

# First Annual Economic Forum



The  
**STEPHEN S. FULLER INSTITUTE**  
for Research on the Washington Region's Economic Future



October 4, 2017



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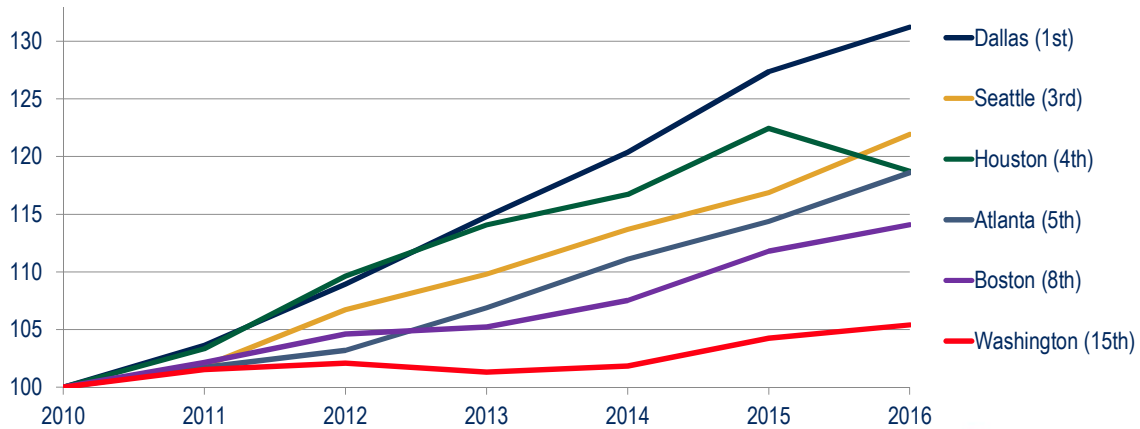
## *The Washington Region's Five Key Economic Challenges*

Stephen S. Fuller, Ph.D.  
The Dwight Schar Faculty Chair and University Professor  
Director, The Stephen S. Fuller Institute  
Schar School of Policy and Government  
George Mason University



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## GRP Growth in Washington and Peer Metros, 2010 – 2016 100 = 2010



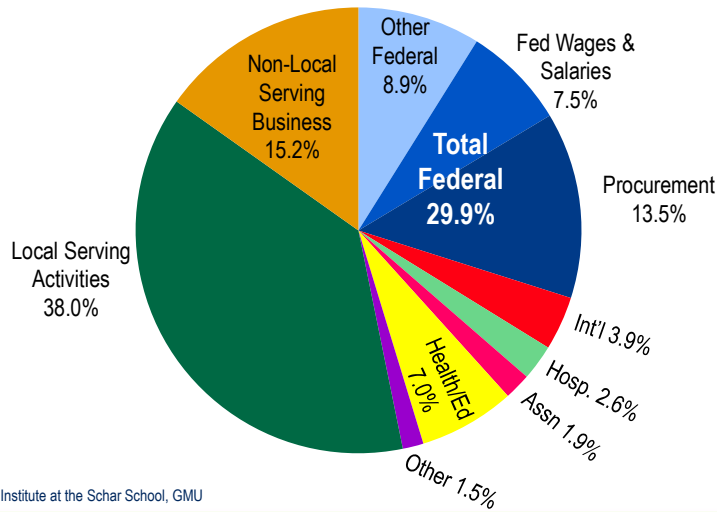
Sources: U.S. Bureau of Economic Analysis, The Stephen S. Fuller Institute at the Schar School, GMU



