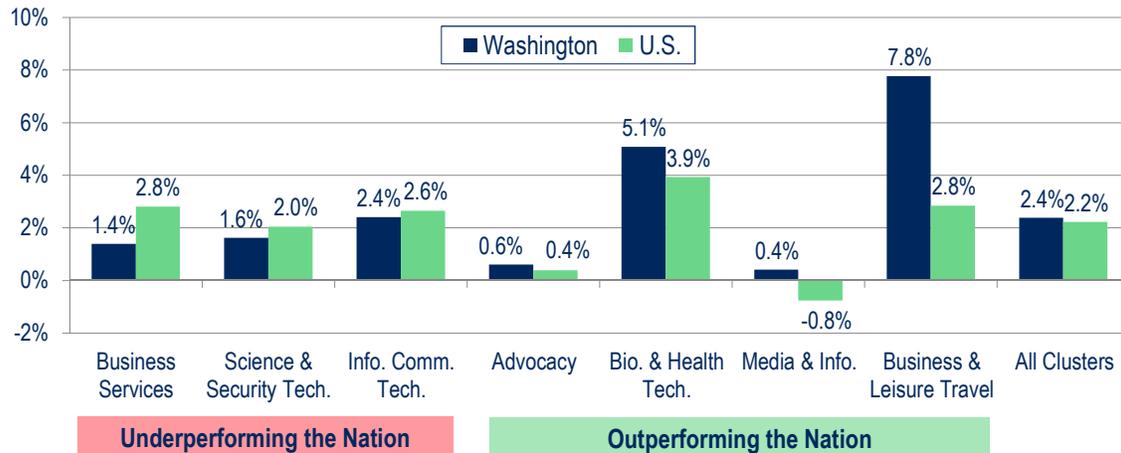
Growth Rates of the Washington Region's Advanced Industrial Clusters, Annualized Growth



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



Growth Rates of the U.S. and Washington Region's Advanced Industrial Clusters, 2017

