



The 123 Club

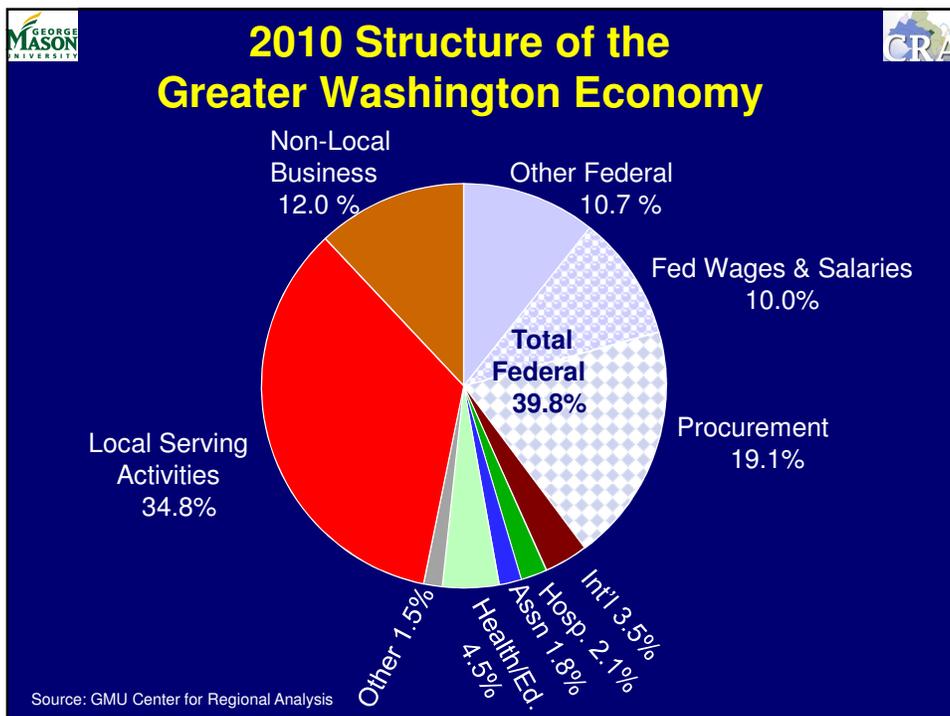
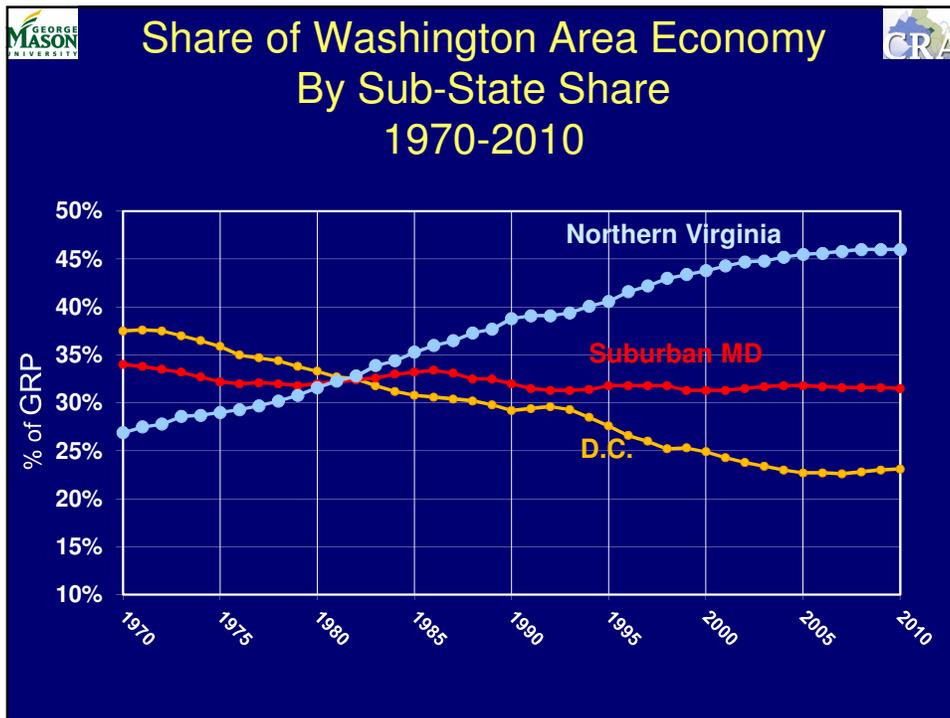
The Washington Area and Northern Virginia Economies: