



Mapping new economic opportunities | **REGIONAL — NATIONAL — GLOBAL**

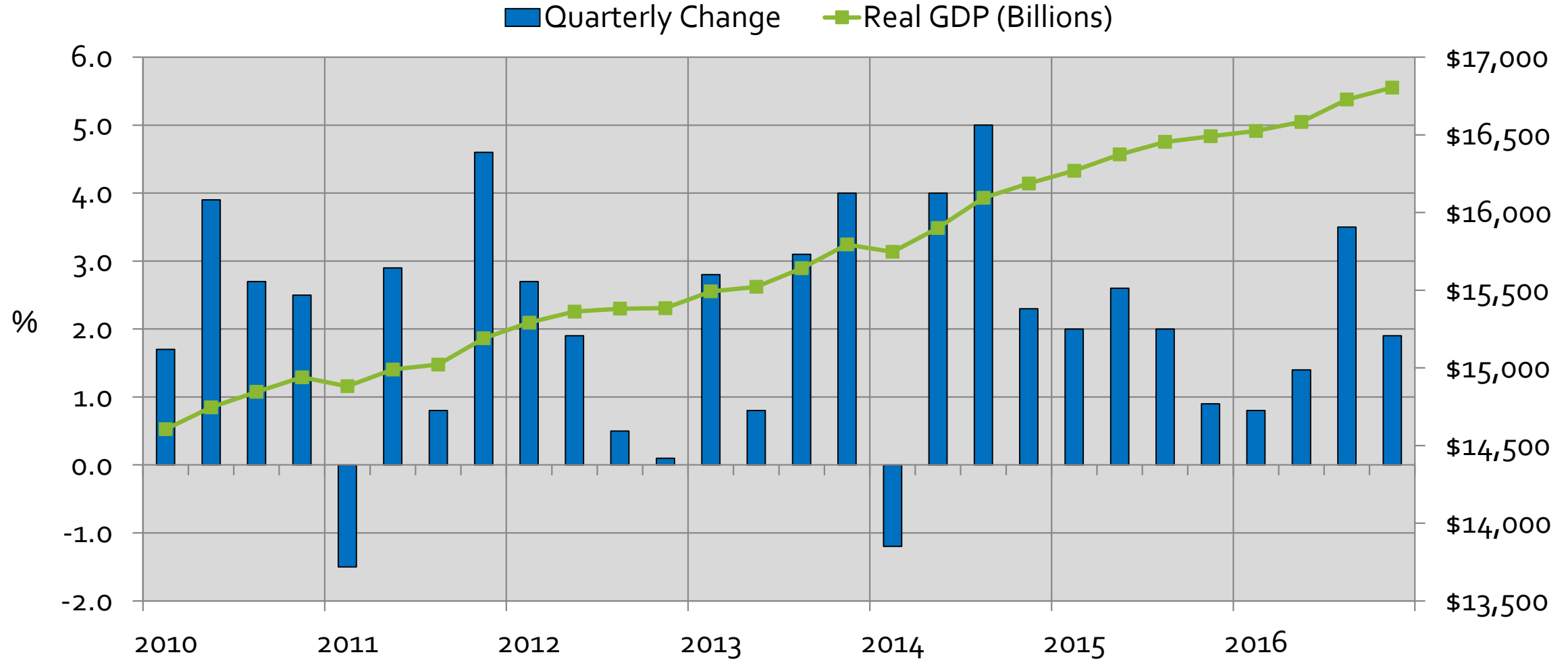
# 2017 National and Regional Economic Outlook

Terry L. Clower, Ph.D.

Director, Center for Regional Analysis  
Schar School of Policy and Government

George Mason University

# U.S. Gross Domestic Product



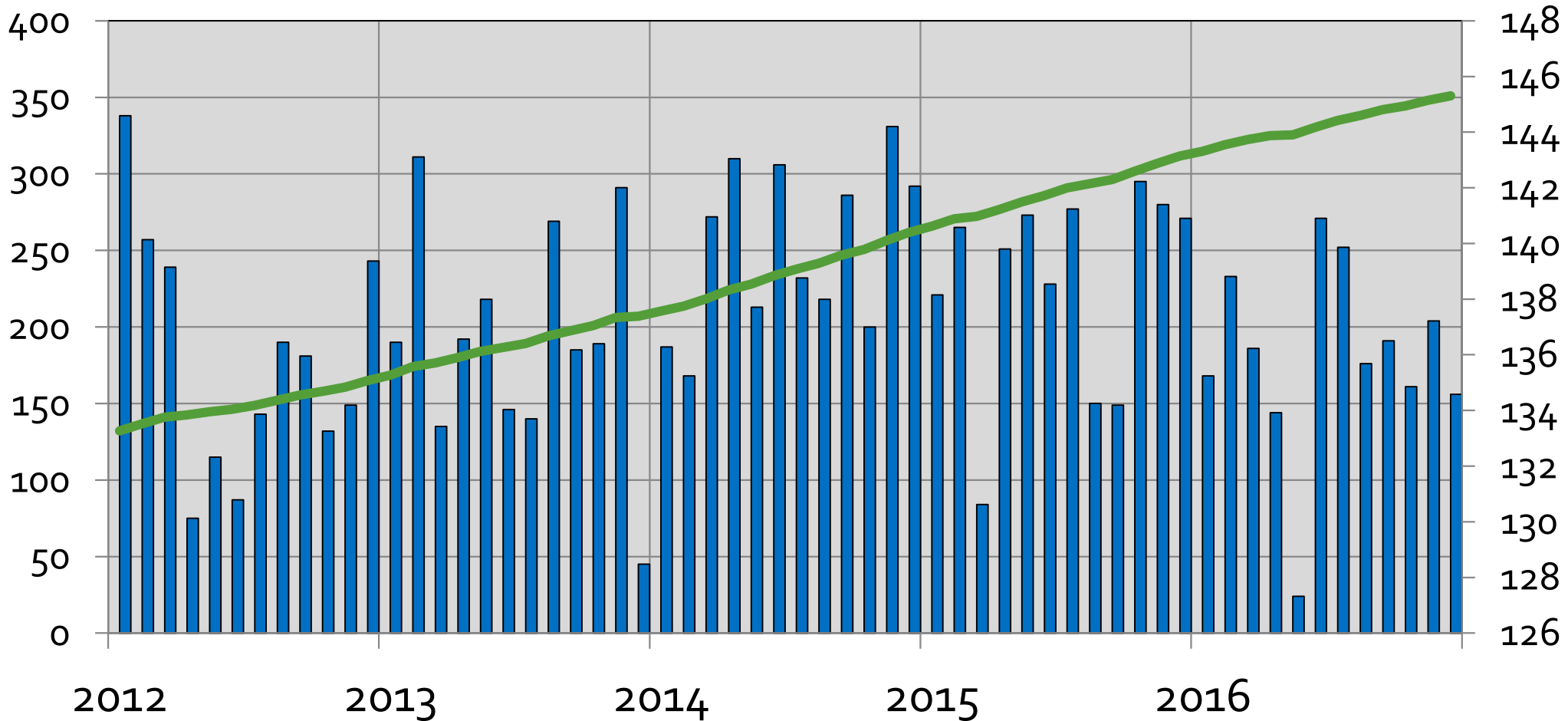
4Q16 +1.9%

Source: Bureau of Economic Analysis (Seasonally Adjusted, Chained 2009 Dollars)

# US Payroll Jobs



■ Month-to-Month Change (000s)    — Total (Millions)

