

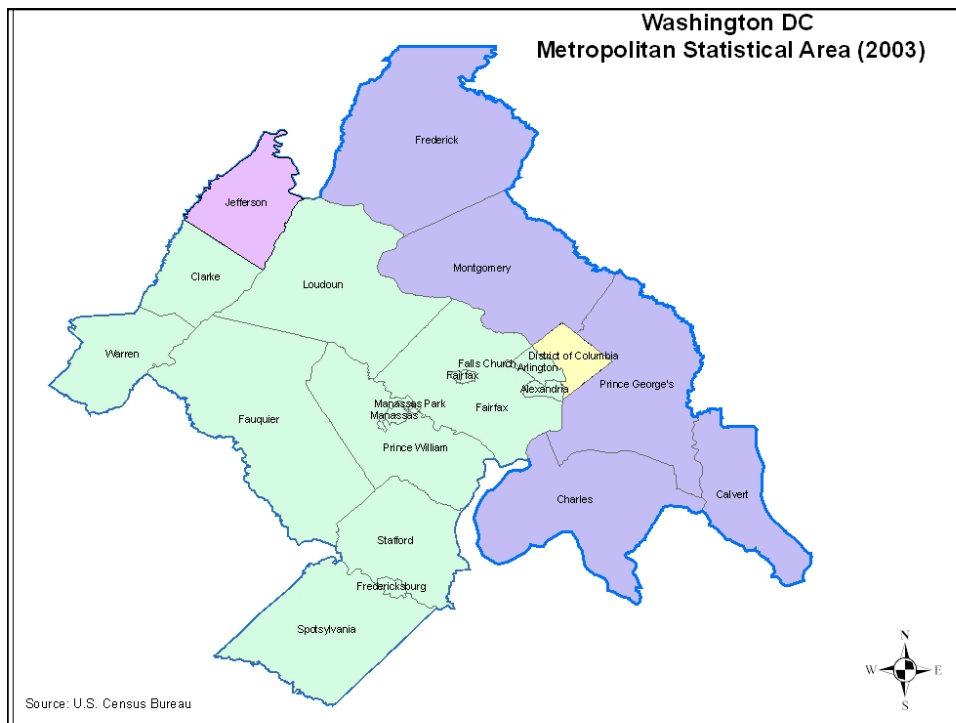




Hobart and Wm. Smith Colleges

The Economy of the Washington Metropolitan Area: Its Performance and What Makes It Different

Stephen S. Fuller, Ph.D.
Dwight Schar Faculty Chair and University Professor
Director, Center for Regional Analysis
George Mason University

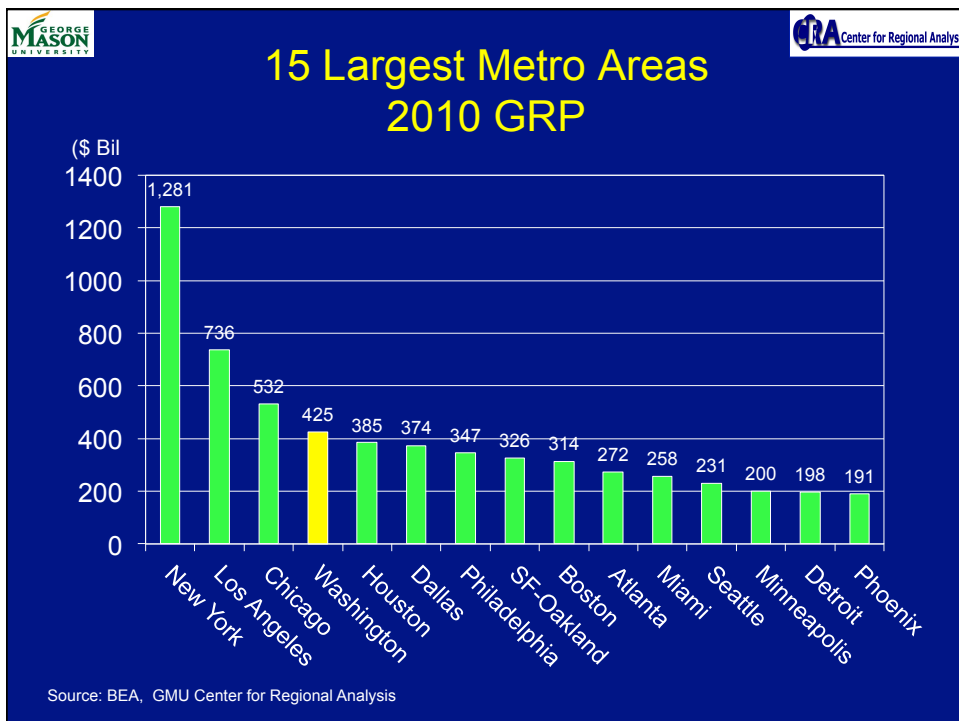
November 12, 2012

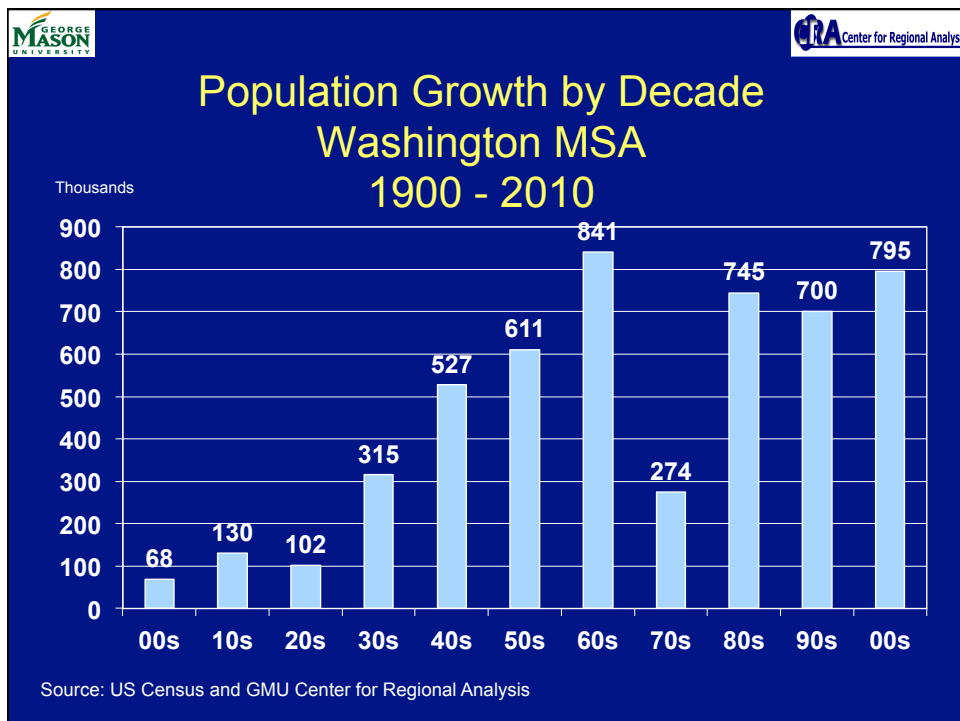
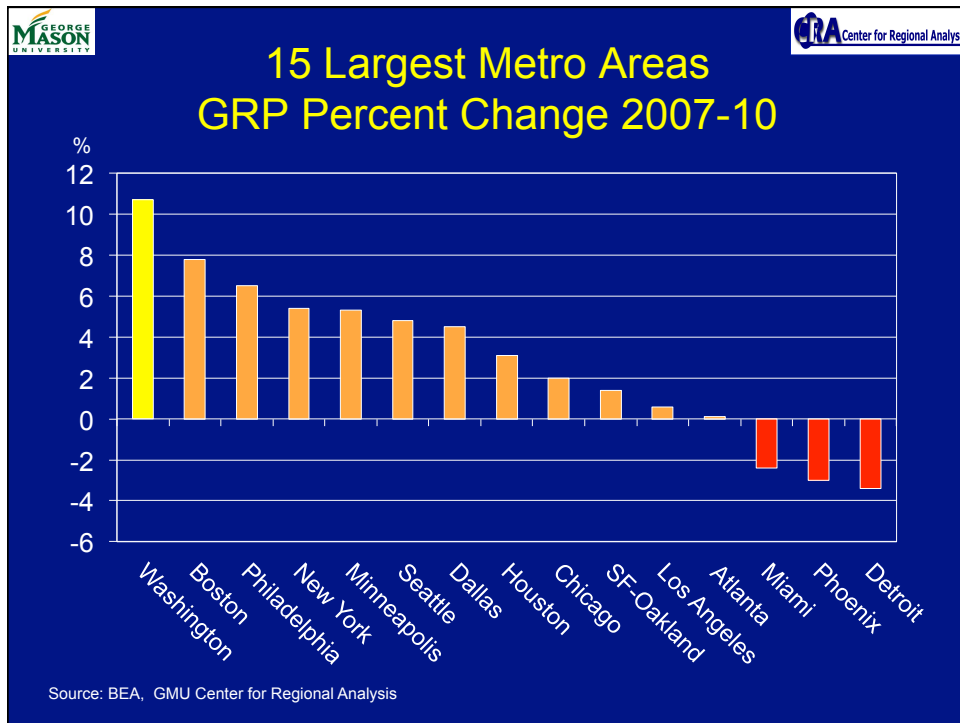


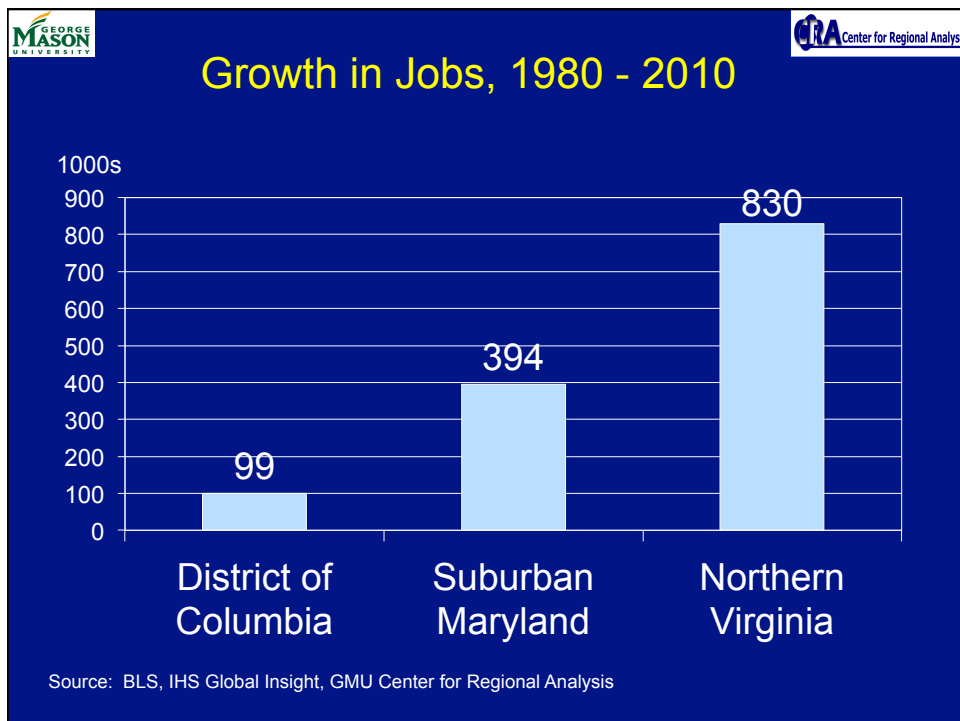
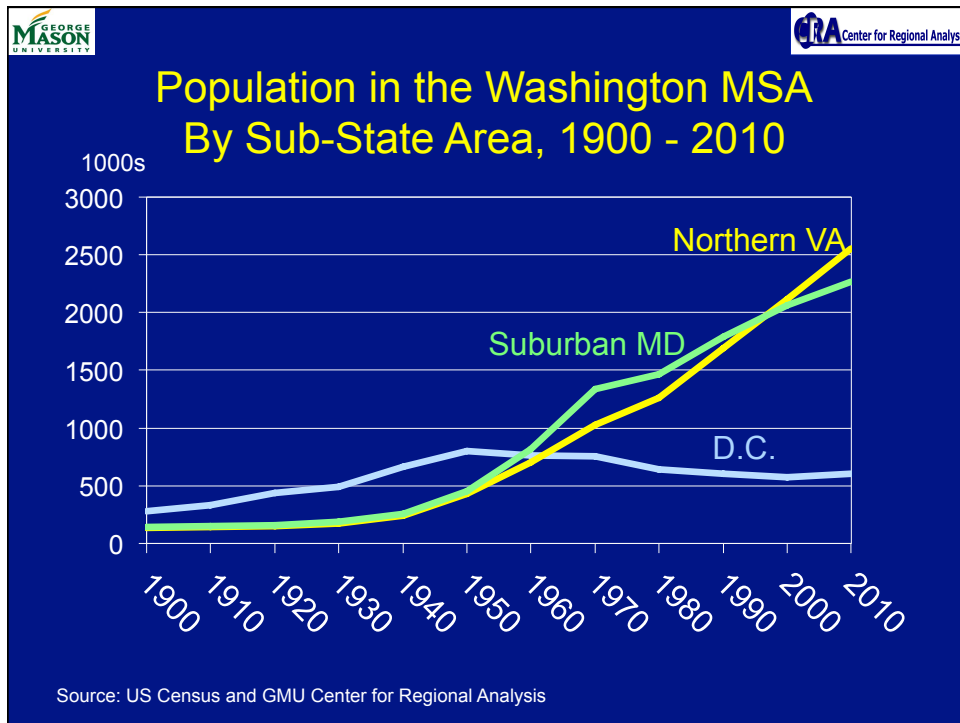