Current Trends and Future Prospects

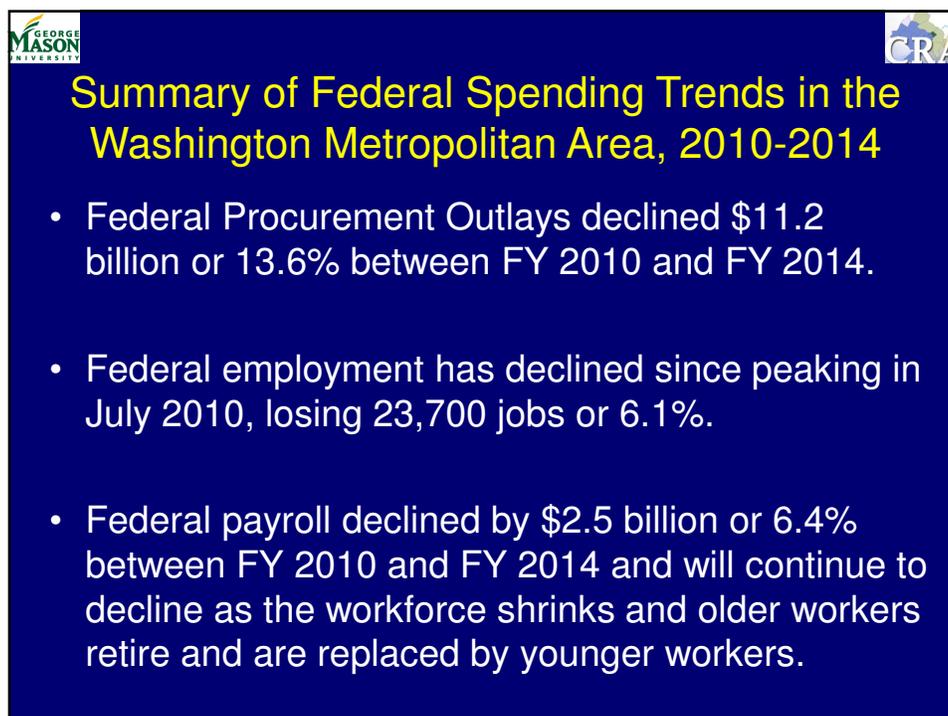
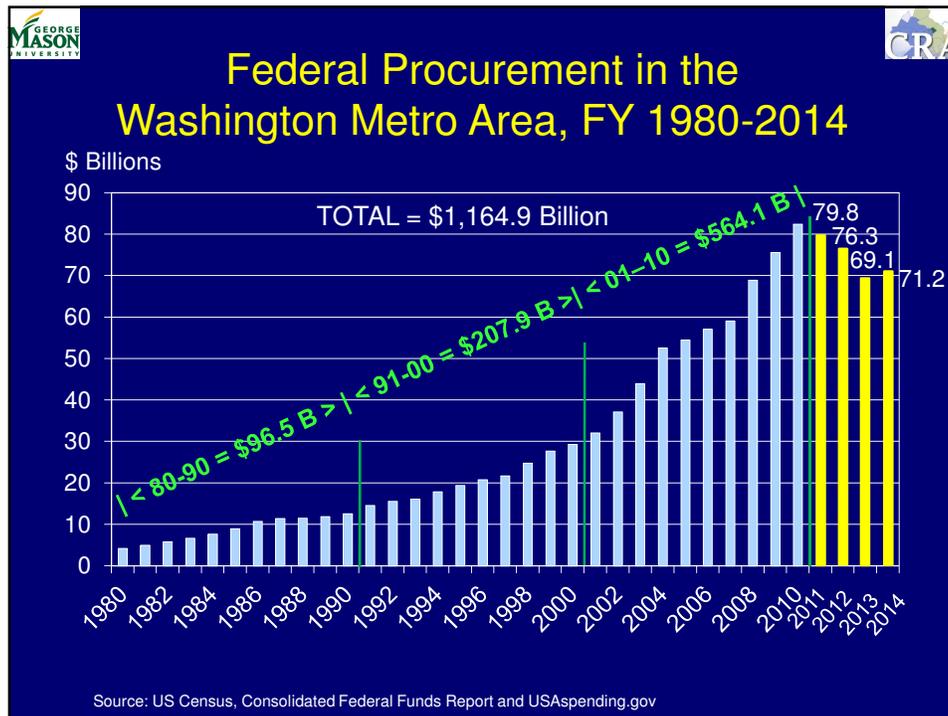
Stephen S. Fuller, Ph.D.