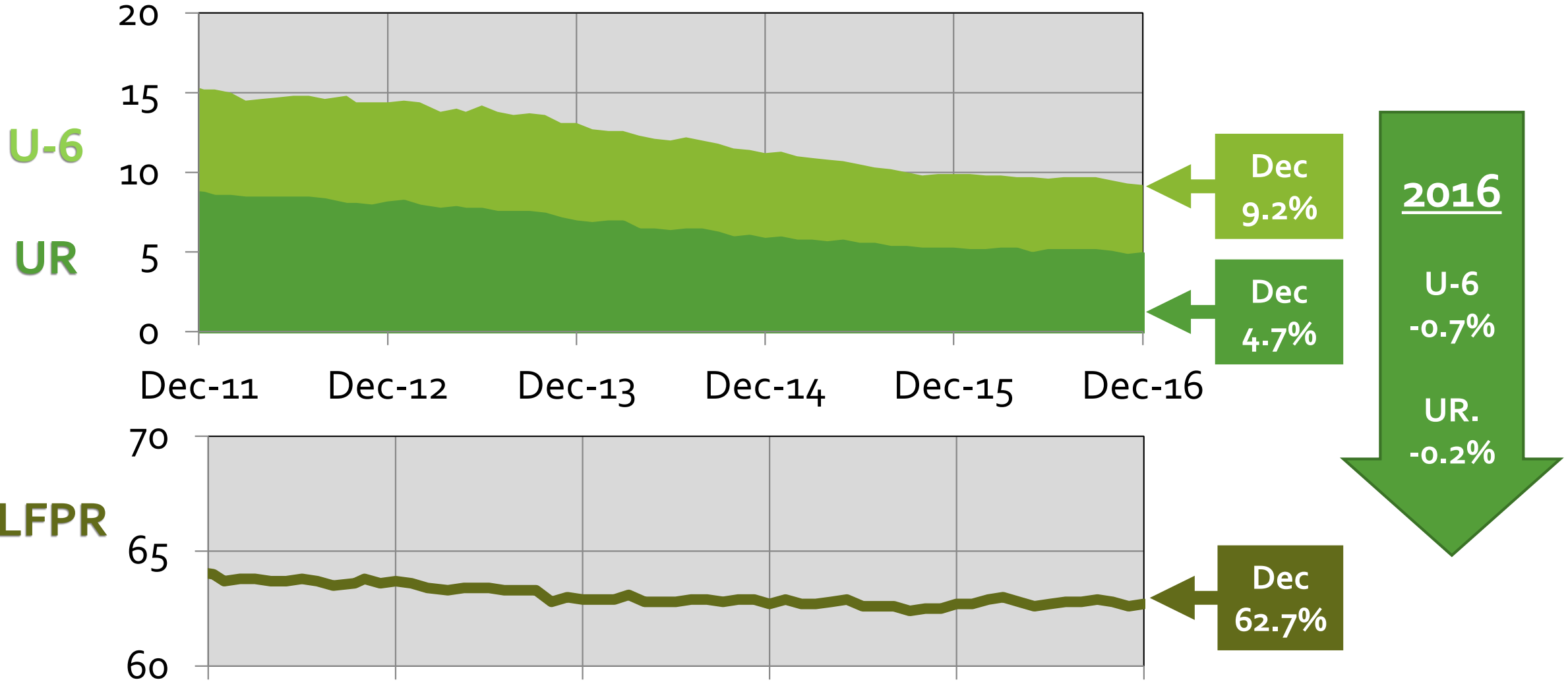


**2016**  
+2.2  
M

**Dec**  
+156,  
000

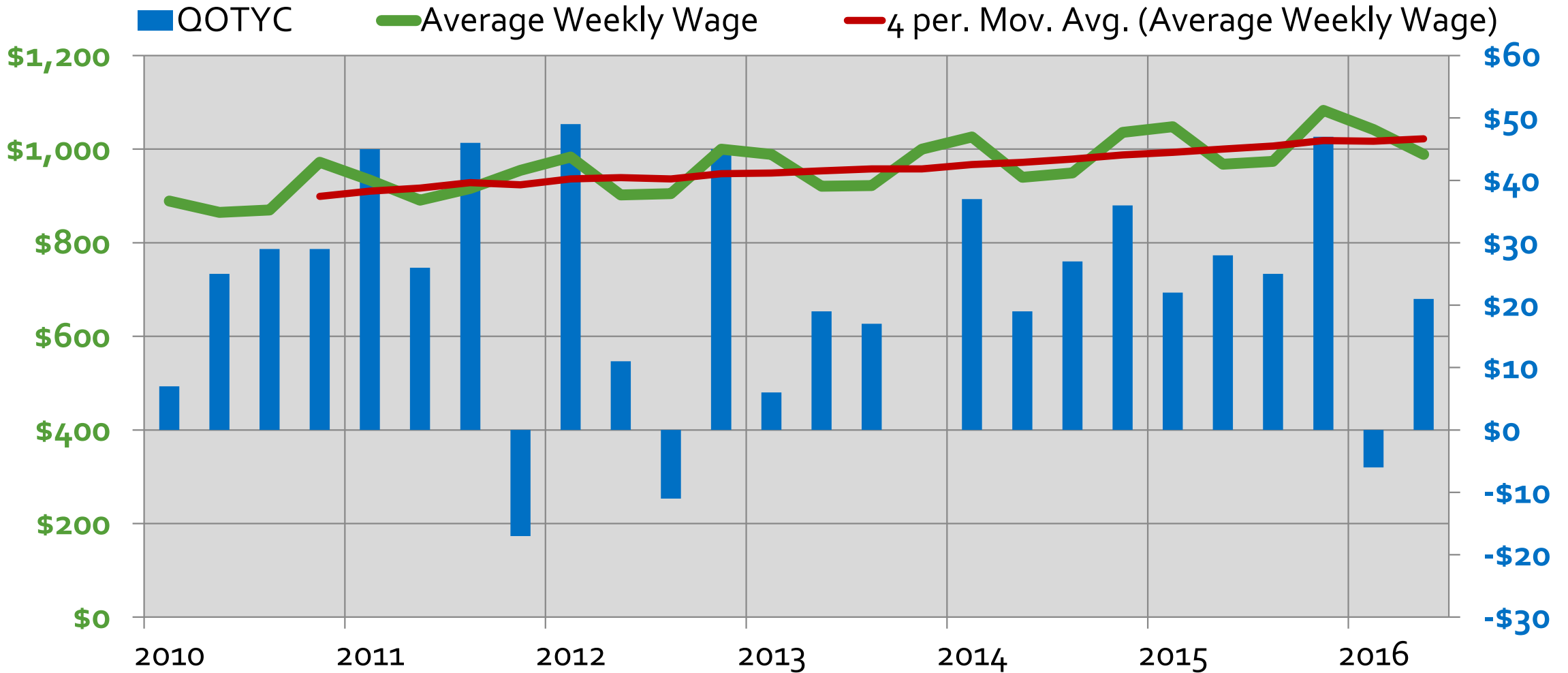
**Since**  
**2010**  
+14.4  
M

# U.S. Unemployment



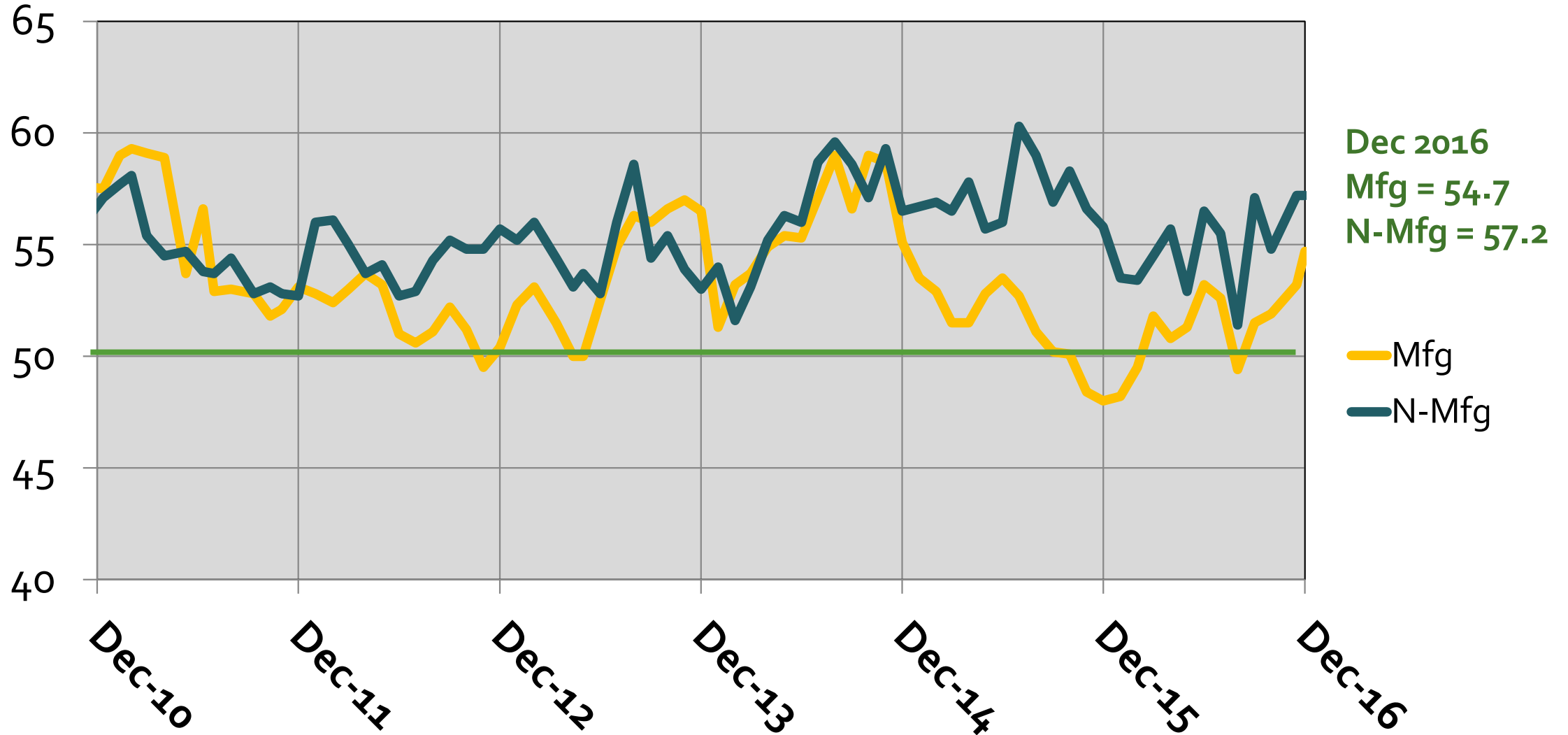
Source: Bureau of Labor Statistics (Seasonally Adjusted)