**1. The Washington region is overly dependent on federal spending to drive its economic growth.**



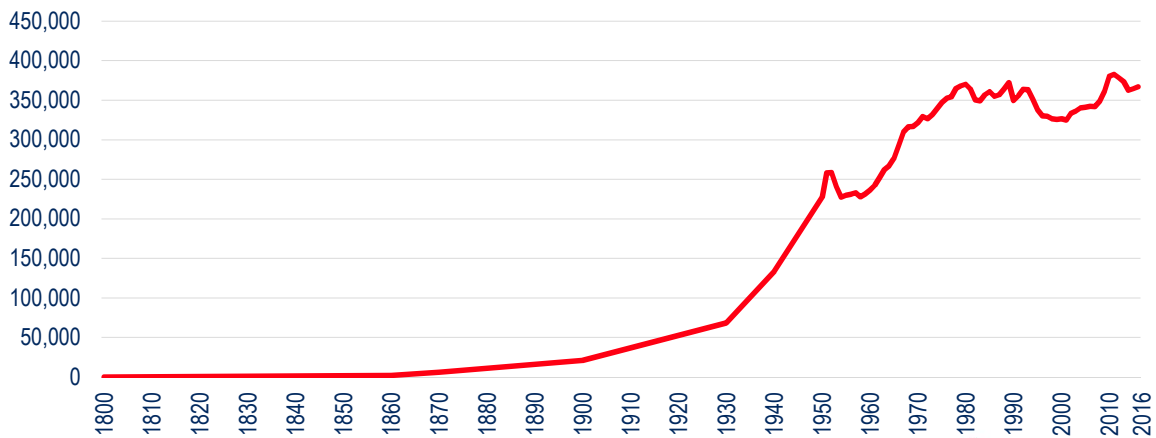
## 2017 Structure of the Washington Region Economy



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



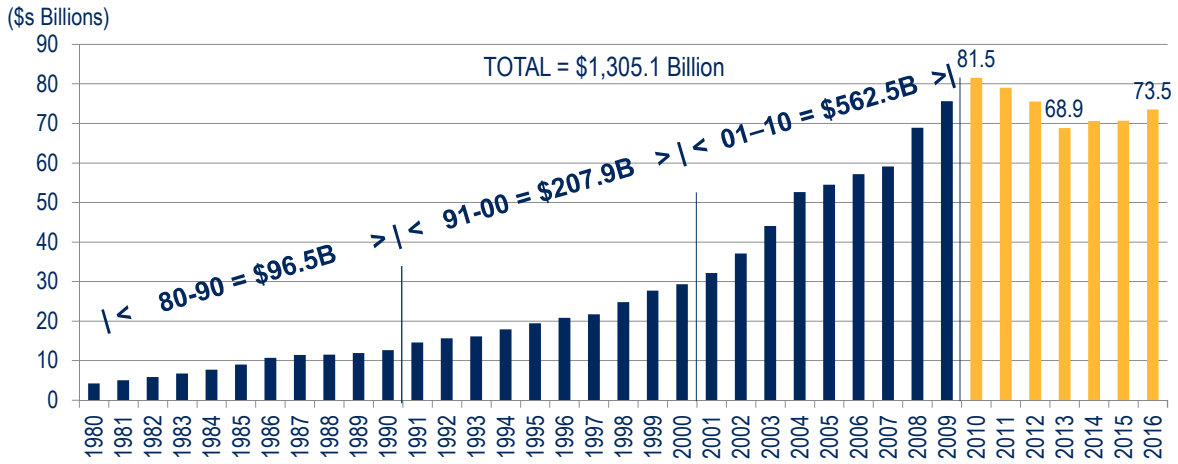
## Federal Employment in the Washington Region, 1800-2016