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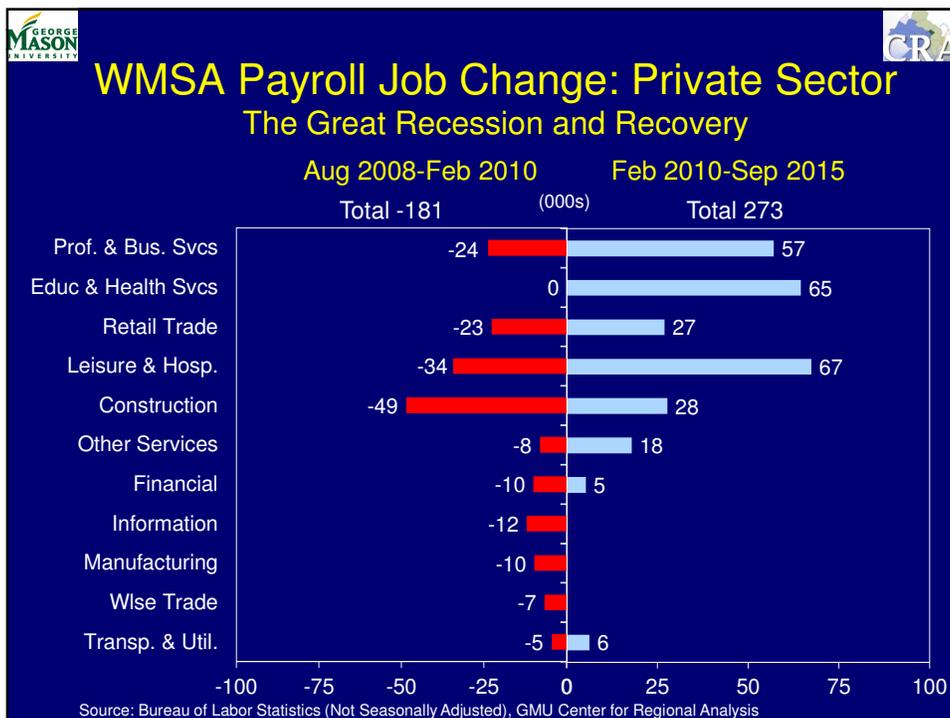
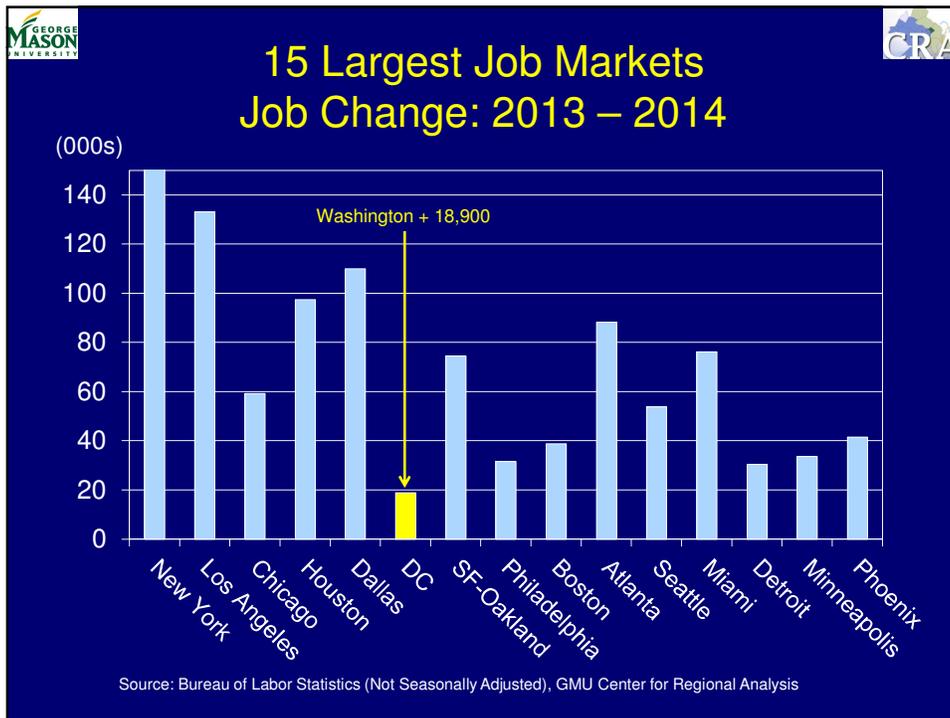