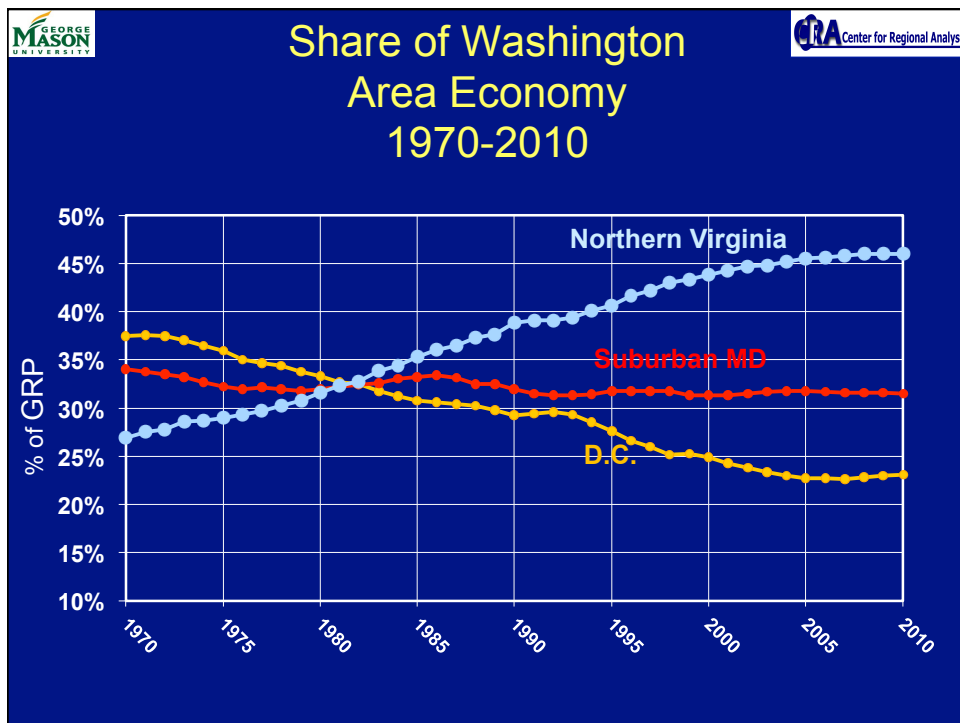
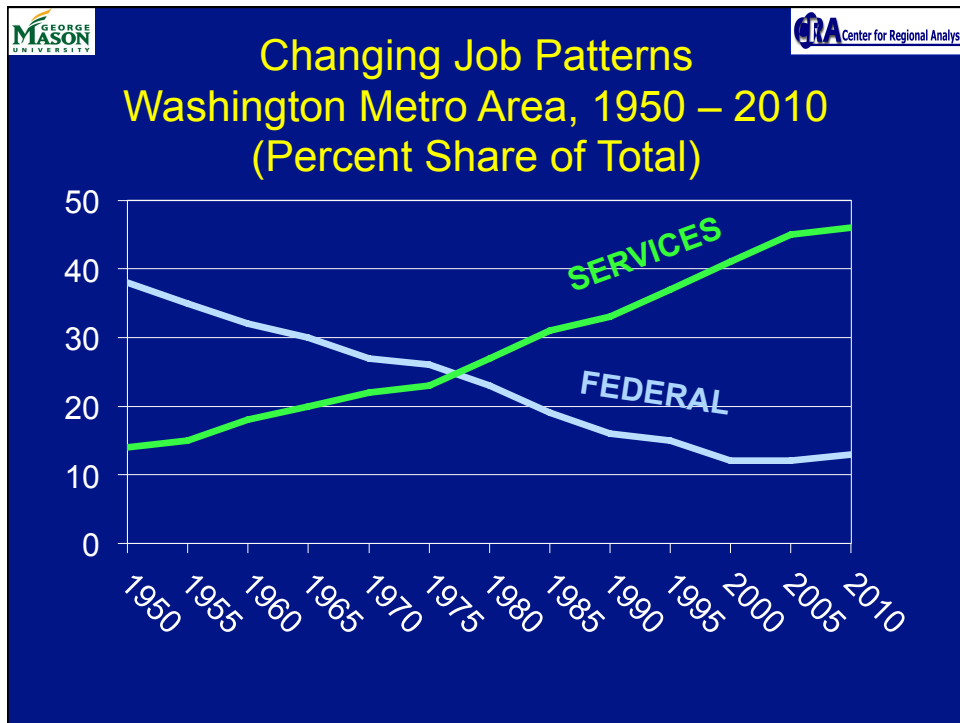
The Washington Metropolitan Area Is Different

It has the 4th largest economy
 but only ranks 7th in number of
 residents and is 2nd in the square
 footage of office space.



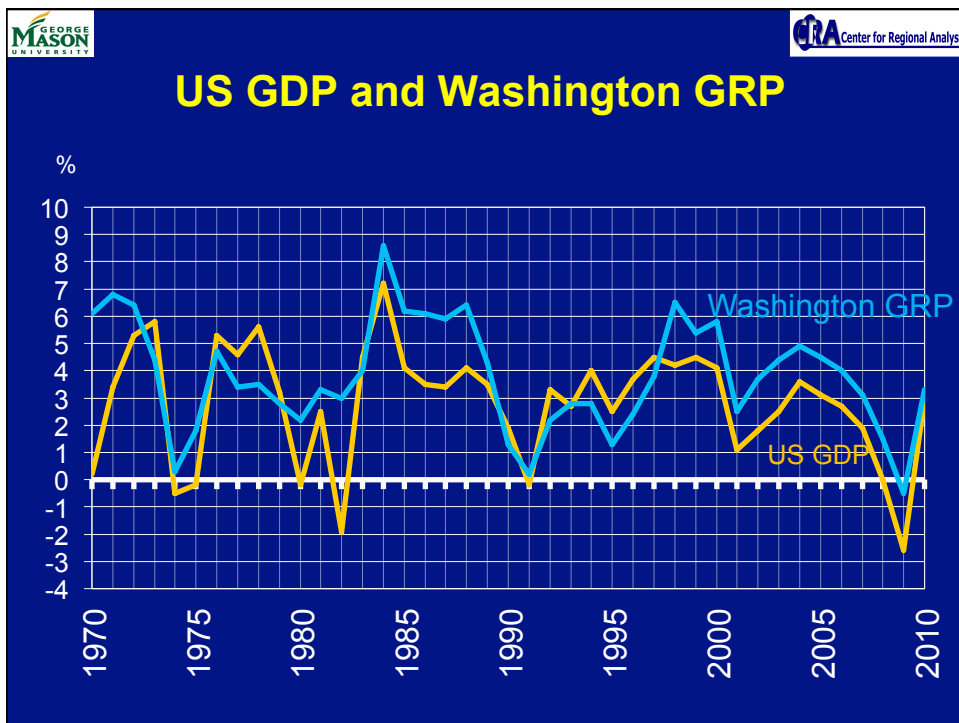


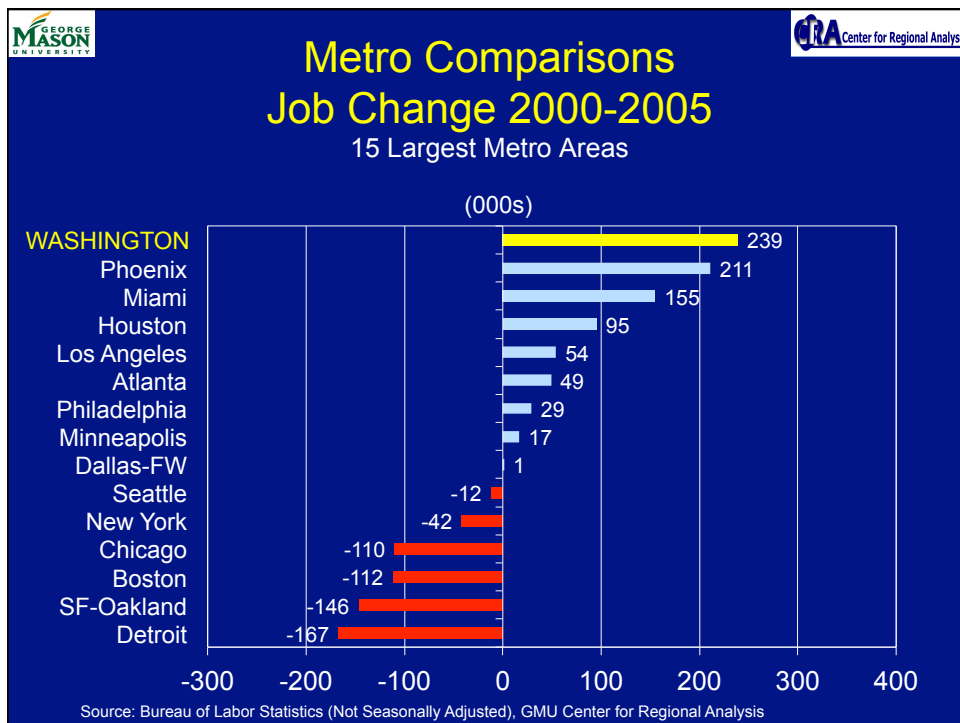
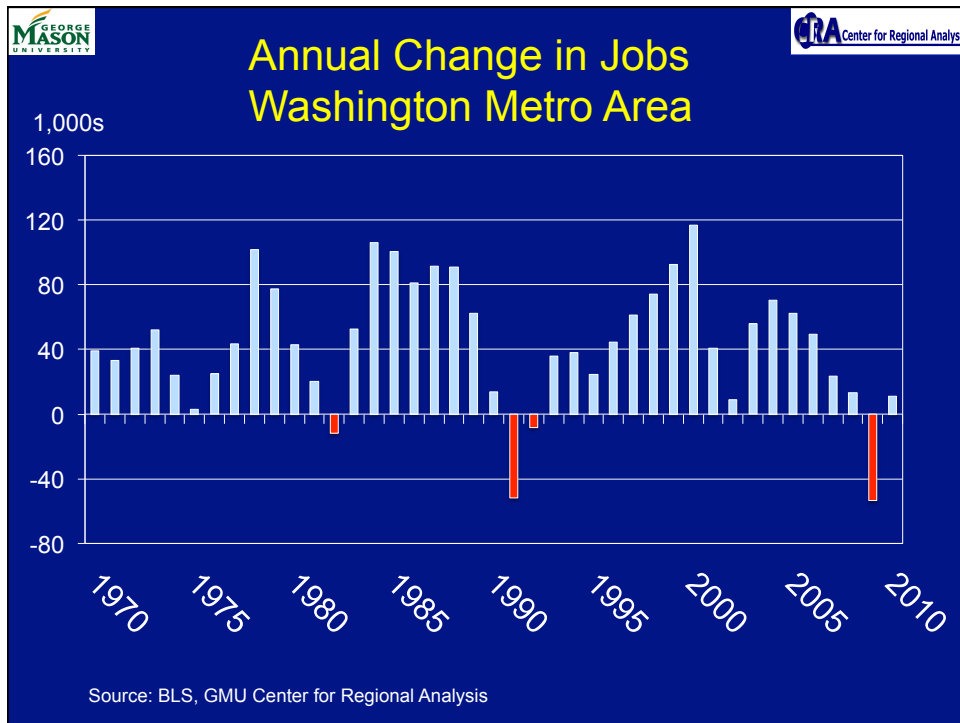