Source: 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

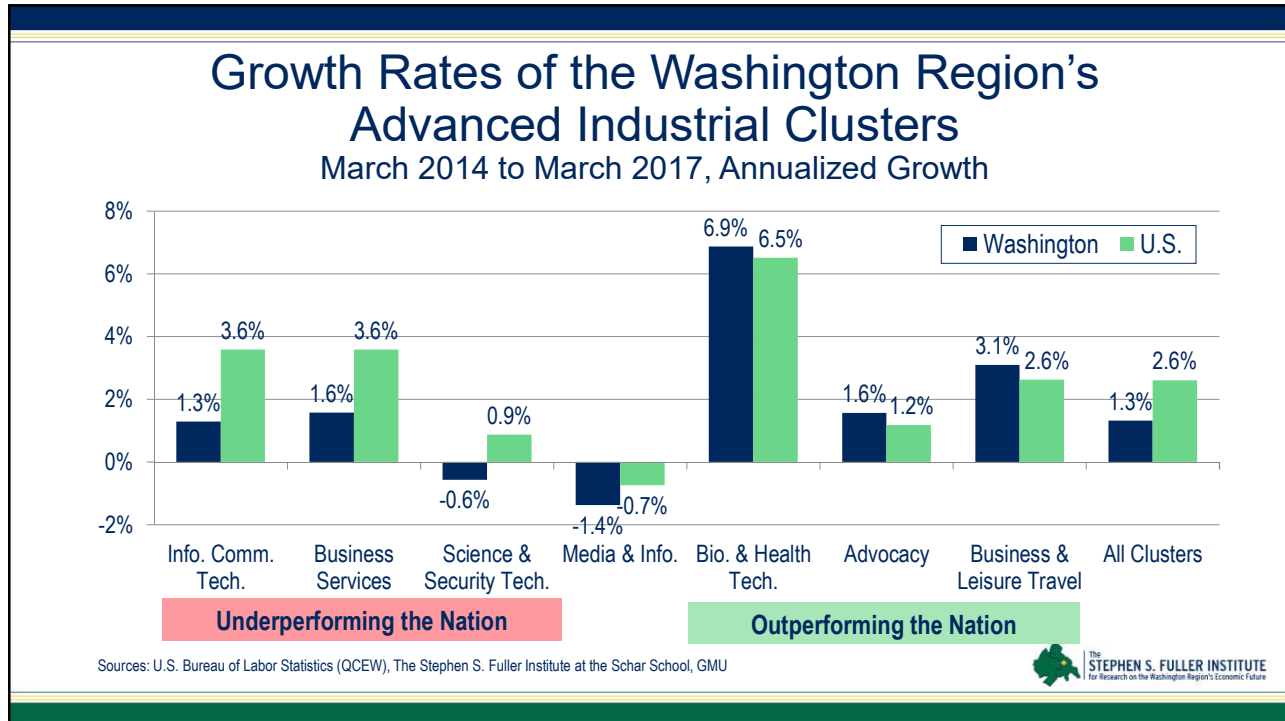


Source: US Census, Consolidated Federal Funds Report and USAspending.gov, The Stephen S. Fuller Institute at the Schar School, GMU



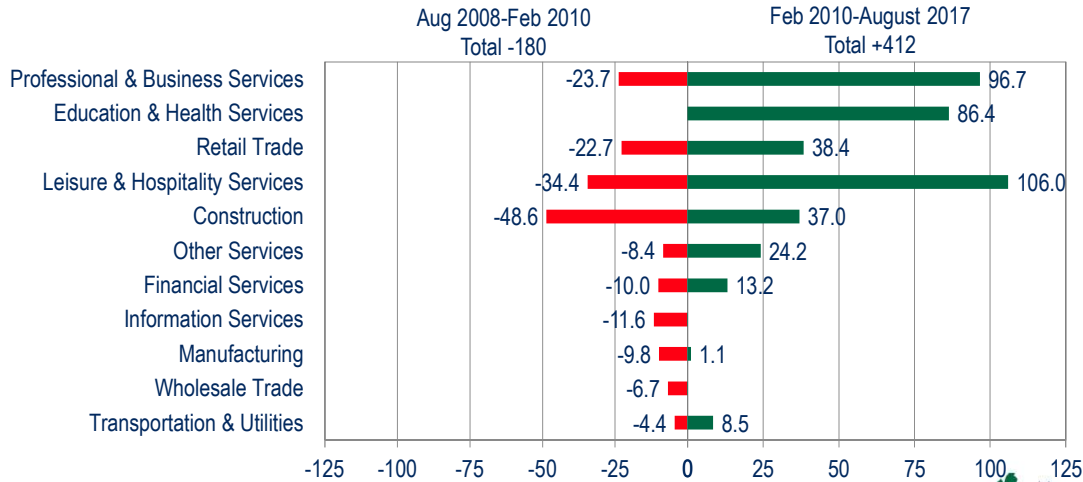
**2. The Washington region's non-federally dependent clusters, whose growth could complement the region's core industry—the federal government—are underperforming their potentials.**