November 10, 2015

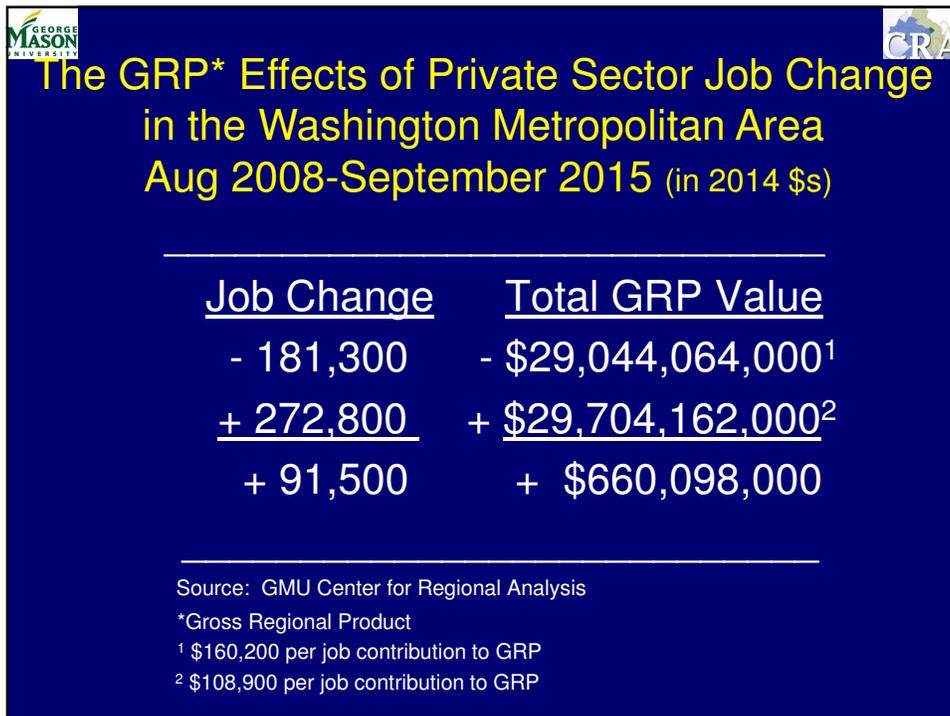


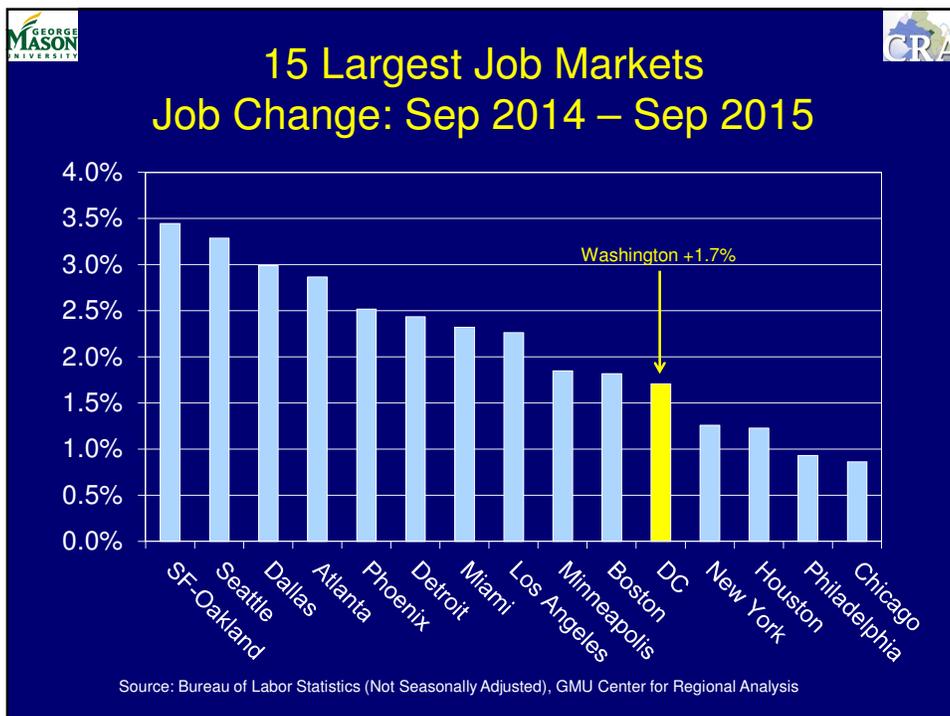