# Average Weekly Wages *Across all Industries*



Source: Bureau of Labor Statistics, GMU Center for Regional Analysis

# ISM Manufacturing and Non-Manufacturing Indices

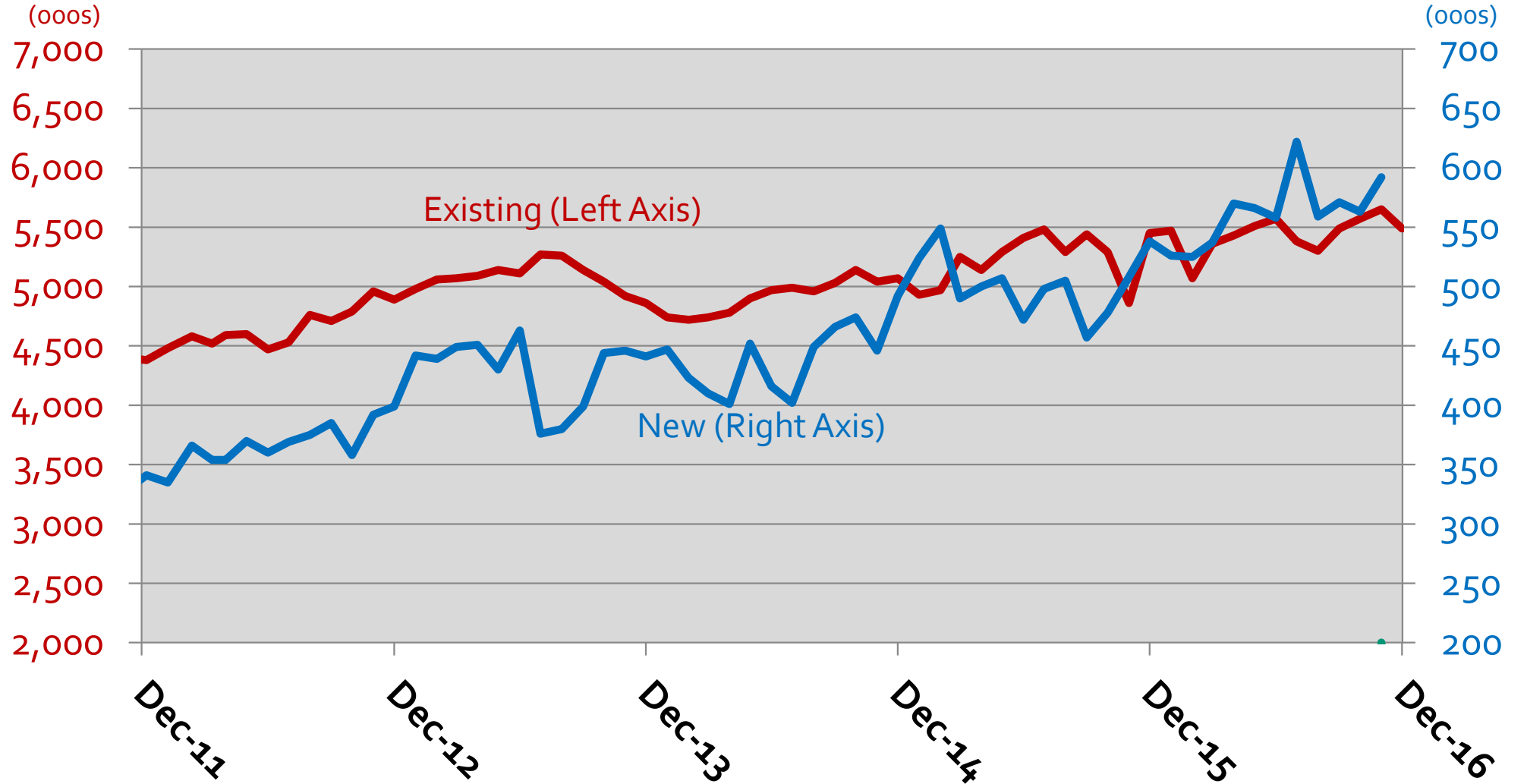


# U.S. New and Existing Home Sales



**2016**  
+0.7%  
40,000

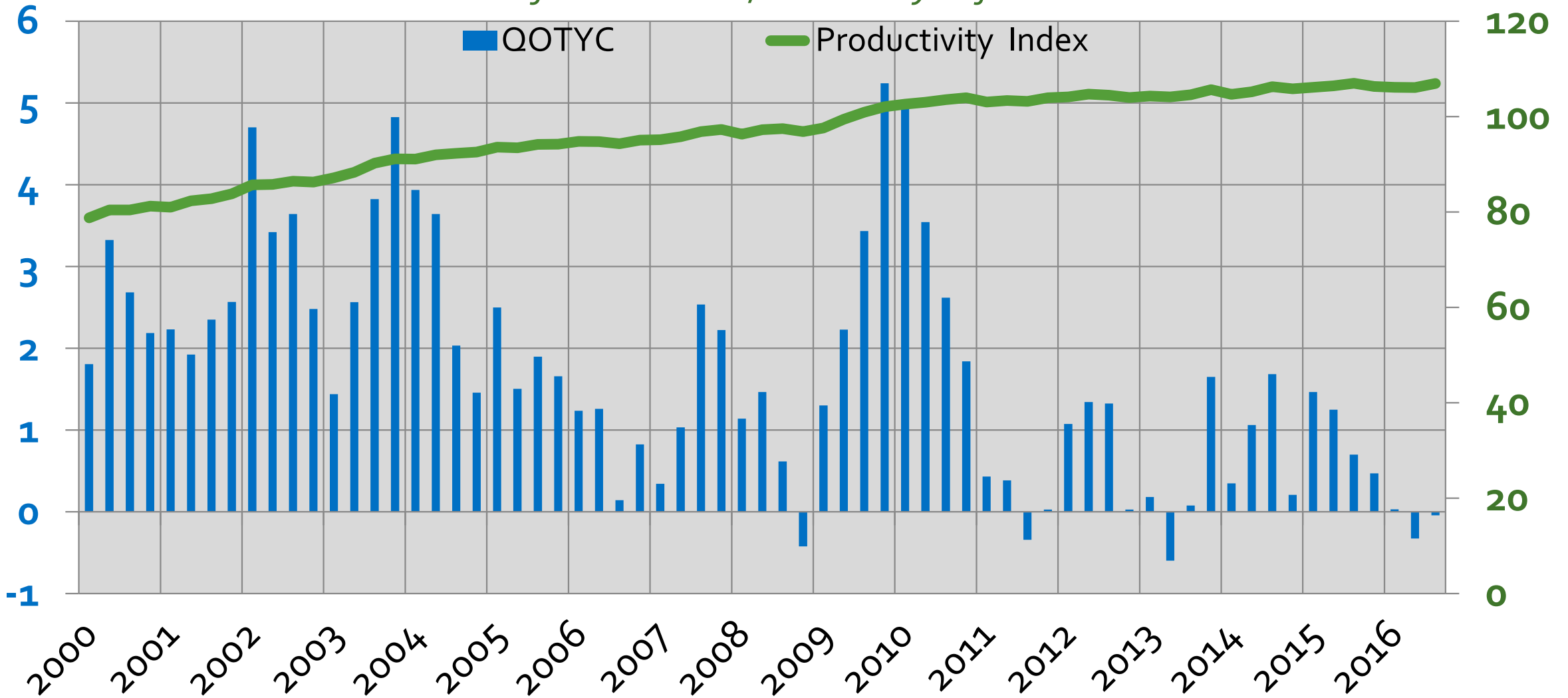
**2016**  
+10%  
54,000



Source: U.S. Census (New), National Association of Realtors (Existing)