**3. The Washington region's job growth and mix since 2010 has favored lower-value added, local-serving sectors.**

## Washington Region Job Change: Private Sector The Great Recession and Recovery



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



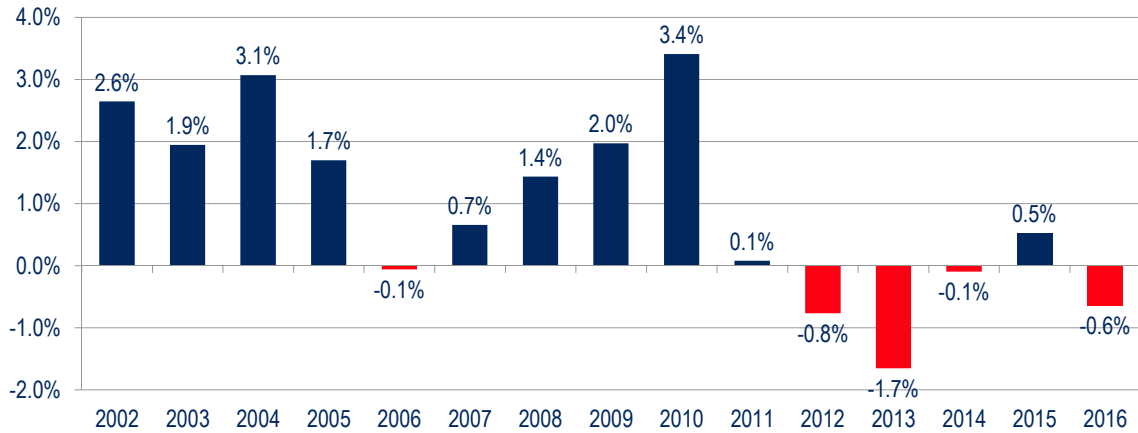
## The GRP\* Effects of Private Sector Job Change in the Washington Region ~2007 to July 2017 (in 2014 \$s)

<u>Job Change</u>	<u>Average GRP* Value</u>	<u>Total GRP* Value</u>
-180,300	\$160,233	-\$28,890,059,000
<u>+411,500</u>	\$109,916	<u>+\$45,230,434,000</u>
+231,700		+\$16,340,375,000

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



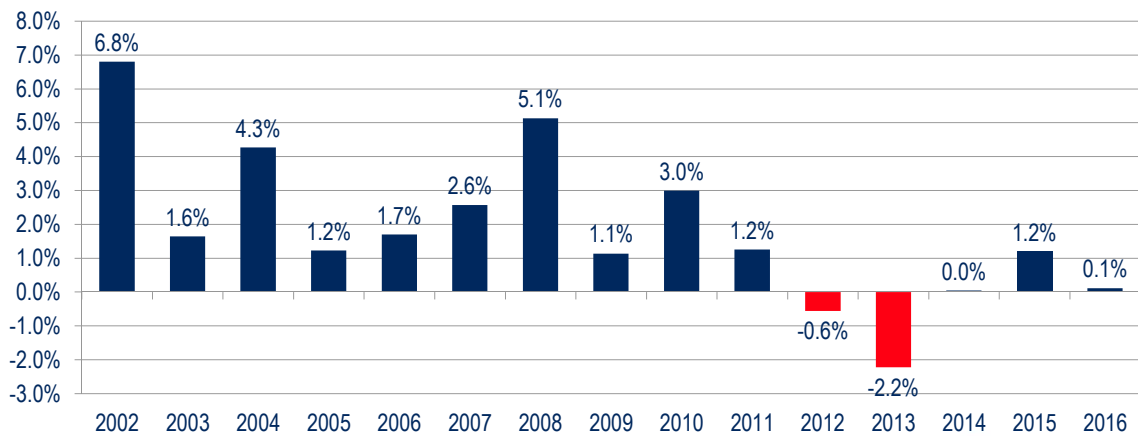
## GRP Per Worker in the Washington Region Annual Percent Change (Real GRP)



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



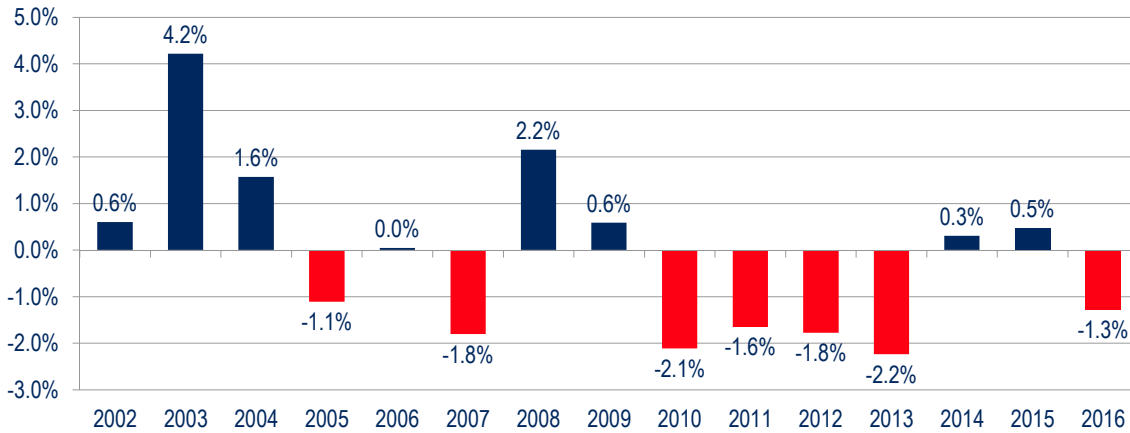
## P&BS GRP Per Worker in the Washington Region Annual Percent Change (Real GRP)