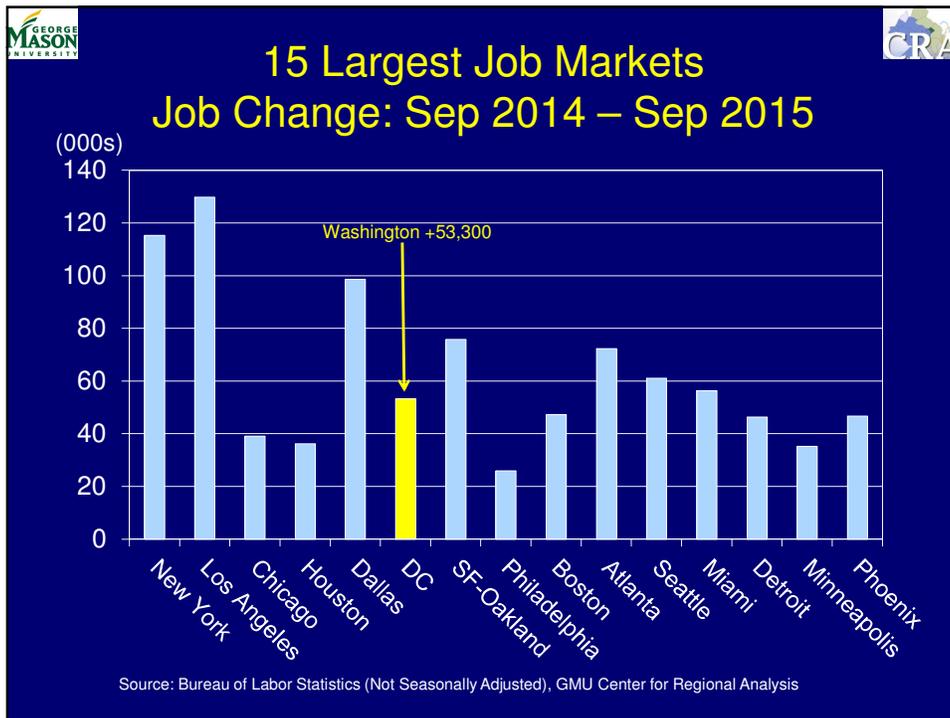
**The Washington Economy:
Recession, Sequester,
Repositioning and Expansion**