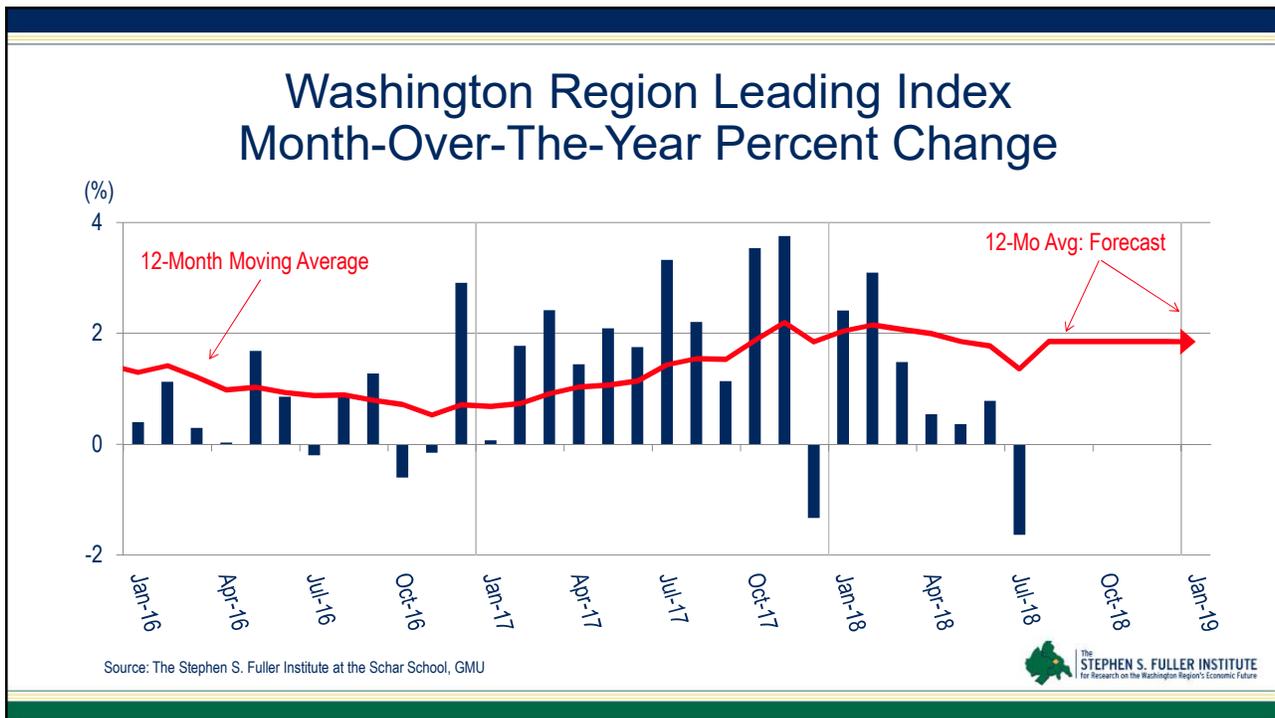
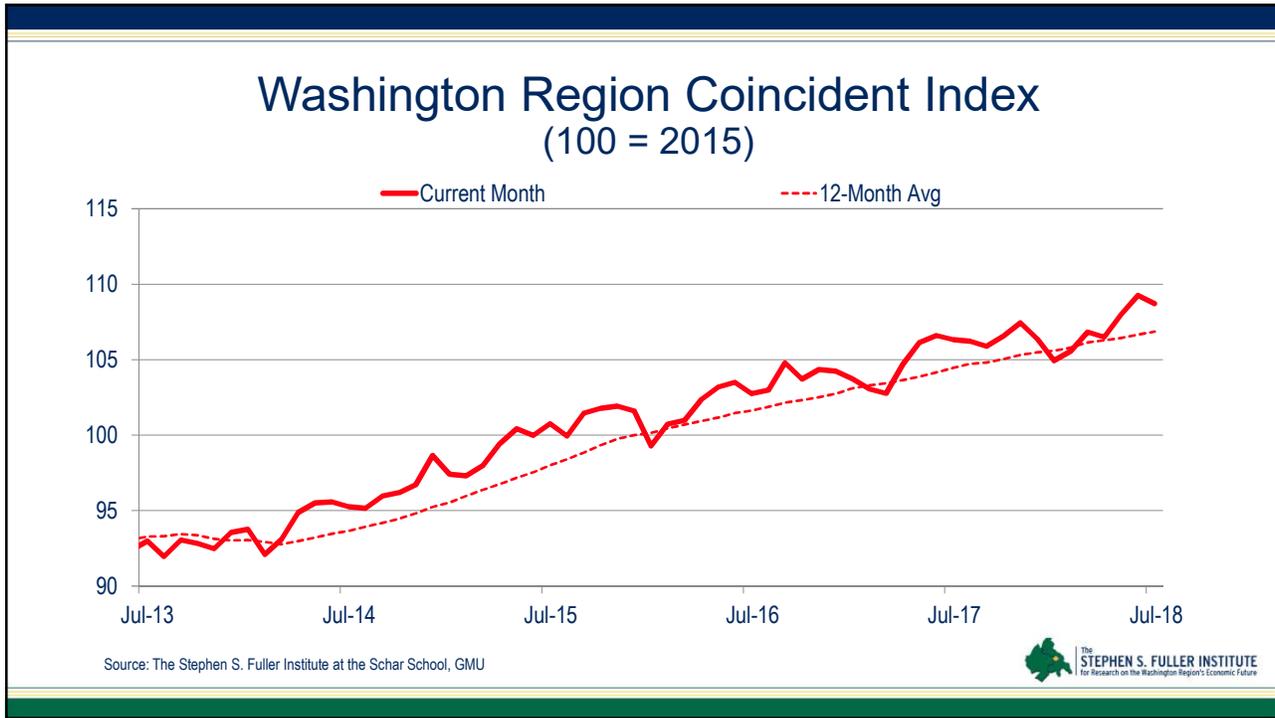


Sources: U.S. Bureau of Labor Statistics (QCEW), The Stephen S. Fuller Institute at the Schar School, GMU



The Near-Term Performance of the Washington Region's Economy





Employment Change by Sub-State Area (000s)