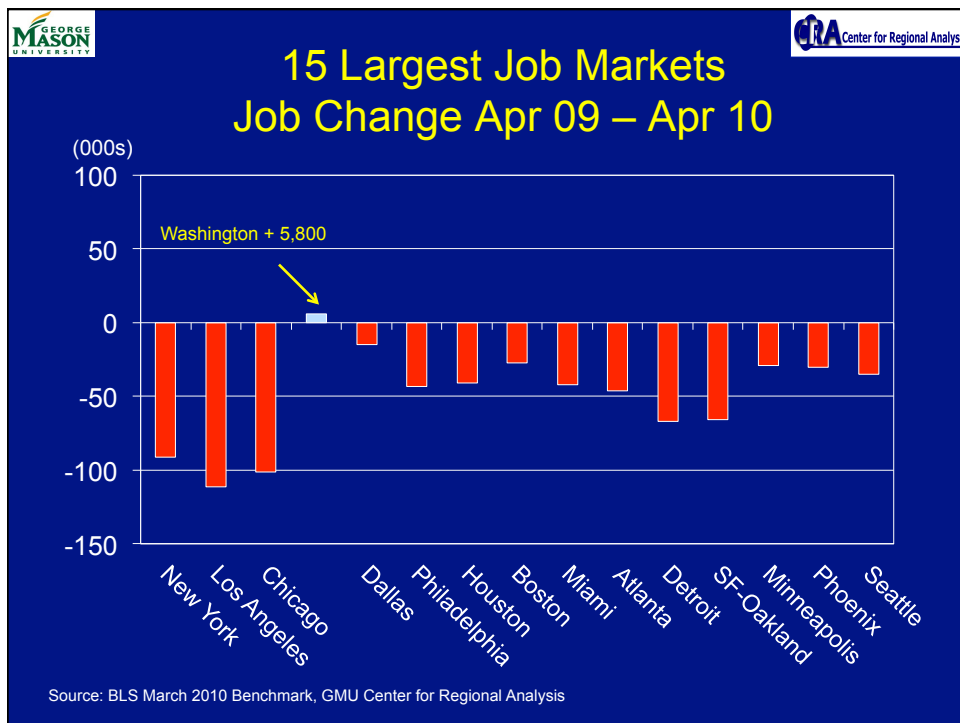
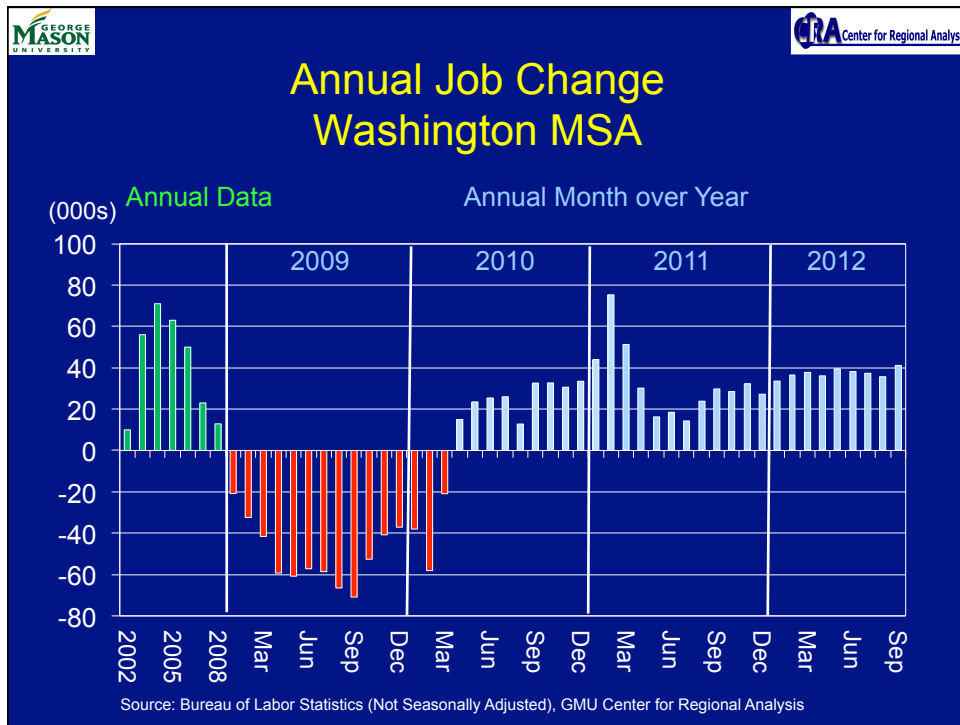


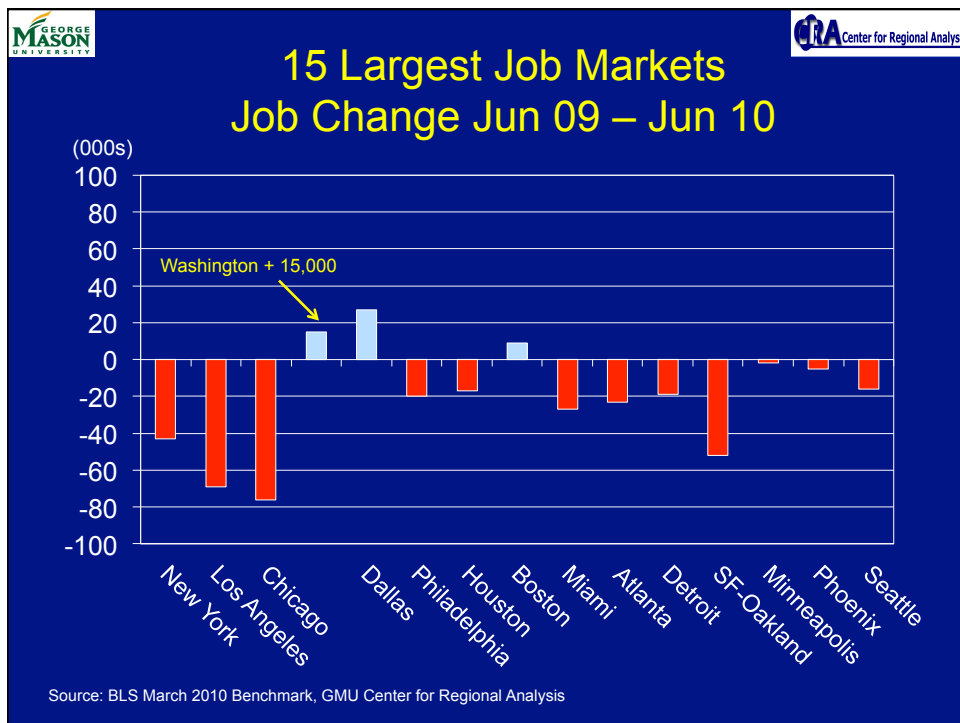
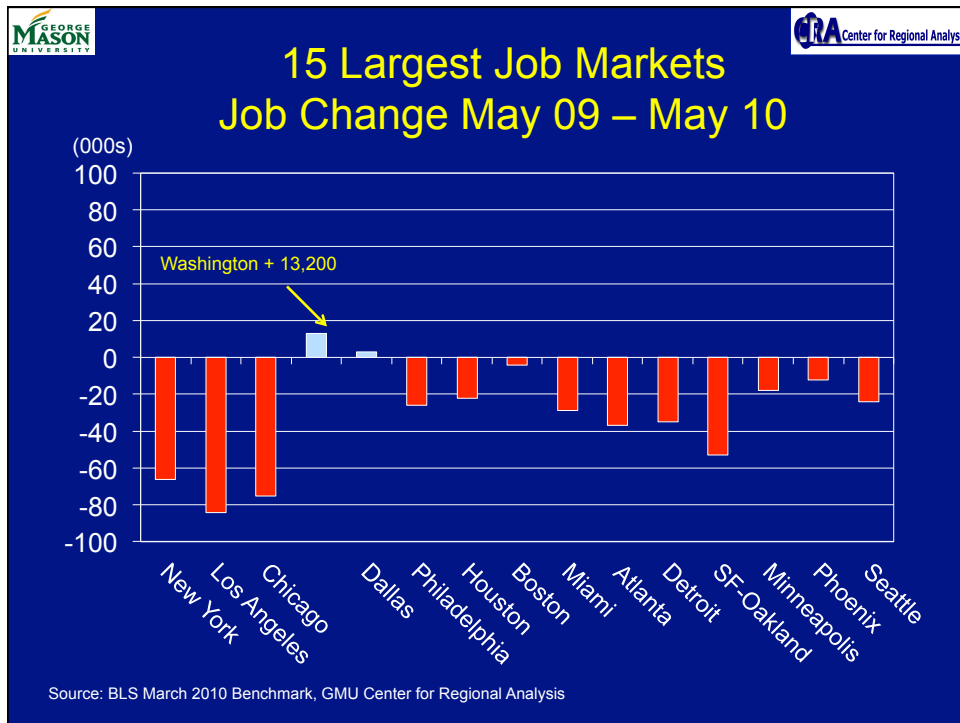
GEORGE MASON UNIVERSITY CRA Center for Regional Analysis