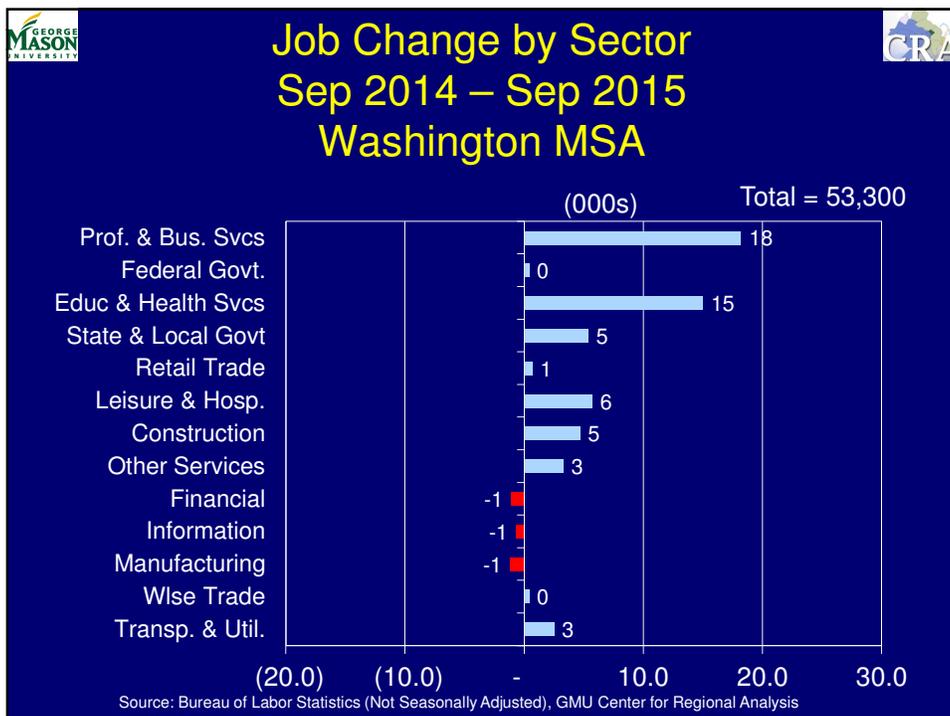
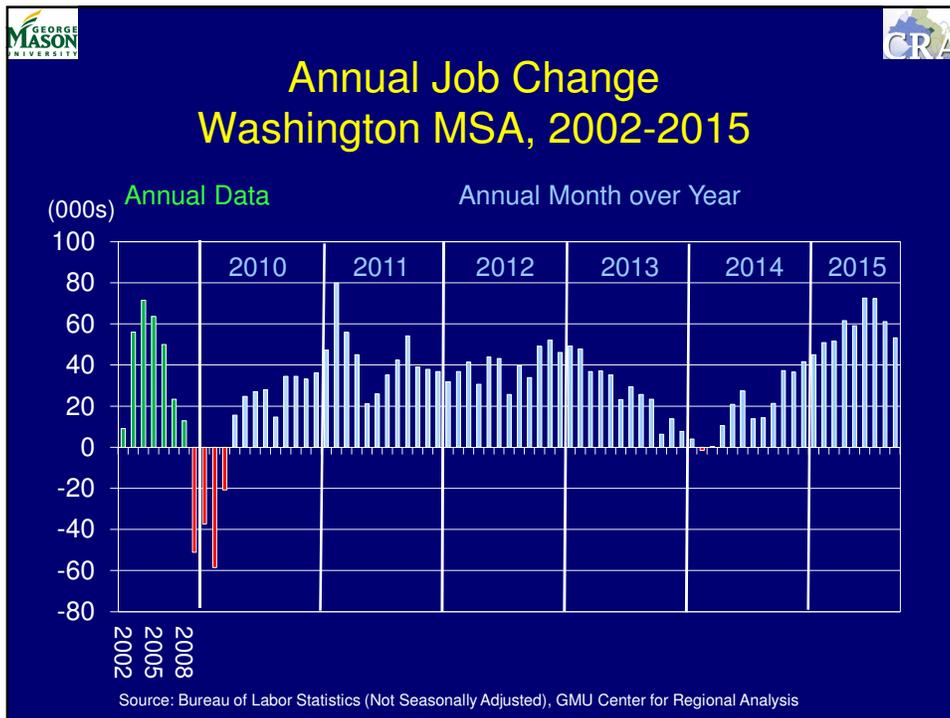


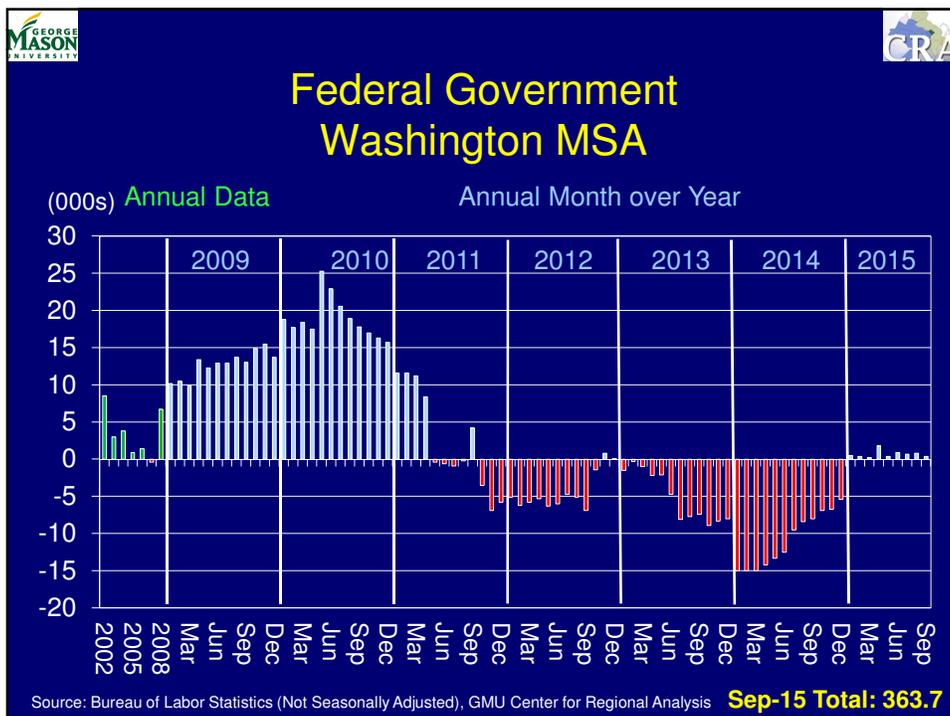