# Labor Productivity

*Nonfarm business, seasonally adjusted*



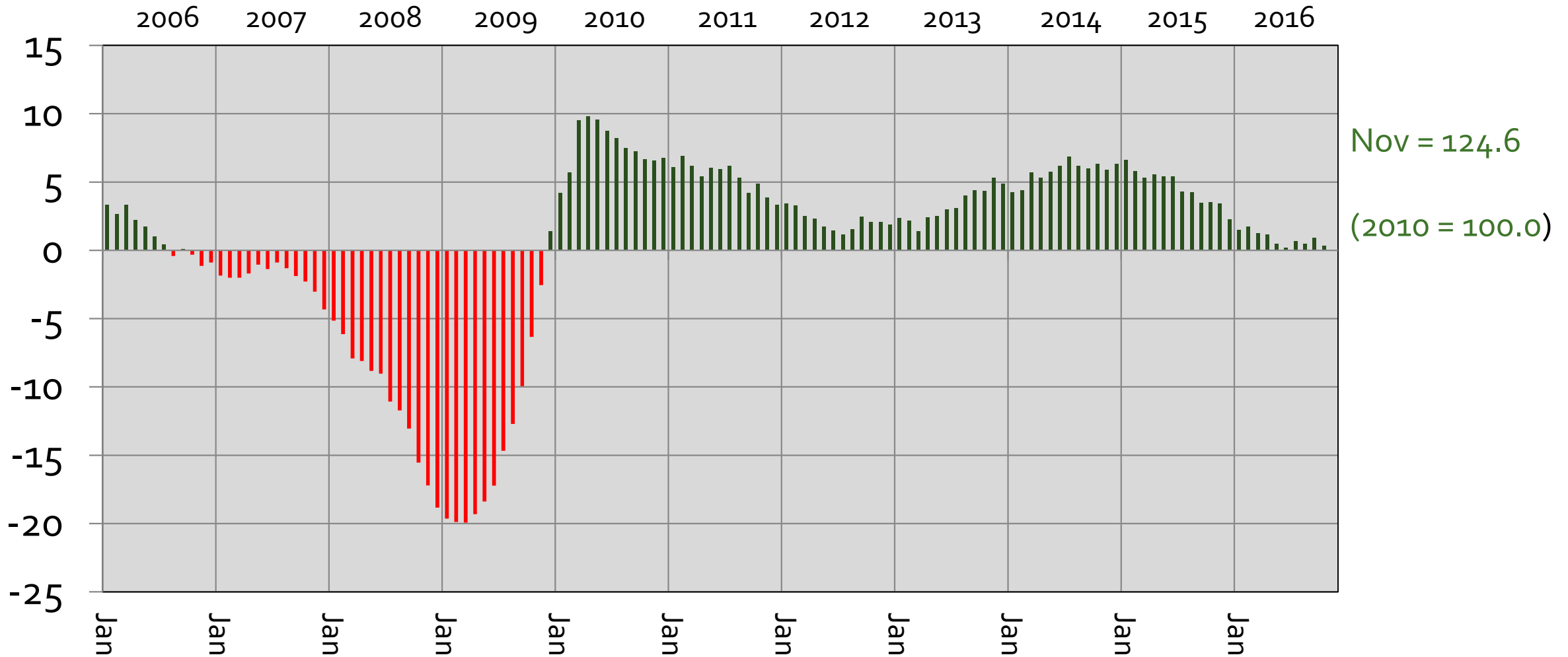
Source: U.S. Bureau of Labor Statistics

Base year (100) = 2009



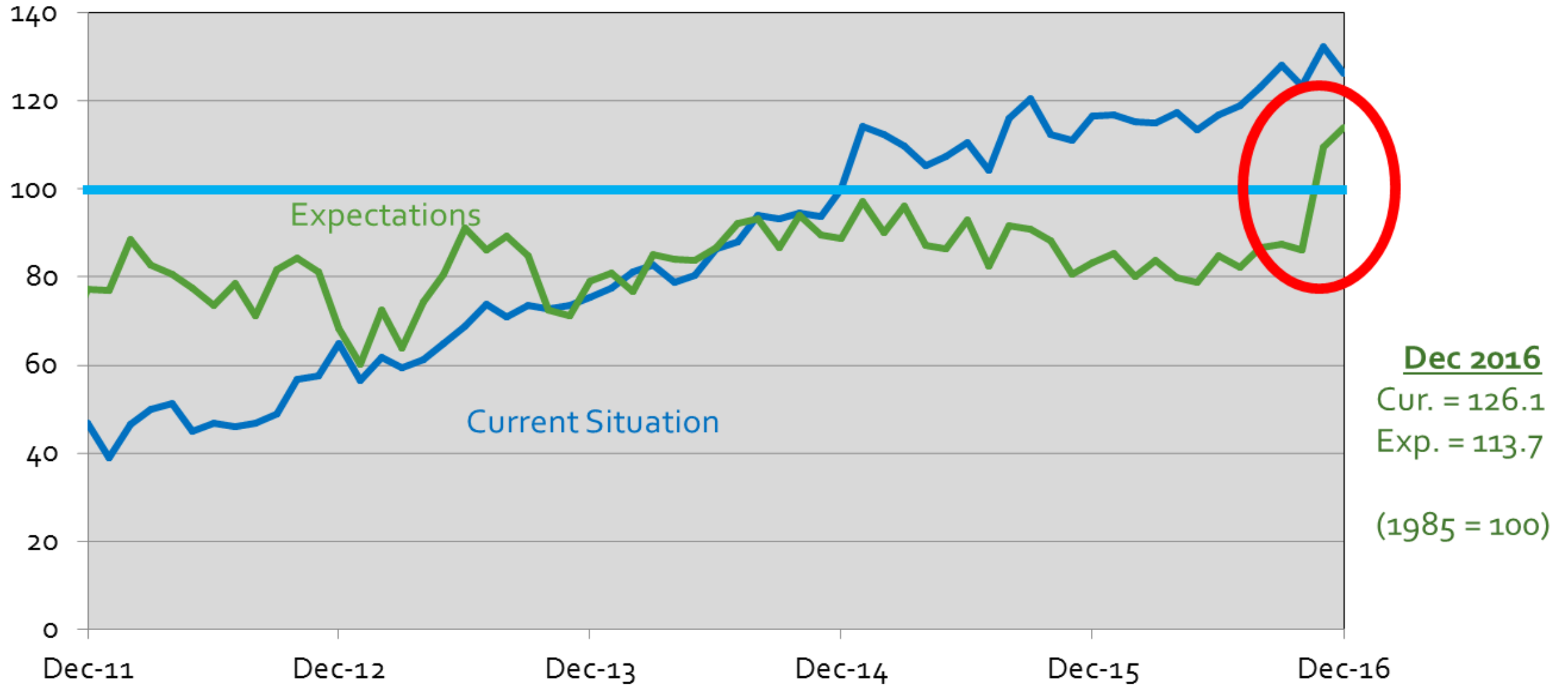
# U.S. Leading Index

## Month-Over-Year Percent Change



Source: The Conference Board, GMU Center for Regional Analysis

# Consumer Confidence



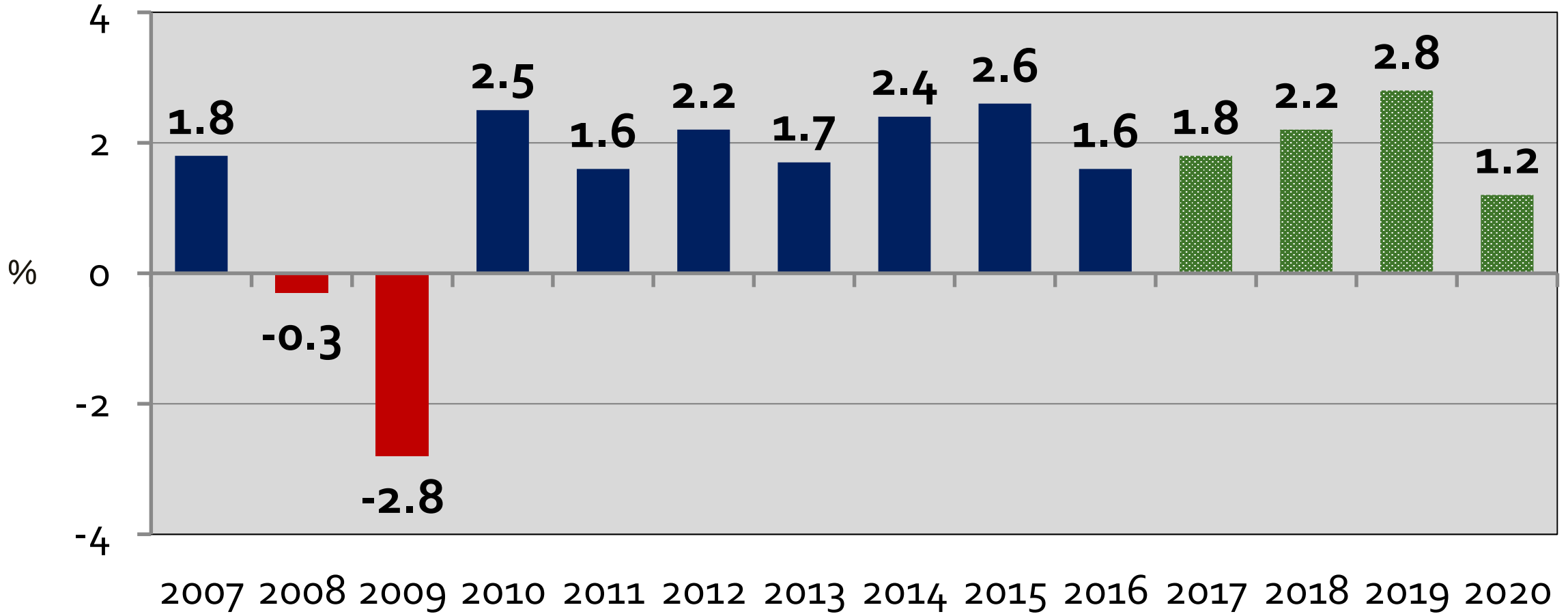
# Determinants of Growth

- Corporate tax rates
  - When and how much
- Infrastructure
  - What, where, when, how
- Immigration