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



## Education & Health GRP Per Worker Washington Region, Annual Pct. Change (Real GRP)



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



**4. The Washington region's high cost-of-living has made it less competitive with its peers for attracting business investment and domestic migration.**



2008	2015
SF-Oakland	SF-Oakland
New York	New York
Washington	Washington
Los Angeles	Los Angeles
Boston	Boston
Philadelphia	Seattle
Seattle	Miami
Chicago	Philadelphia
Miami	Chicago
Phoenix	Minneapolis
Minneapolis	Houston
Dallas	Dallas
Houston	Phoenix
Detroit	Detroit
Atlanta	Atlanta

## Cost-of-Living Ranking for 15 Largest Metros

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



2000-2006	2010-2015
Los Angeles	SF-Oakland
Miami	Seattle
Phoenix	Dallas
Washington	Detroit
Philadelphia	Chicago
SF-Oakland	Houston
Boston	Los Angeles
Houston	New York
New York	Minneapolis
Seattle	Philadelphia
Minneapolis	Boston
Chicago	Phoenix
Atlanta	Atlanta
Dallas	Miami
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



2010	2016
*Loudoun, VA	*Loudoun, VA
*Fairfax, VA	Howard, MD
Howard, MD	*Fairfax, VA
Hunterdon, NJ	Hunterdon, NJ
*Arlington, VA	Santa Clara, CA
Douglas, CO	*Arlington VA
*Stafford, VA	Douglas, CO
Somerset, NJ	San Mateo, CA
*Prince William, VA	Morris, NJ
Morris, NJ	Williamson, TN
Nassau, NY	Nassau, NY
*Montgomery, MD	Somerset, NJ
*Calvert, MD	Marin, CA
St. Mary's, MD	San Francisco, CA
*Charles, MD	Delaware, OH

## Median Household Income: Top 15 U.S. Counties

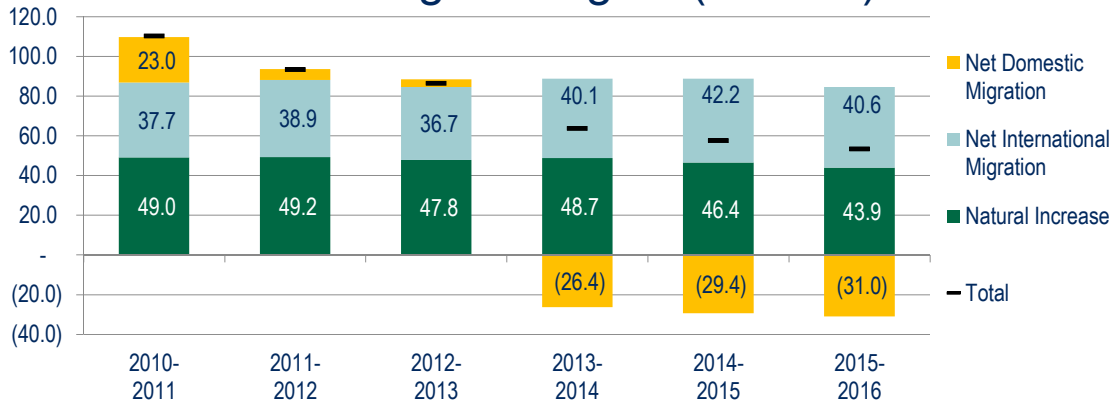
Sources: American Community Survey (2010 1-Year and 2016 1-Year surveys), The Stephen S. Fuller Institute at the Schar School, GMU  
\*within Washington Metropolitan Statistical Area



**5. The Washington region's population growth is slowing, its younger labor force-age residents are moving out faster than they are moving in and the region's population is aging.**



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



Total Increase: +1.9%	+1.6%	+1.5%	+1.1%	+1.0%	+0.9%
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Sources: U.S. Census Bureau (v2016 Population Estimates); The Stephen S. Fuller Institute at the Schar School, GMU