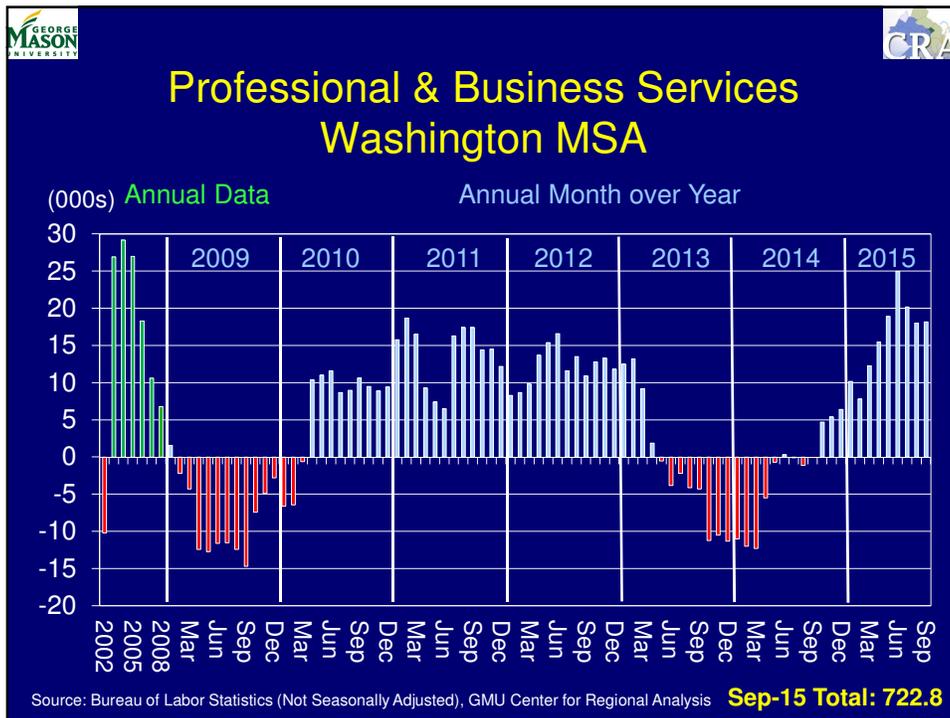


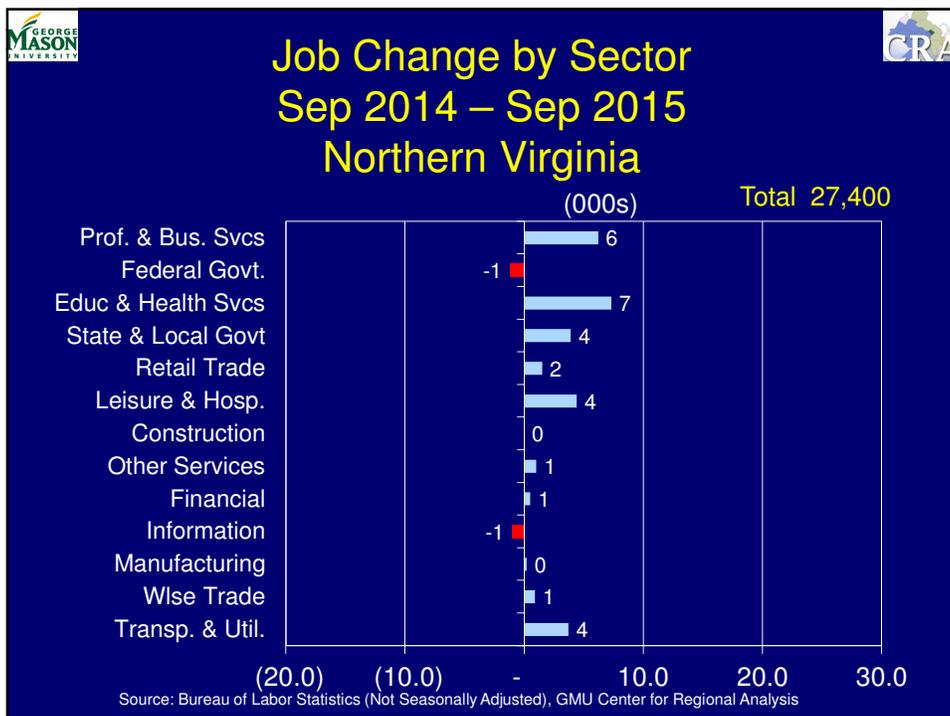