  - Impact on labor force availability
- Corporate investment
  - Repatriating profits does not mean spending. Global markets matter.
- Trade policy
- Inflation
  - When does the spending become inflationary?
- Spending vs. Revenue vs. Debt
- Interest rates
  - Fed action and market reaction
- Productivity
  - Will we prioritize productivity enhancing programs & spending
- Adaptability
  - Technology change is a given

# U.S. GDP

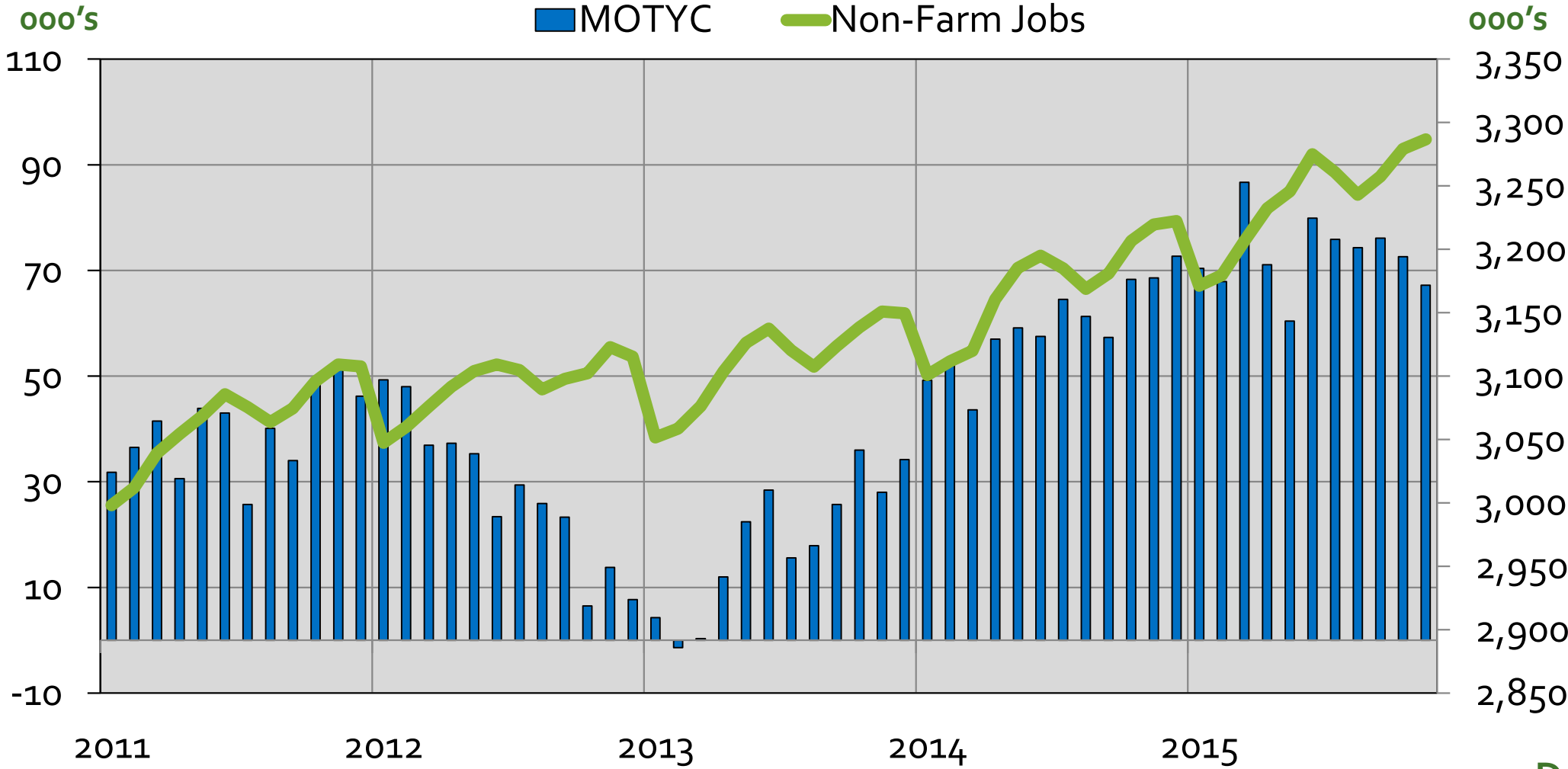
## 2007 – 2016 – 2020

(Annual % Change)