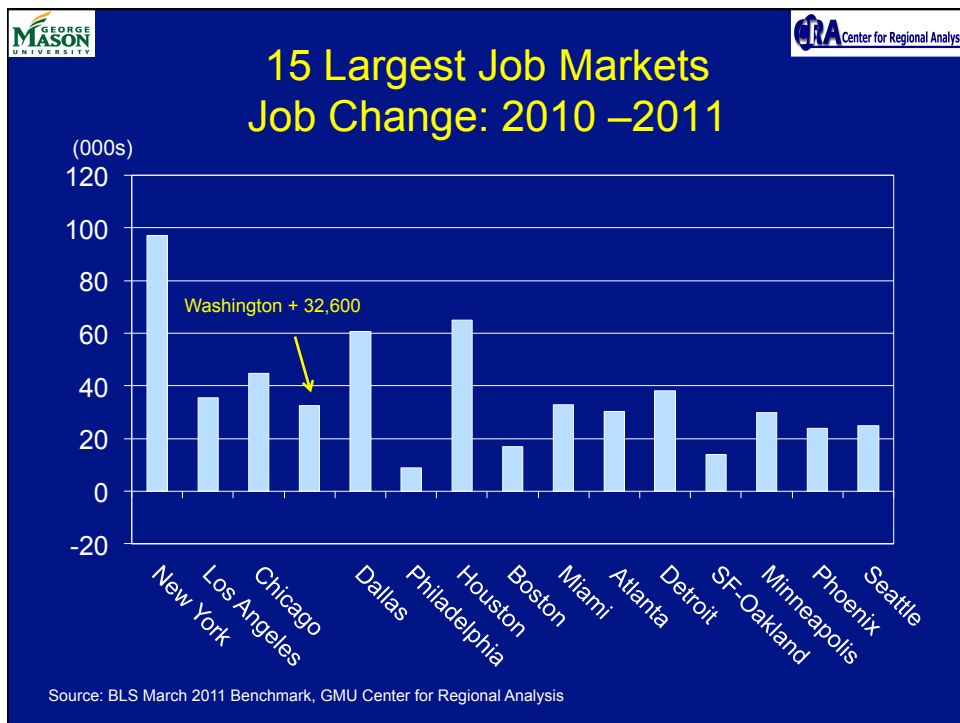
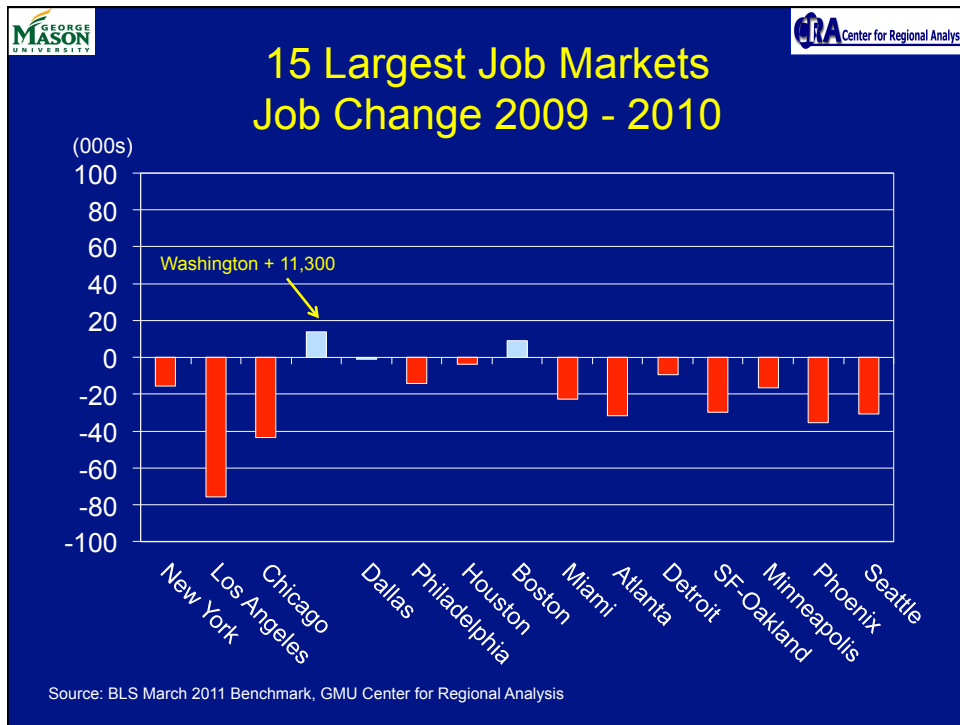
How Has the Washington Area Economy Performed Through This Business Cycle?

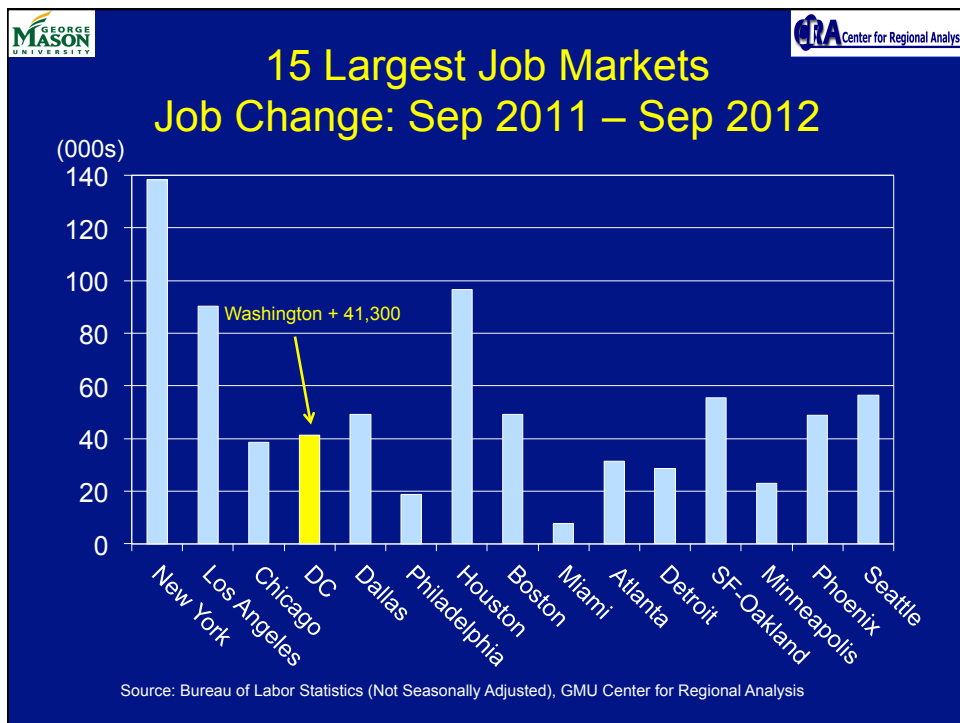
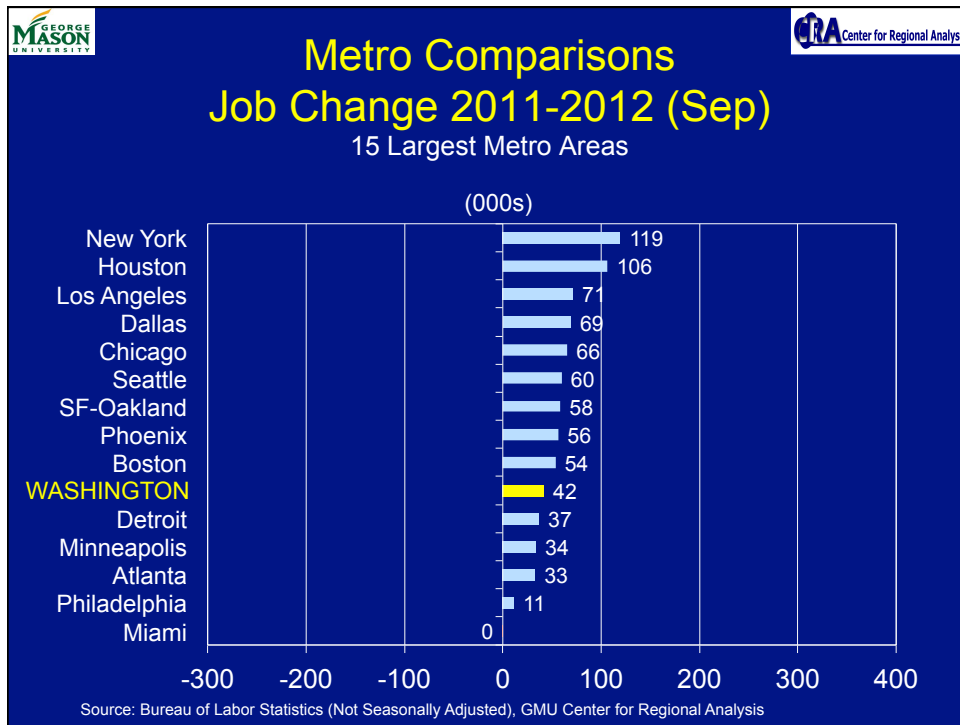


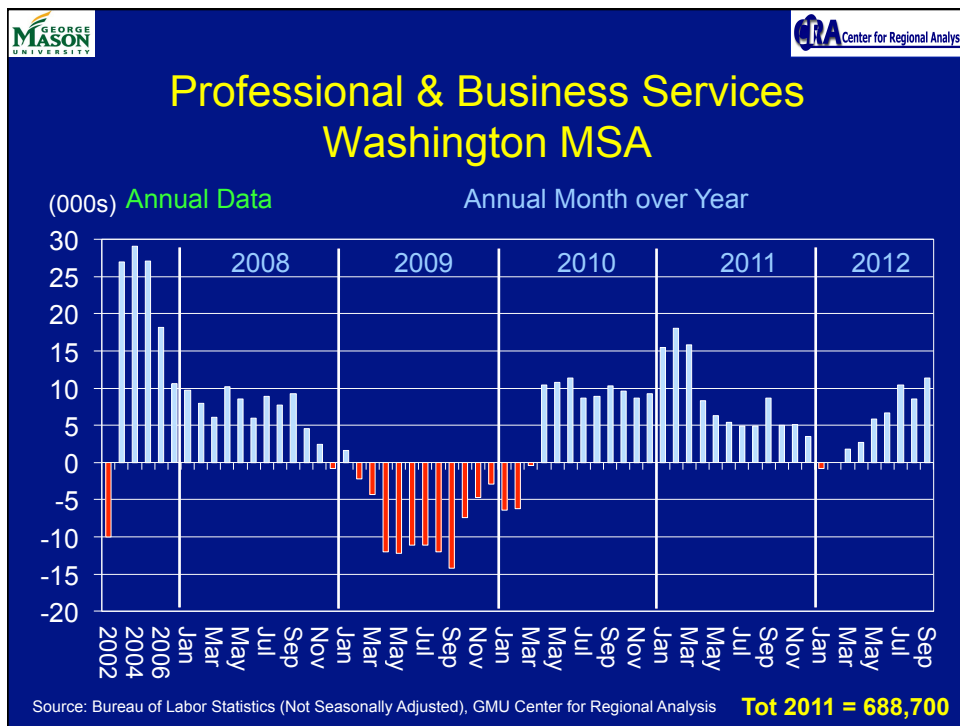
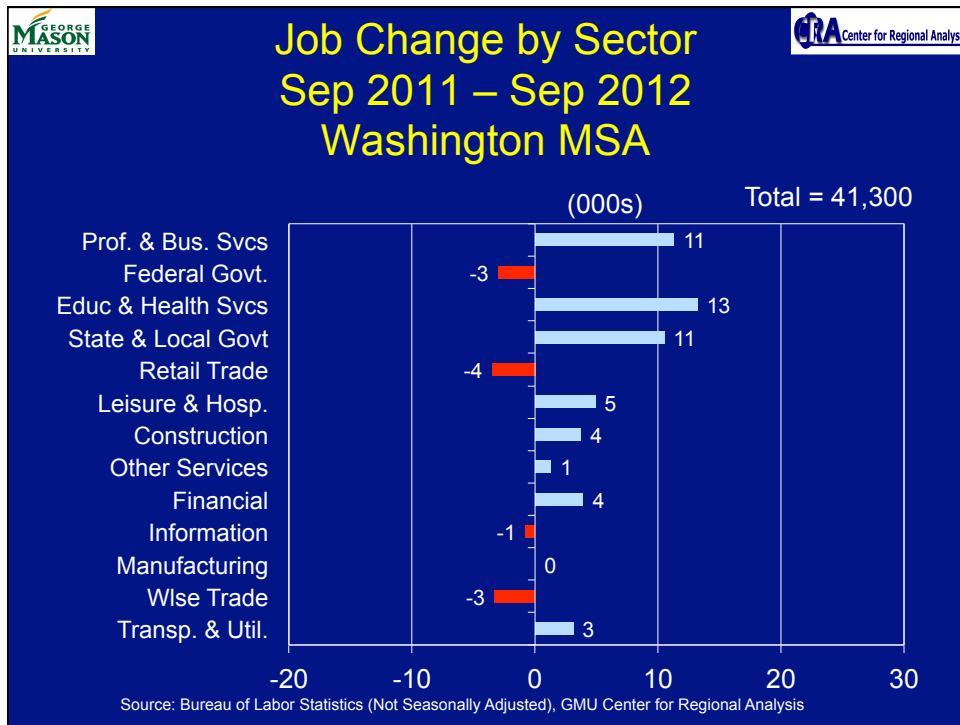