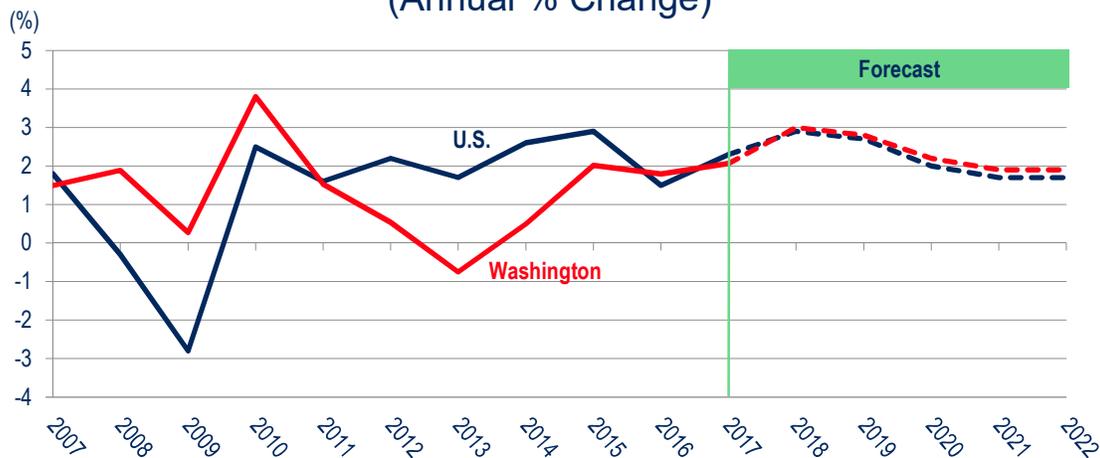
	2015	2016	2017	2018	2019	2020	2021	2022
D.C.	15.7	14.5	8.9	7.6	8.2	7.2	2.5	3.8
Sub. MD	10.5	14.2	15.2	6.2	15.4	10.6	4.7	4.0
No. VA	29.5	30.6	26.8	36.1	35.8	27.1	14.5	13.5
REGION	55.7	59.2	50.9	49.9	59.4	44.9	21.7	21.5

Average Annual Change 2000-2017 = 38,800

Source: BLS, IHS Economics, The Stephen S. Fuller Institute at the Schar School, GMU (forecast as of January 2018)
NOTE: The regional totals include Jefferson, WV.

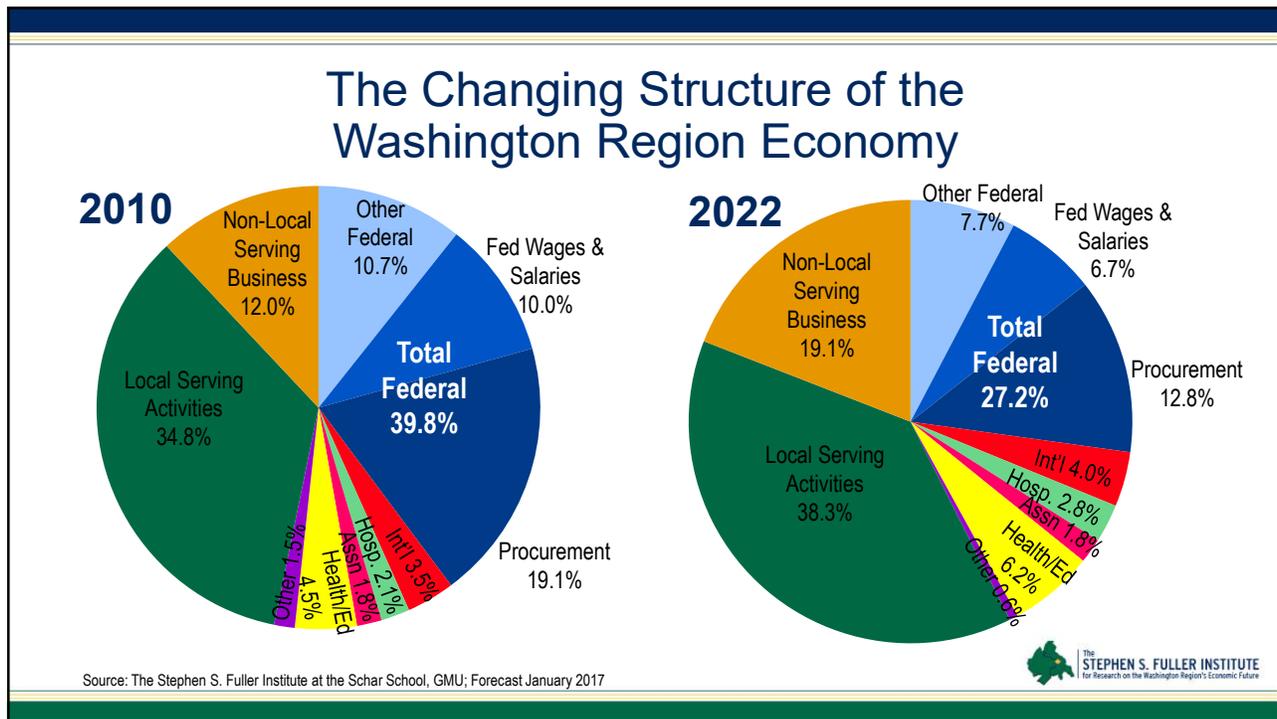


U.S. GDP and Washington MSA GRP 2007 – 2017 – 2022 (Annual % Change)



Sources: U.S. Bureau of Economic Analysis, IHS Markit, The Stephen S. Fuller Institute at the Schar School, GMU
Forecast as of September 2018





Thank You & Questions

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

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