# The Washington Economy

# Annual Job Change - Washington MSA



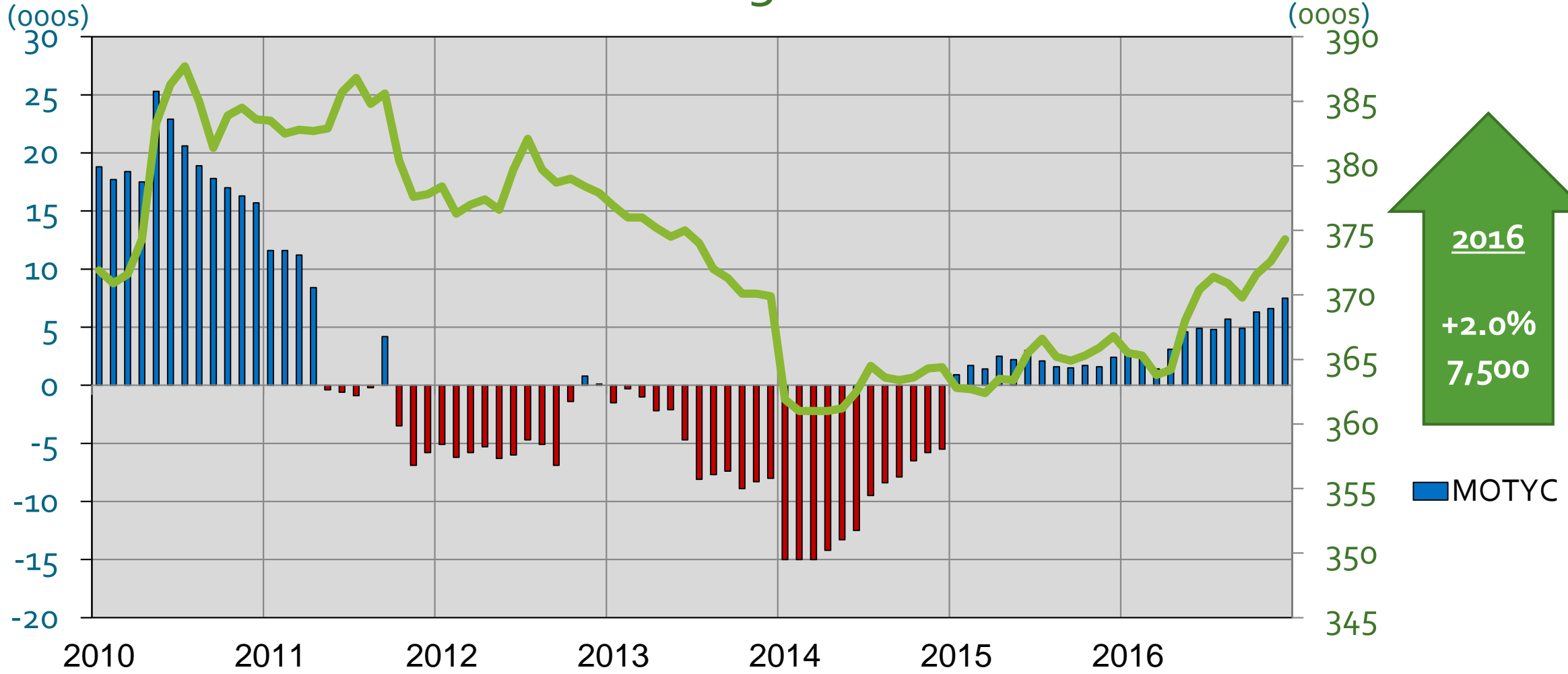
↑

2016  
+66.6  
K

Dec-16  
Total: 3,288 K

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

# Federal Government Washington MSA



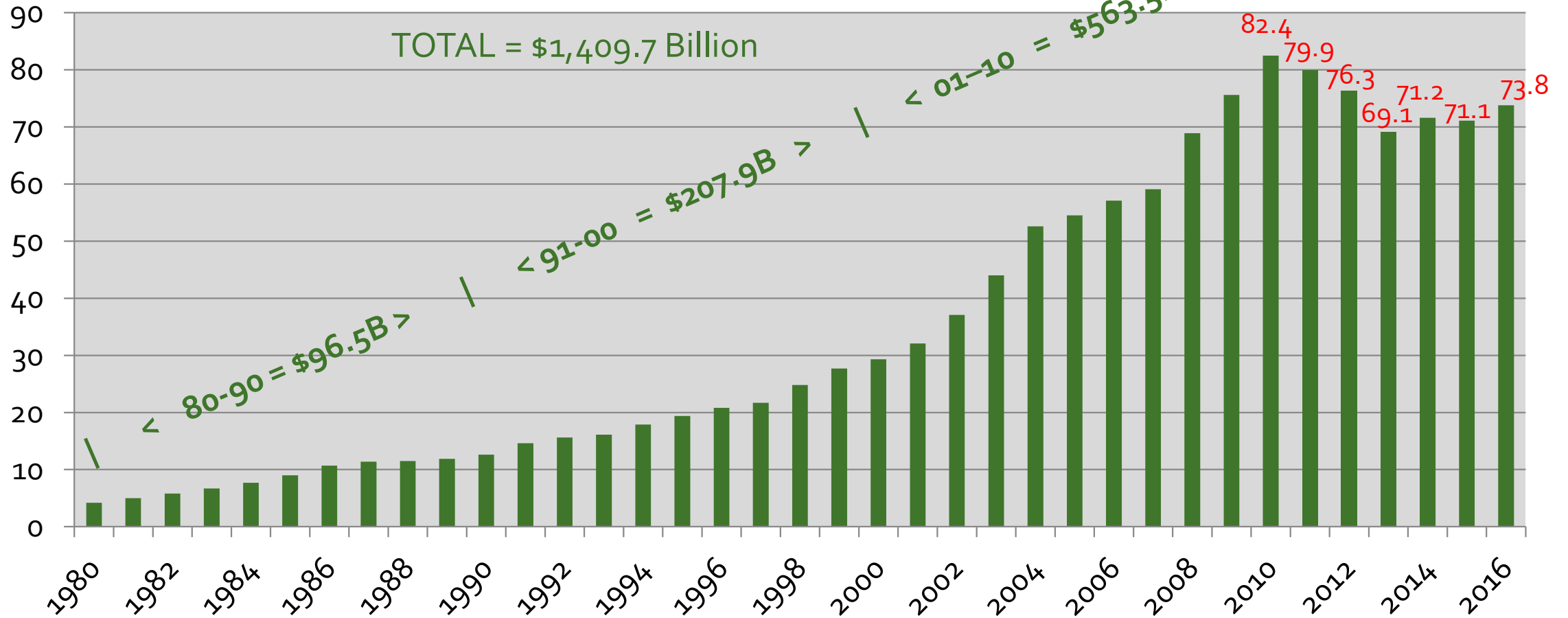
Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