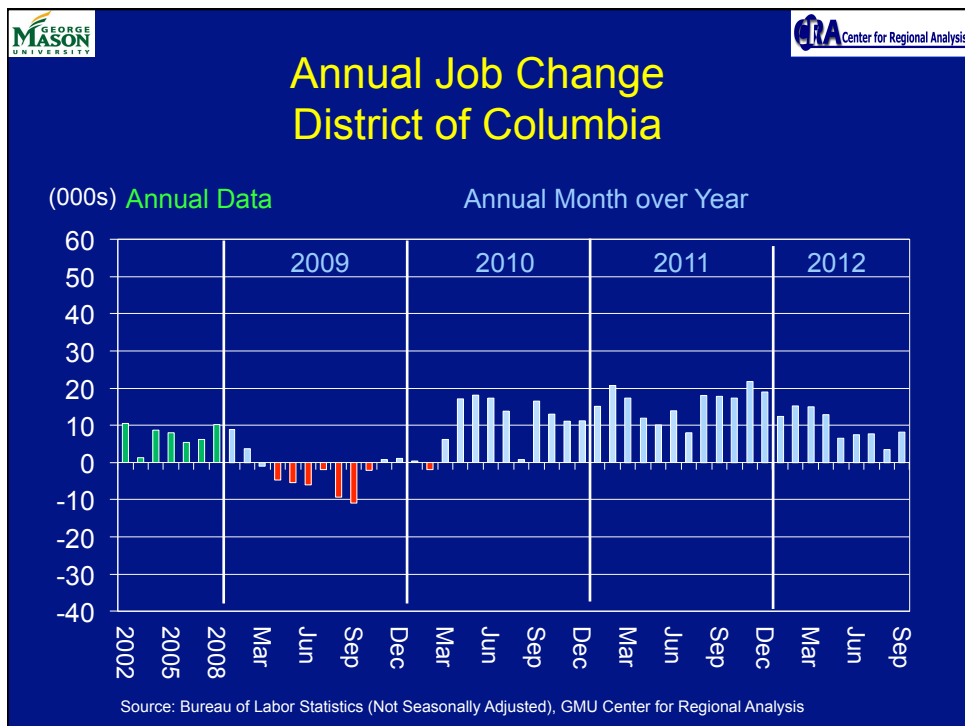
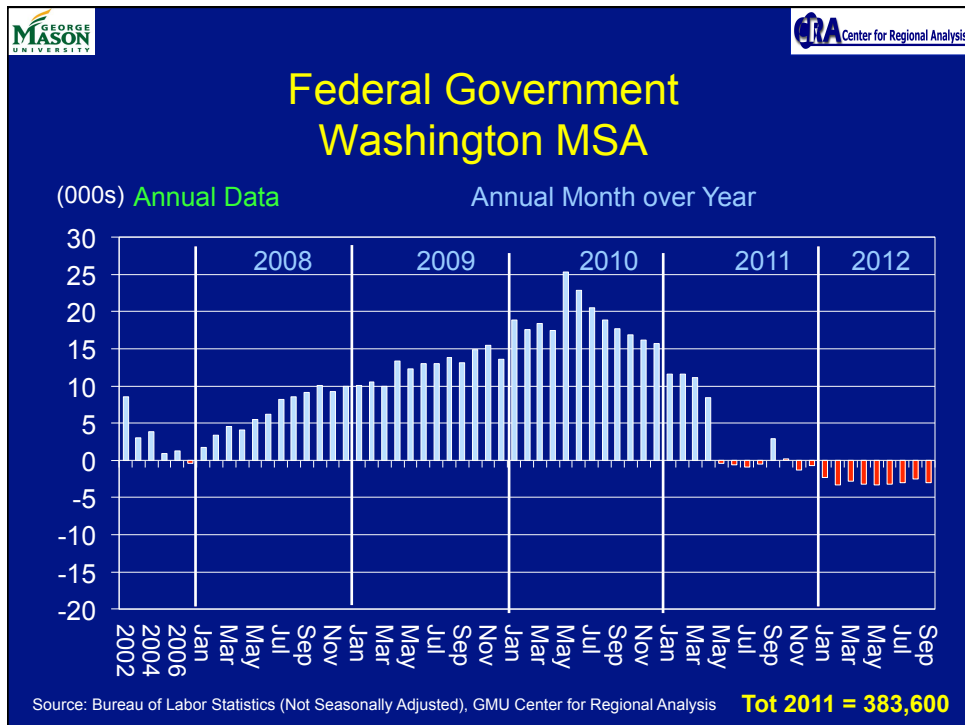


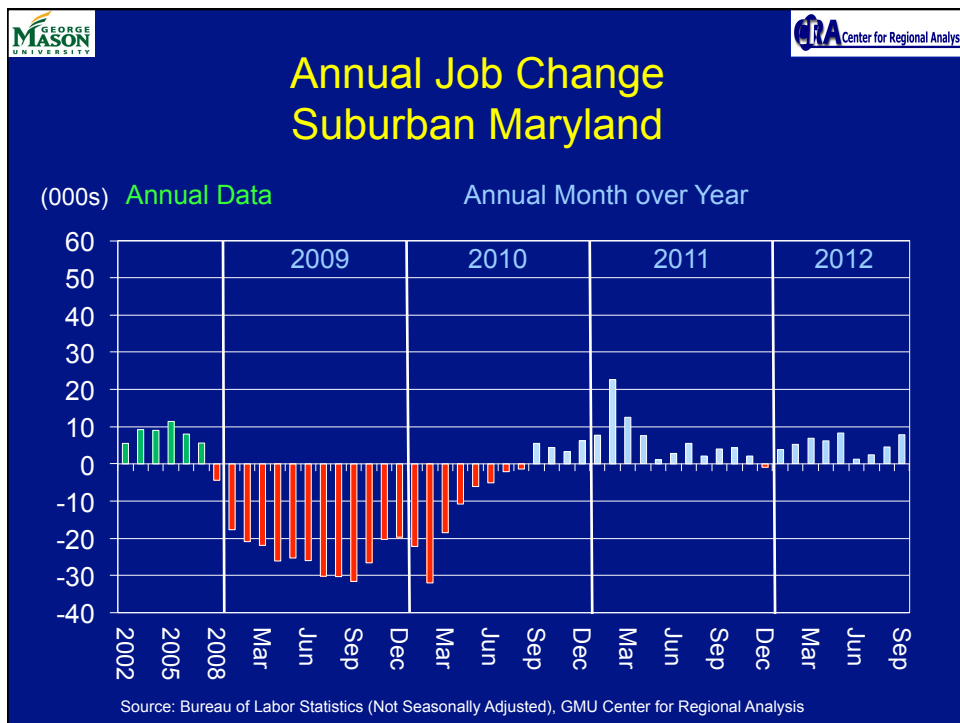
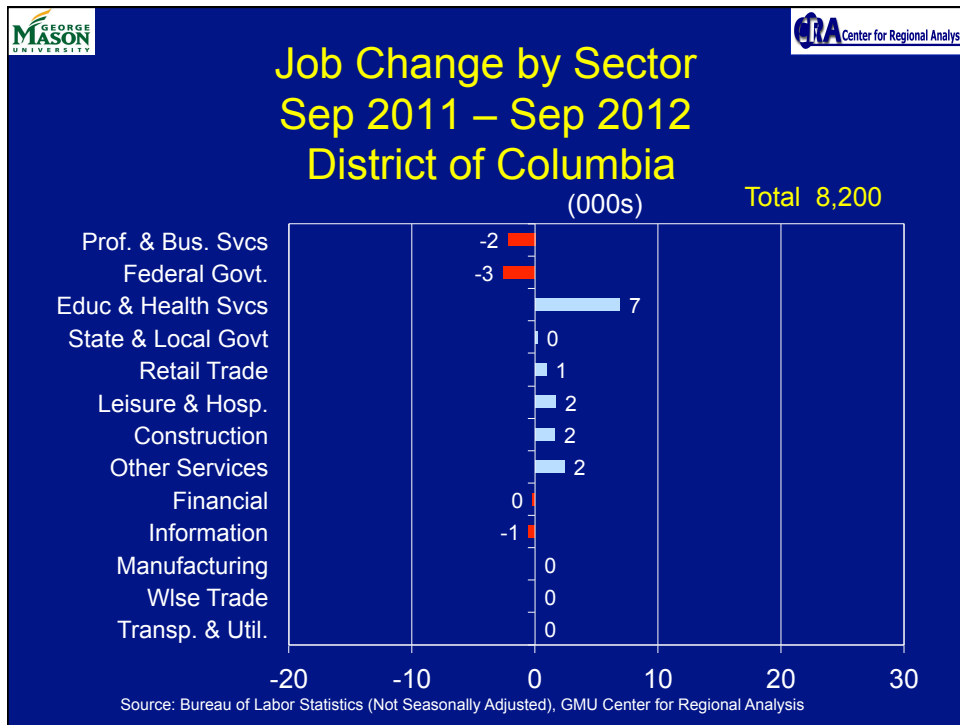


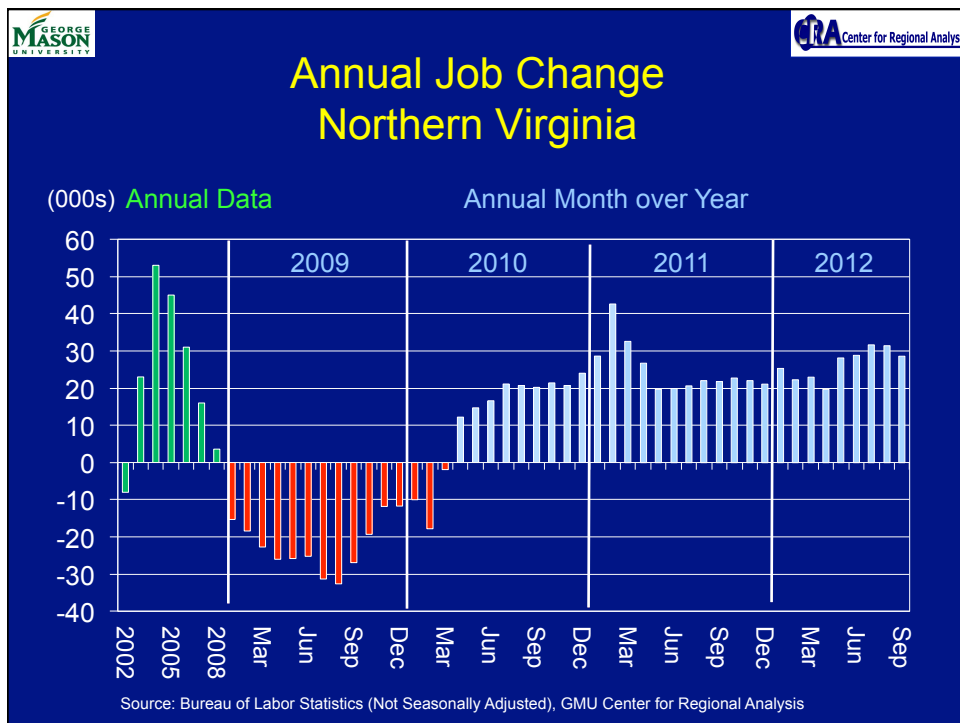
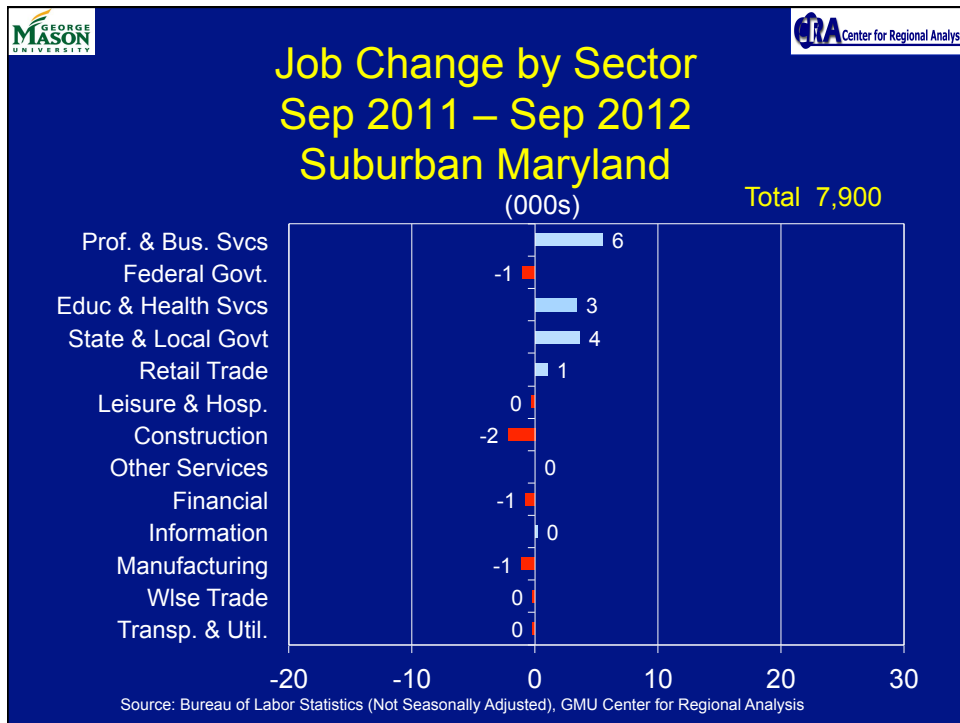


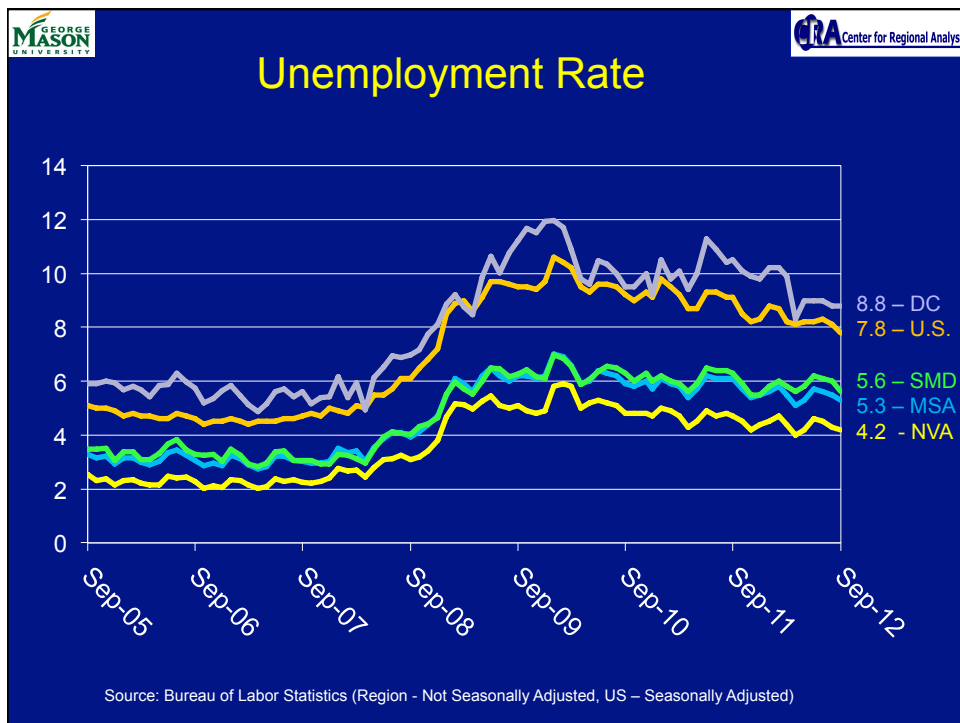
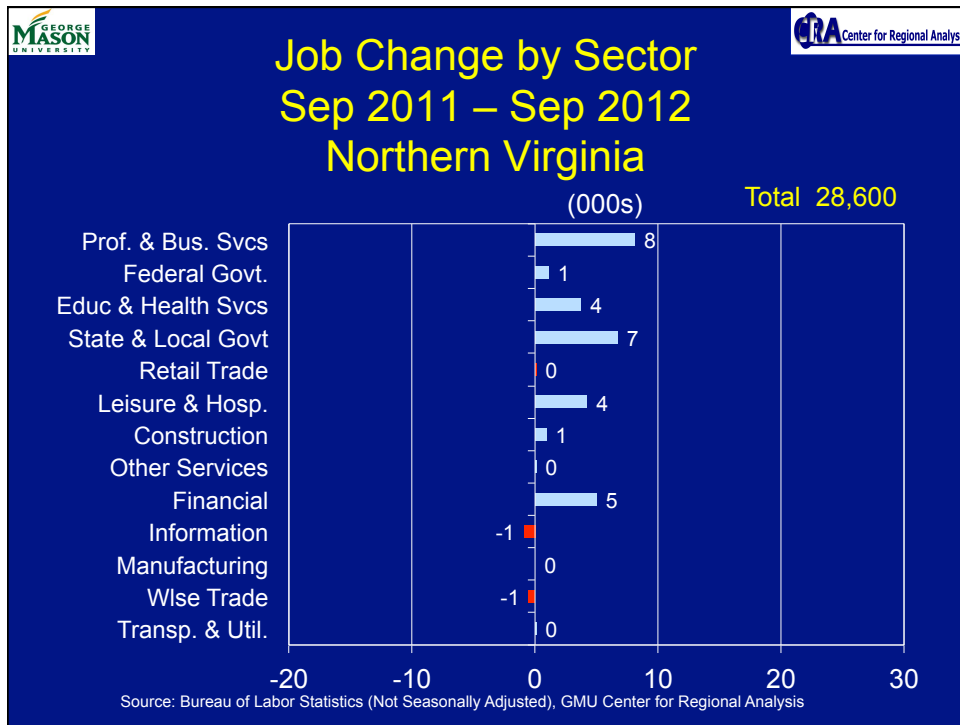






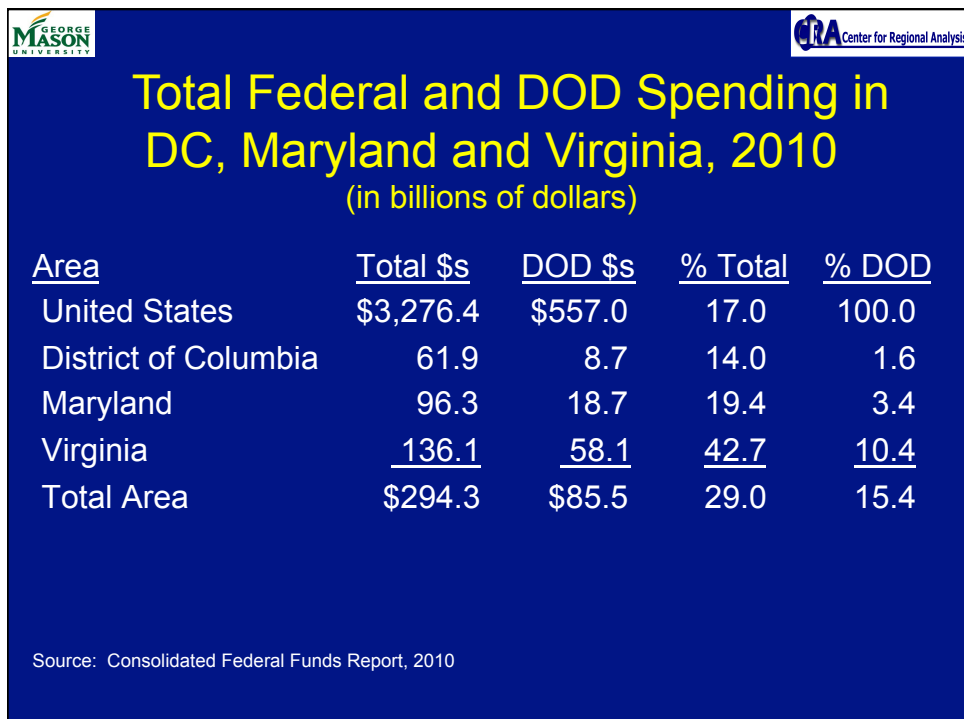
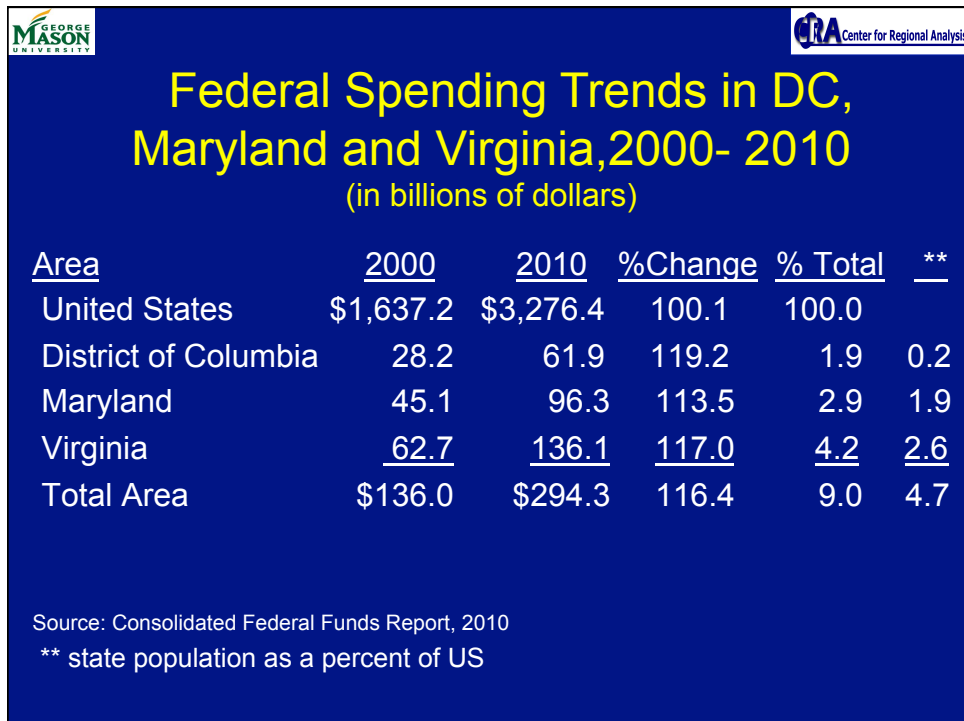