**Dec-16 Total: 374.3**

# Federal Procurement in the Washington MSA 1980-2016 (Fiscal Years)

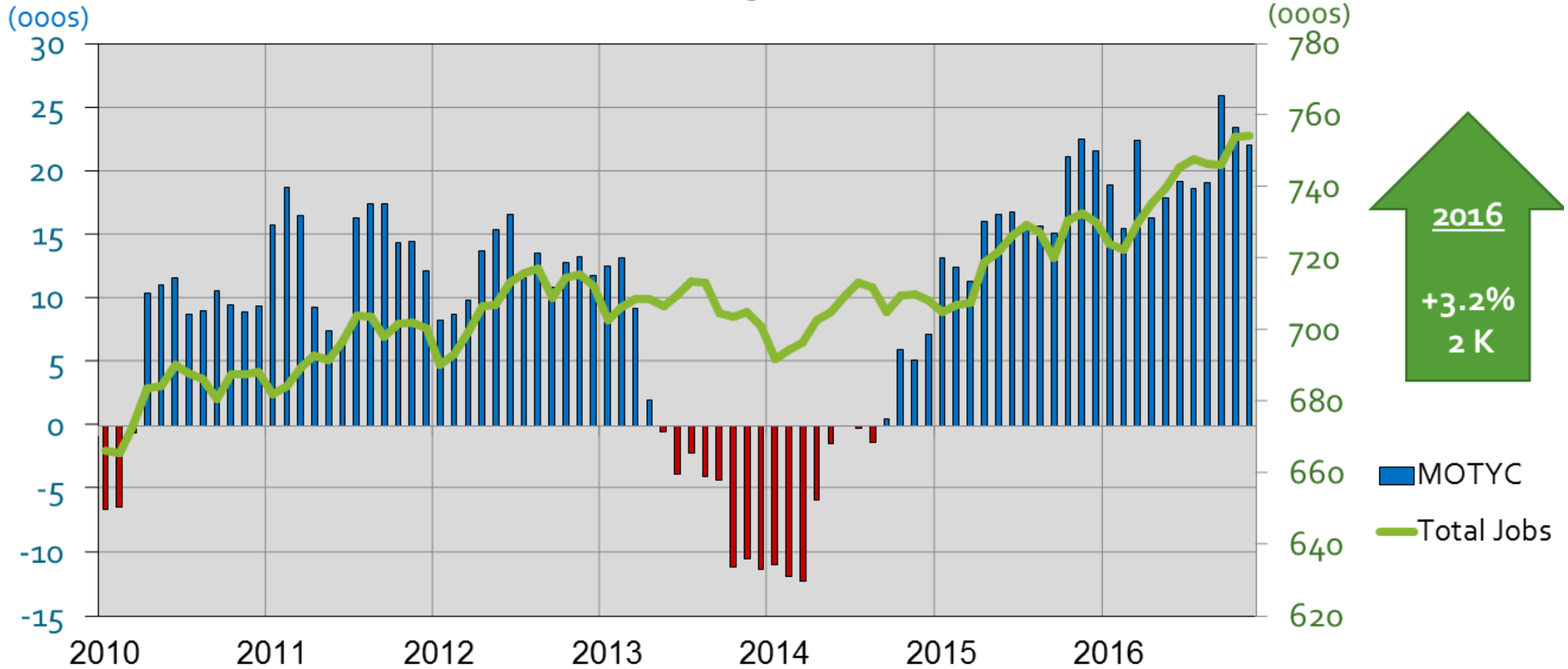


\$ Billions





# Professional & Business Services Washington MSA



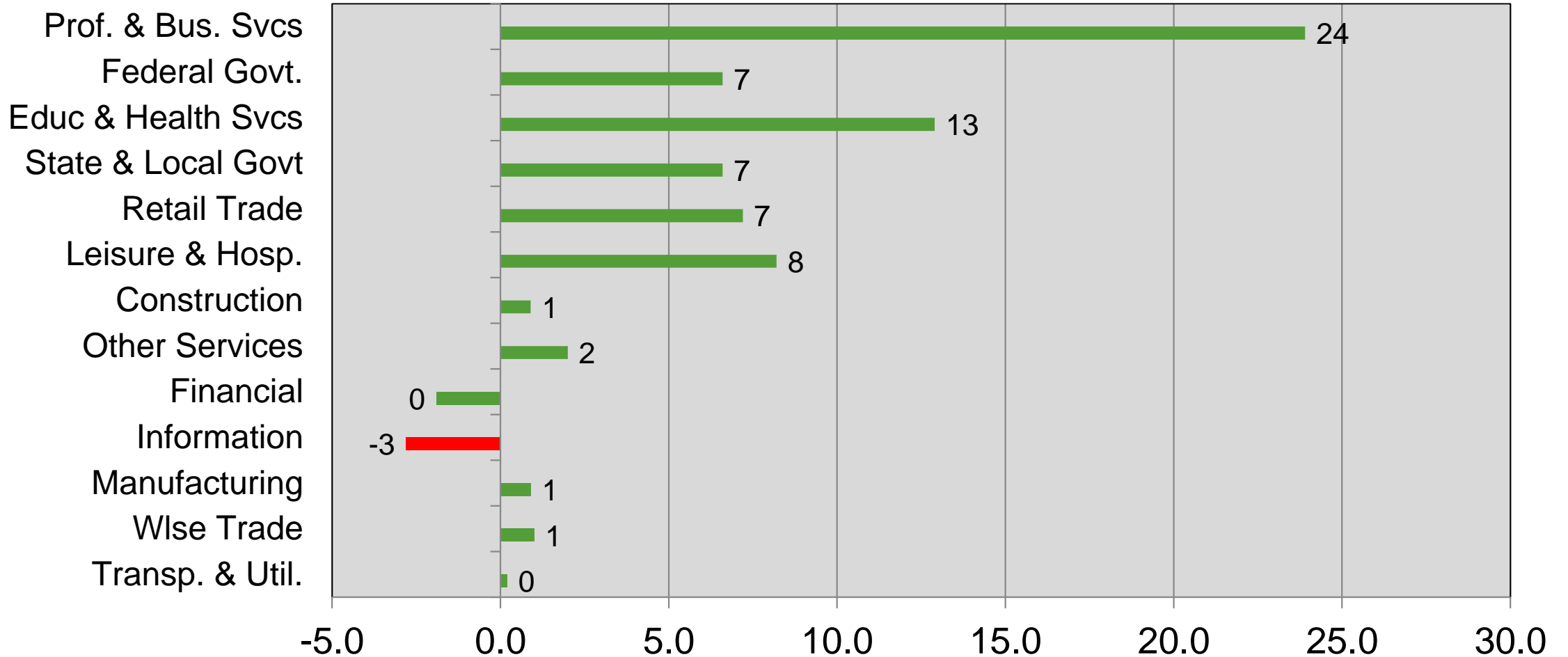
Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

**Dec-16 Total: 753.8K**

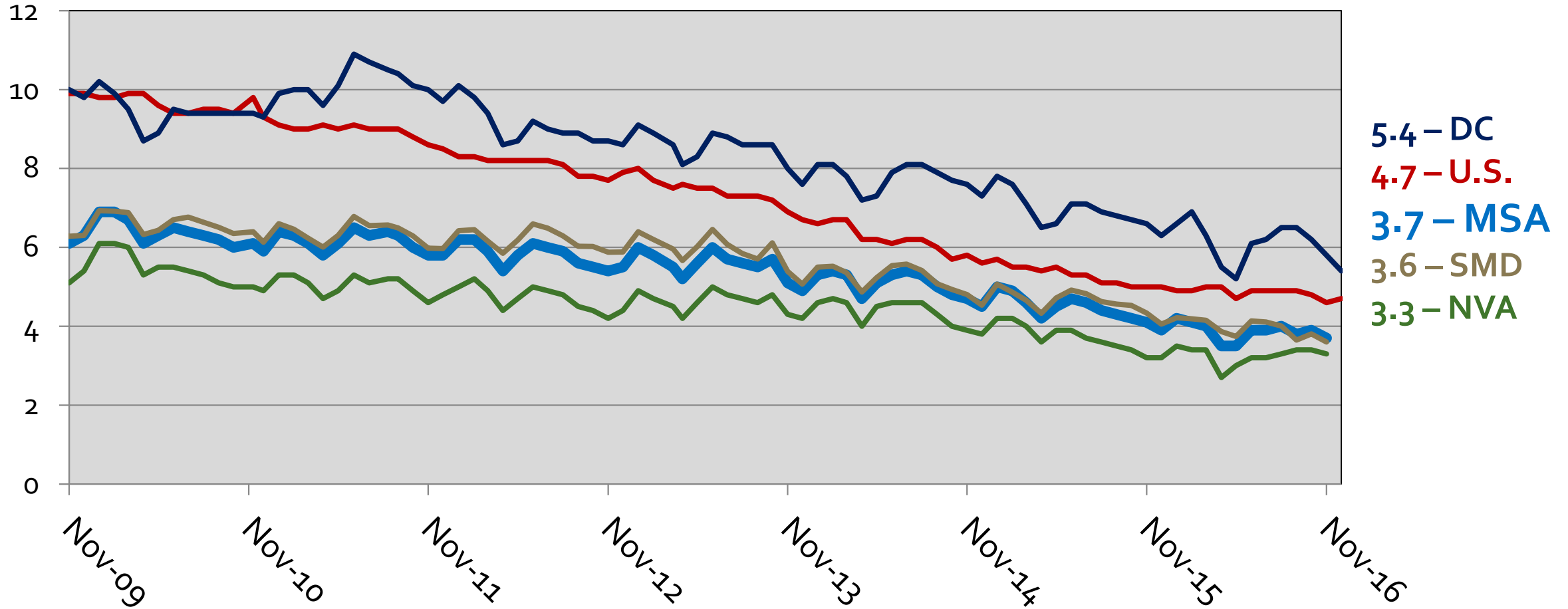
# Job Change by Sector Dec 2015 – Dec 2016 Washington MSA (000s)



Total = 66,600

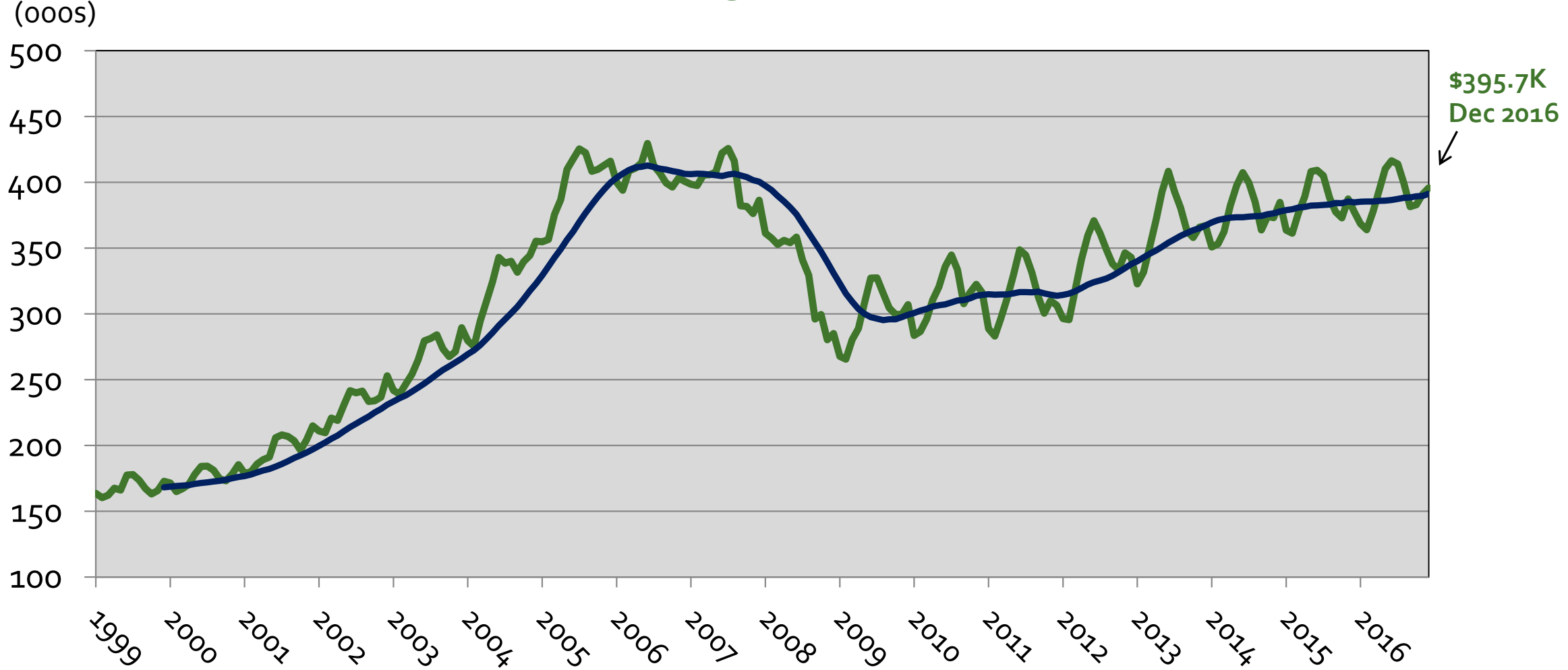


# Unemployment Rates in the WMSA By Sub-State Area, 2009-2016



Source: Bureau of Labor Statistics (Region - Not Seasonally Adjusted, US – Seasonally Adjusted)