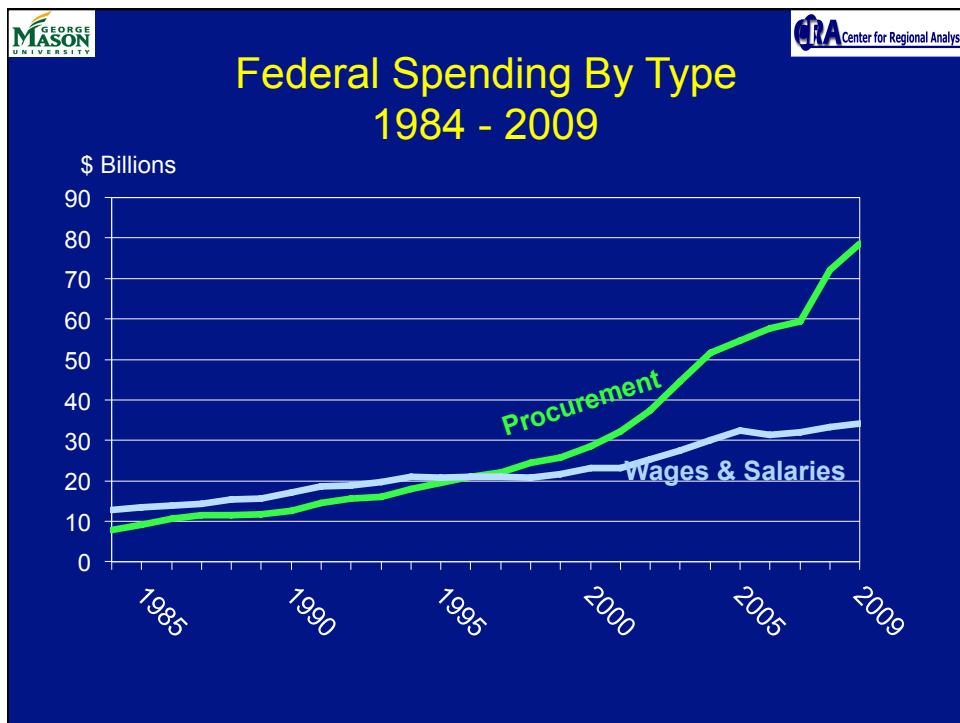
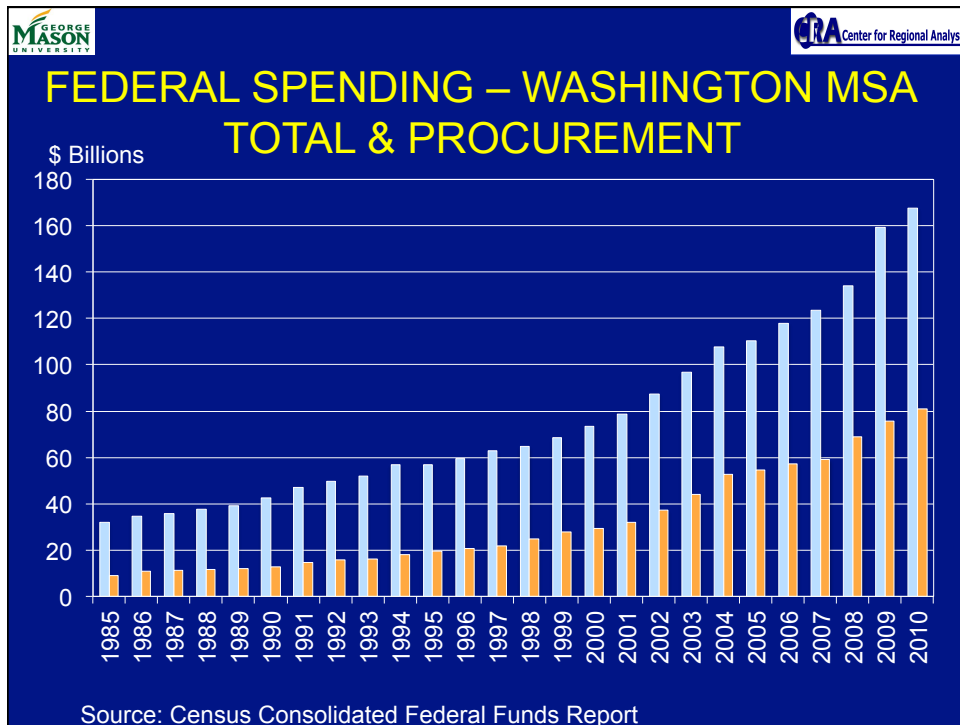


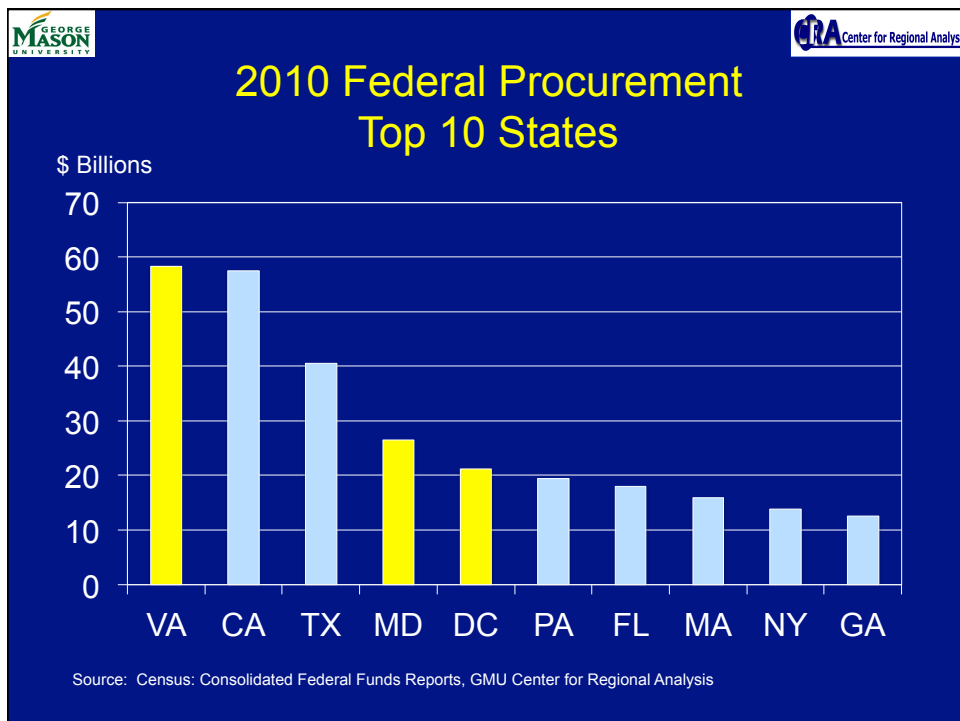
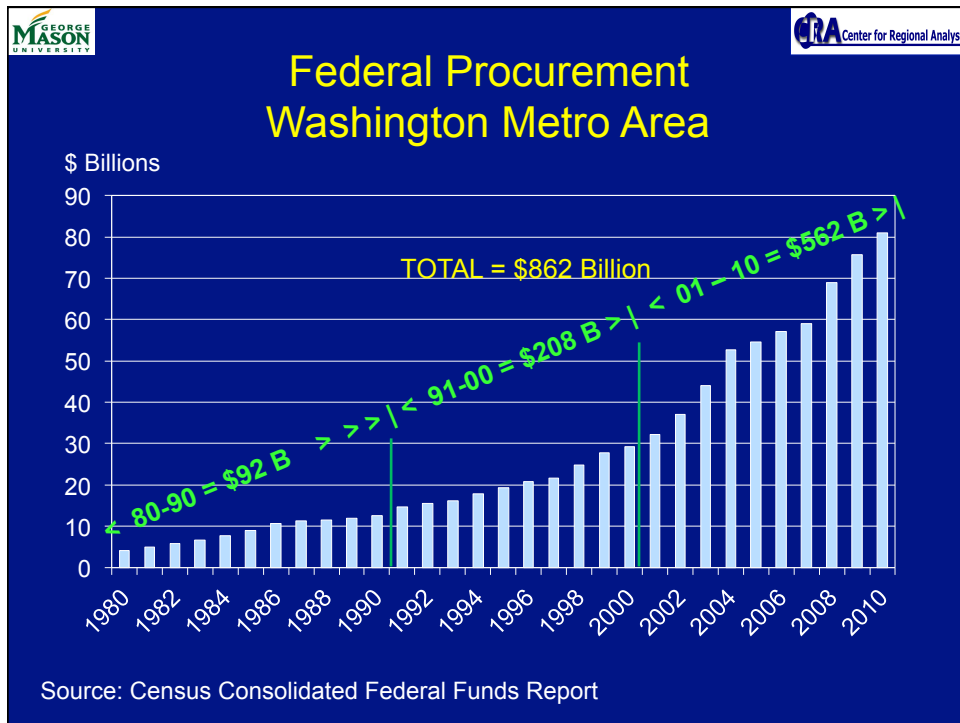


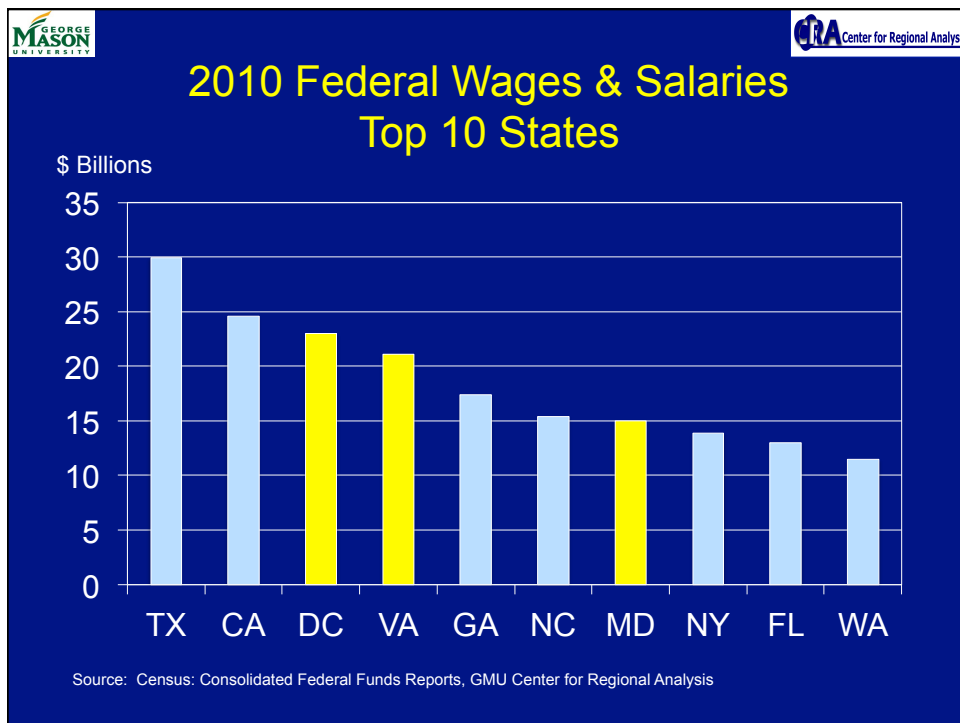
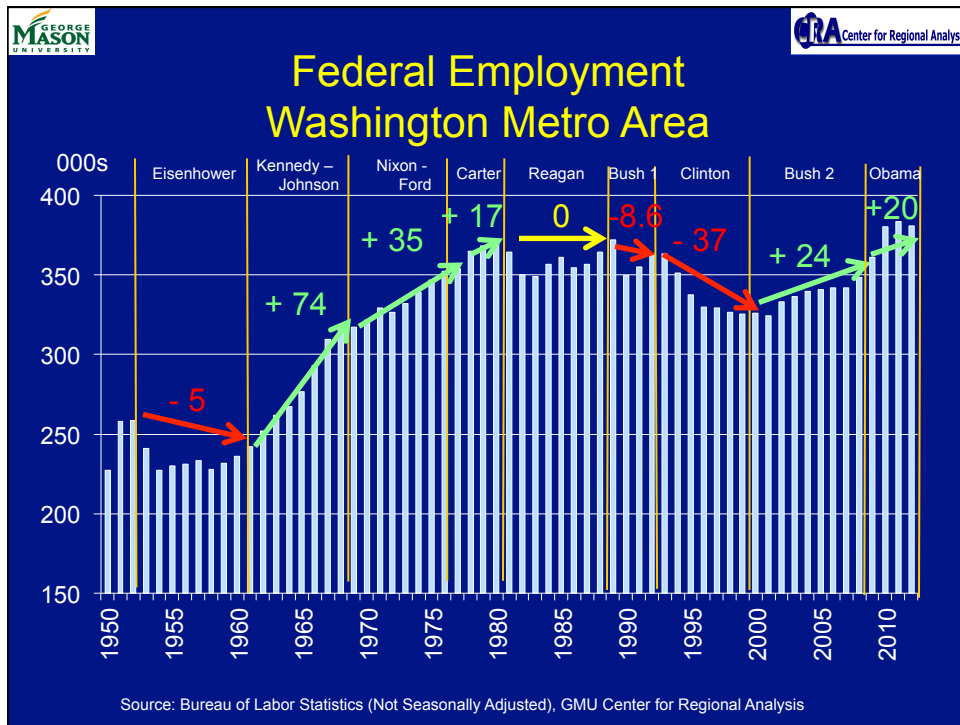


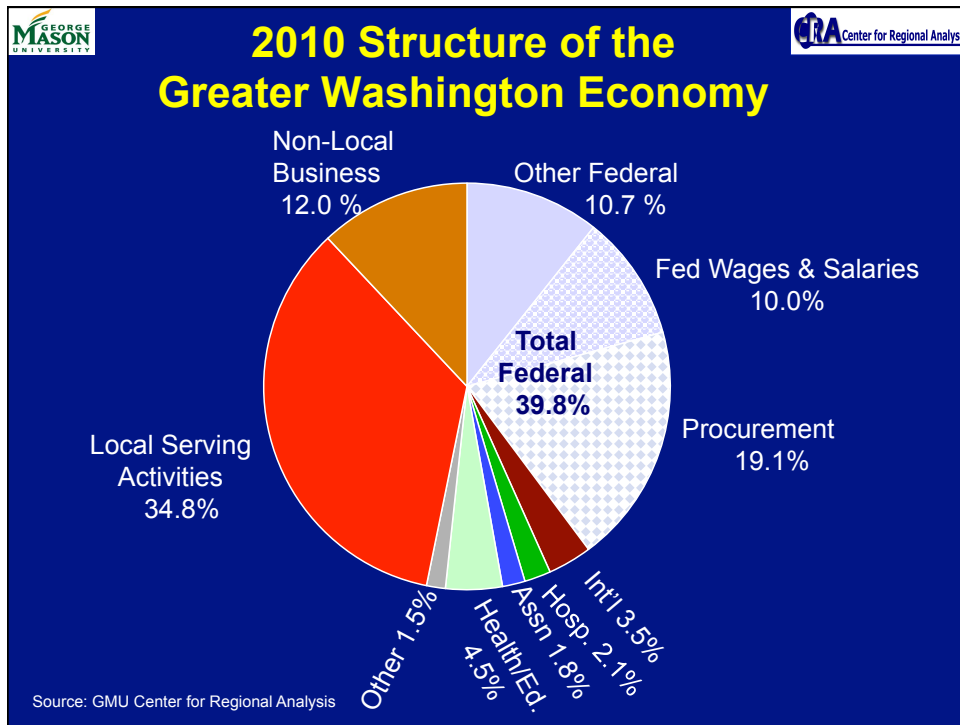
What Explains the Region's Differential Regional Growth Pattern and What are the Economy's Vulnerabilities?











What is the Near-Term Outlook of the Washington Area Economy?

The Employment Impact the of Budget Control Act of 2011 on the Maryland-DC-Virginia Region

<u>State</u>	Job Losses*		Total Job* <u>Losses</u>
	<u>DoD Cuts</u>	<u>Non-DoD Cuts</u>	
Maryland	39,395	75,400	114,795
District of Columbia	15,169	112,238	127,407
Virginia	136,191	71,380	207,571
Totals	190,755	259,018	449,773
% U.S. job losses	17.5	24.7	21.0

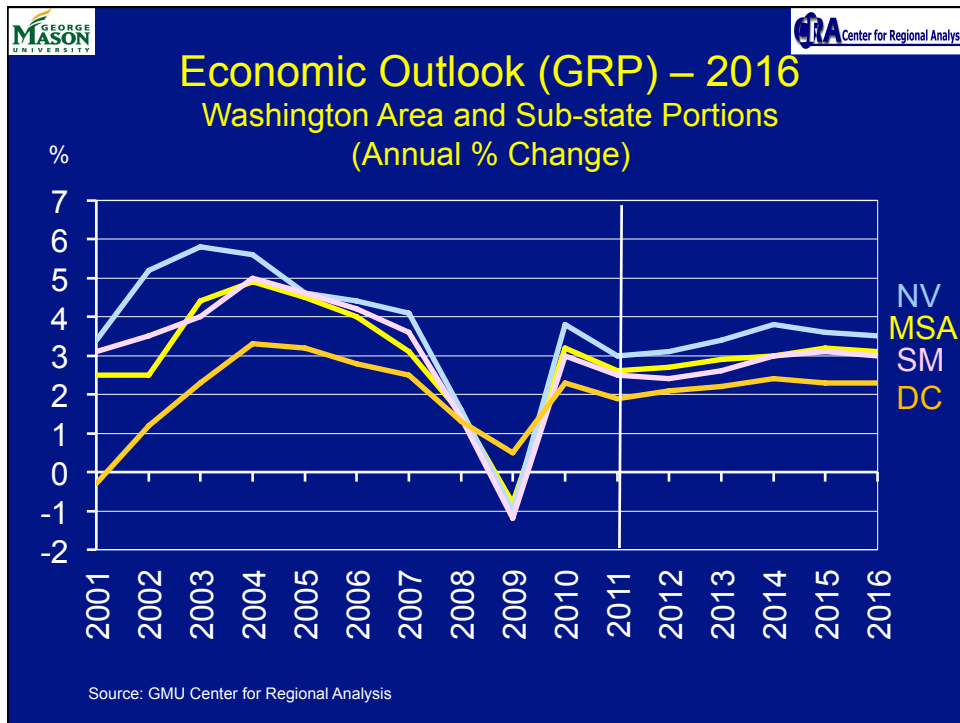
*direct, indirect and induced job losses resulting from BCA-mandated federal spending reductions in FY 2013; of the direct job losses totaling 161,161, an estimated 65,189 workers would be federal employees (40.4%) and 95,972 (59.5%) workers would be contractors, suppliers and vendors.

Source: "The Economic Impact of the Budget Control Act of 2011 on DOD and Non-DOD Agencies," Stephen S. Fuller, July 17, 2012.

Growth Projections for Federal Spending and GRP: 2011- 2015
(in billions of 2010 dollars, annual % change)

<u>Year</u>	<u>Federal \$s</u>	<u>WMSA GRP</u>
2010	\$169.0	\$425.0
2011	2.0%	2.6%
2012	1.0%	2.7%
2013	0.0%	2.9%
2014	1.0%	3.3%
2015	1.5%	3.2%
2015	\$178.5	\$491.2
Change	5.6%	15.6%

Source: GMU Center for Regional Analysis

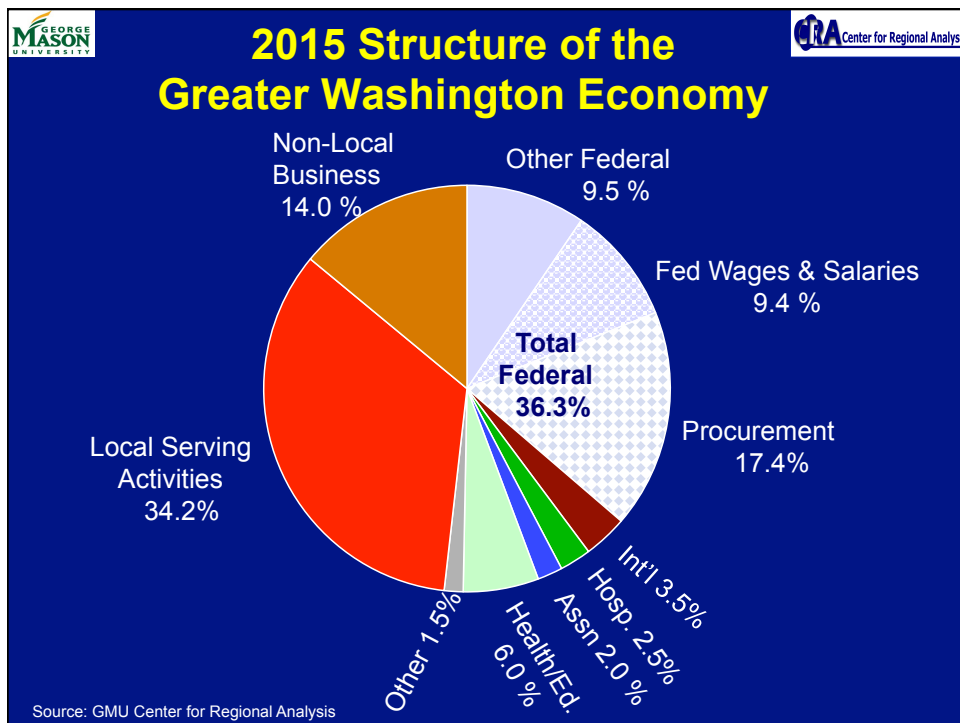
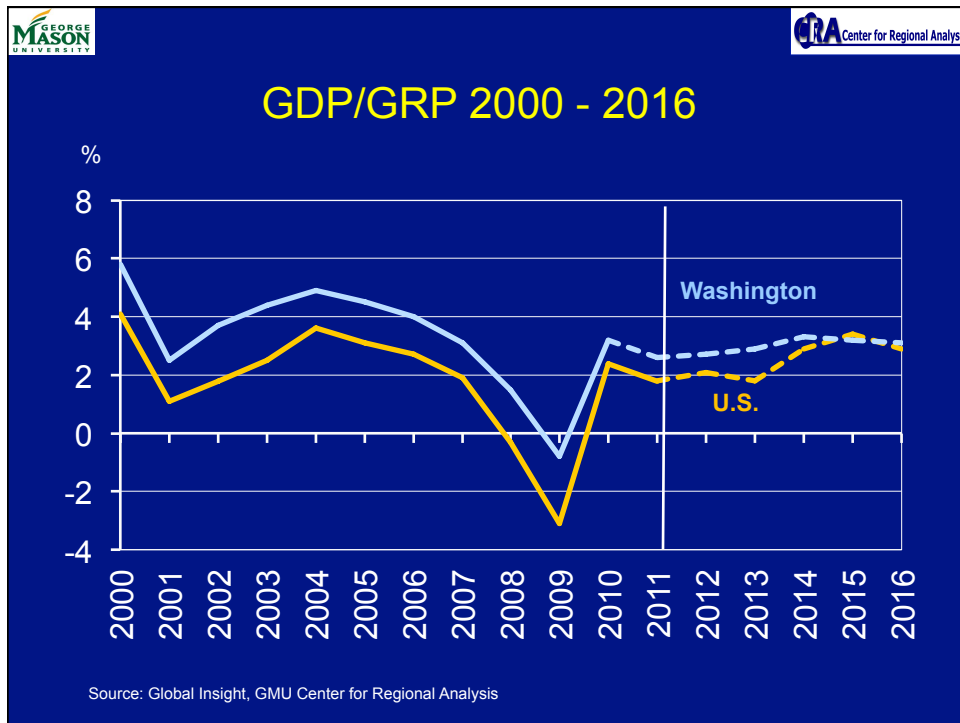


Employment Change by Sub-state Region (000s)

	2008	2009	2010	2011	2012	2013	2014	2015
D.C.	10.1	-2.2	9.5	11.2	11.8	12.5	14	13
Sub. MD	-3.3	-25.1	-5.9	4.0	6.2	8.5	9.0	9.5
No. VA	6.1	-23.0	8.7	17.4	18.0	21.0	22.0	20.5
REGION	12.9	-50.3	11.3	32.6	36.0	42.0	45.0	43.0

Average Annual Change 1990-2010 = 36,000



Source: BLS, GMU Center for Regional Analysis, 2009-2015 based on 2012 Benchmark data from BLS, Revised 5/1/2012
NOTE: 2011 Total is the sum of subregions and does not agree with the Mar 13, 2012 published MSA total.






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GMU/Cardinal Bank 21st Annual
Economic Forecasting Conference
McLean Hilton, Tysons Corner
January 11, 2013

**Revised Washington Metropolitan Area
Growth Potential Summary: 2010 – 2030**
(in billions of 2010 \$, jobs in thousands)

Indicator	2010	2030	Change
GRP Growth	\$425 b	\$774.8	82.3%
Net Job Growth	3,788.8	4,842.7	1,053.9/ 27.8%
Replacement Job Growth		1,802.8	47.6%
HH Growth	2,068.1	2,622.3	554.2/ 26.8%