# Median House Sales Price Washington MSA

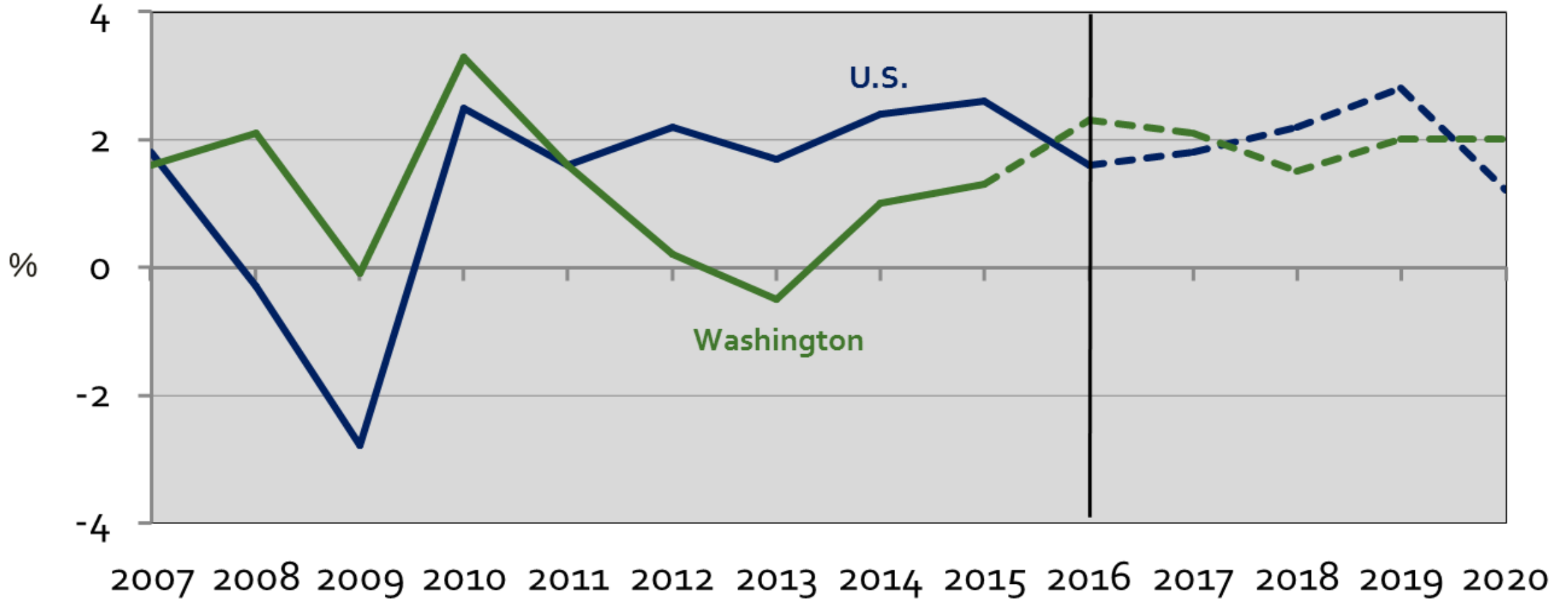


Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

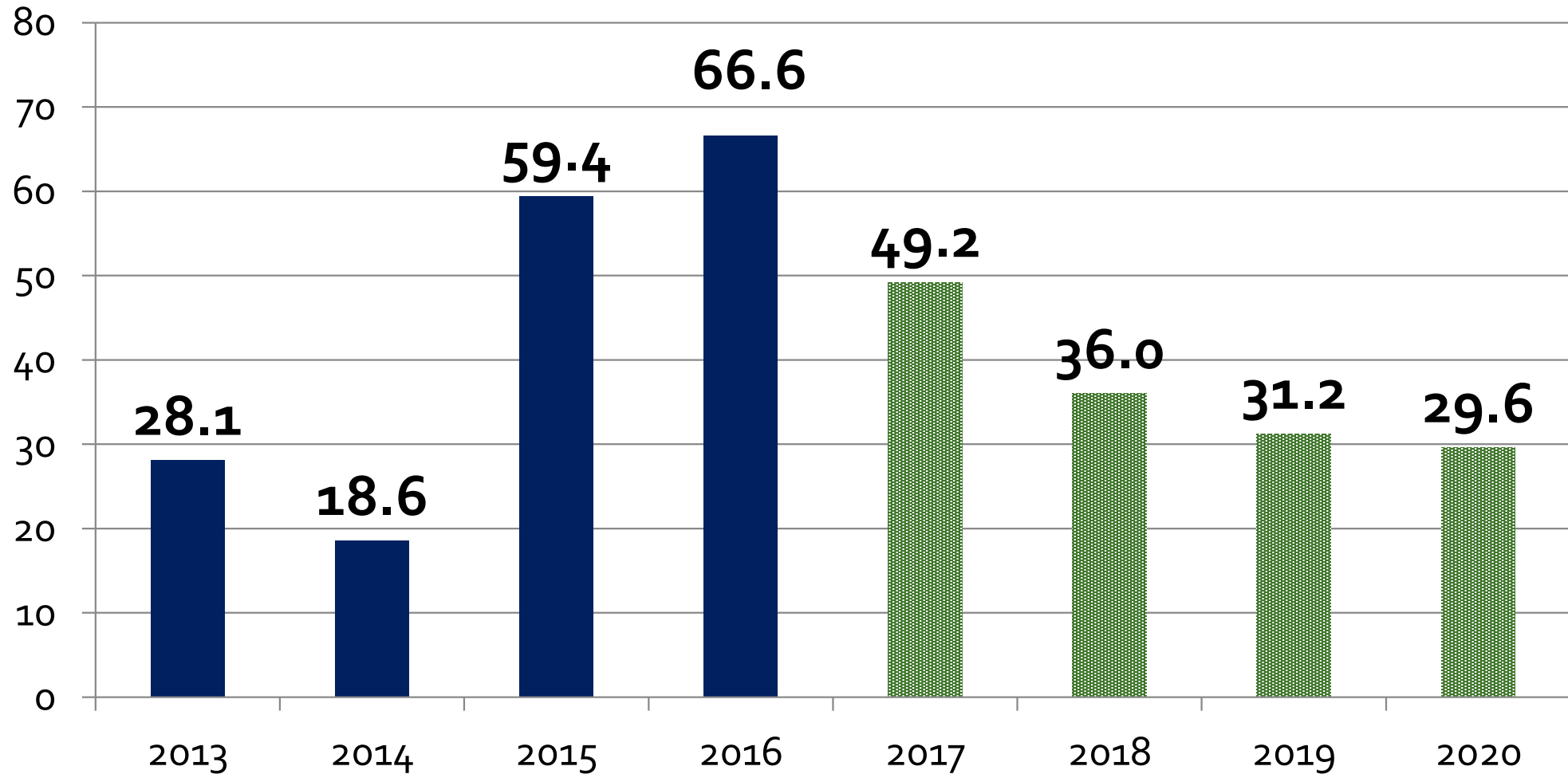
# U.S. GDP and Washington Area GRP



2007 – 2016 – 2020  
(Annual % Change)



# Employment Change in the Washington MSA (Thousands of Jobs)



Source: BLS, GMU Center for Regional Analysis (January 2016)

NOTE: The regional totals do not include Jefferson, WV.

Average Annual Change 1990-2012 = 36,500

# Where are we?

- We are growing:

- Some diversification
- Some catch-up
- Recent job growth across all wage levels
- Growth will continue in 2017, but at a moderating pace

- Advantages

- Government Center
- International Institutions
- Connectivity to the World
- Concentration of Leaders
- Access to capital
- High Quality-of-Life
- Diverse Population
- Higher Education
- Educated Work Force
- Advanced Occupational Specializations

- Challenges

- Drain the swamp/Sequester
- Further market shifts needed
- Cost of living/doing business
- Mobility
- Access to capital
- Regional branding / cooperation
- Globally competitive?
- Understanding changing nature of jobs
- Productivity

Thank You  
Questions

[tclower@gmu.edu](mailto:tclower@gmu.edu)

[cra.gmu.edu](http://cra.gmu.edu)