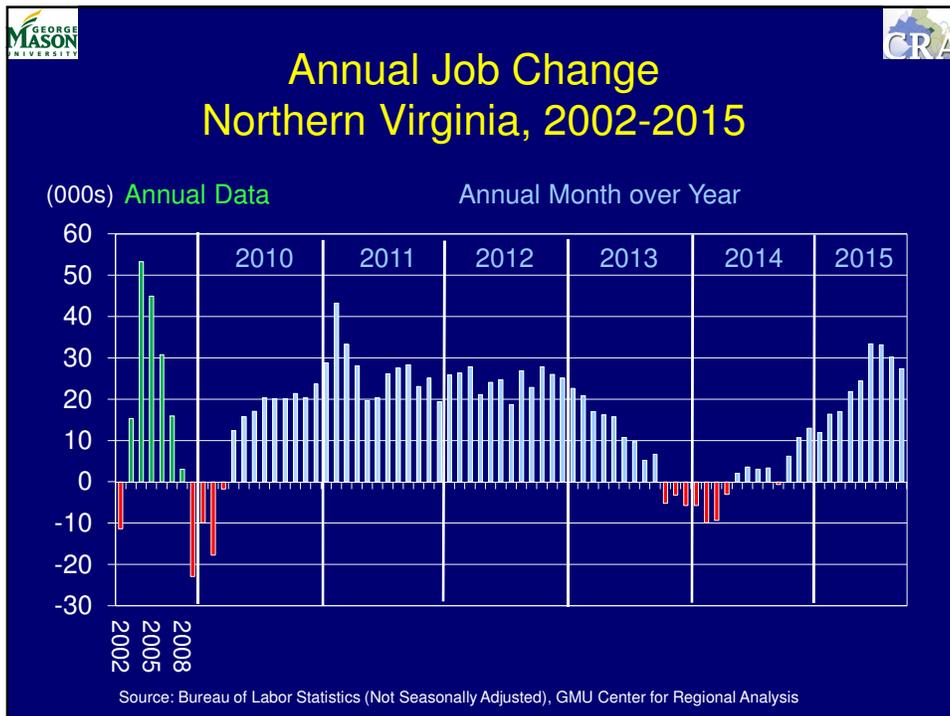


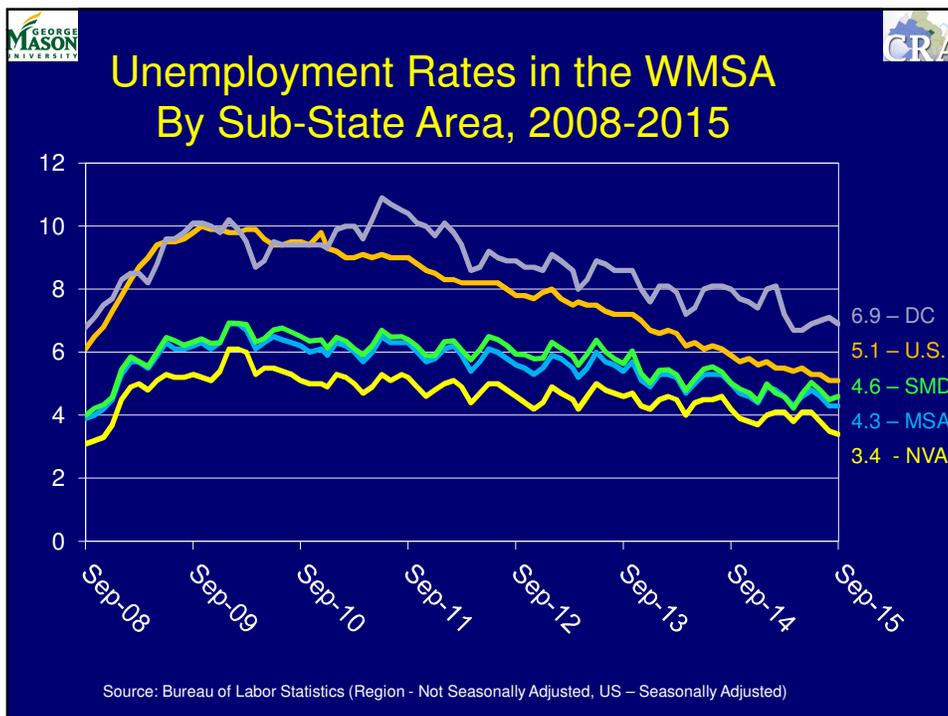
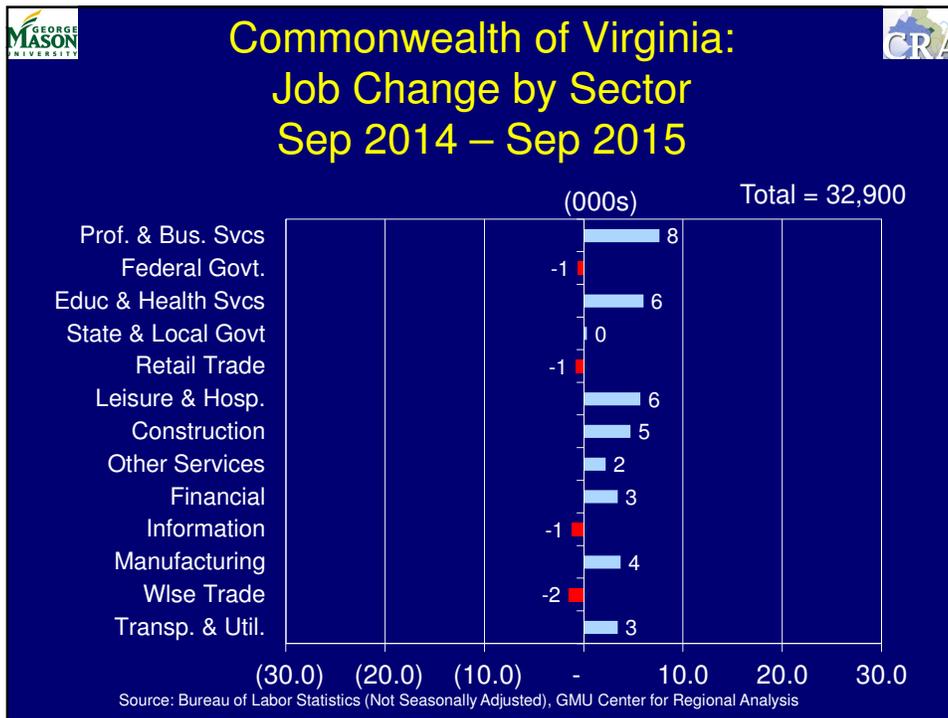












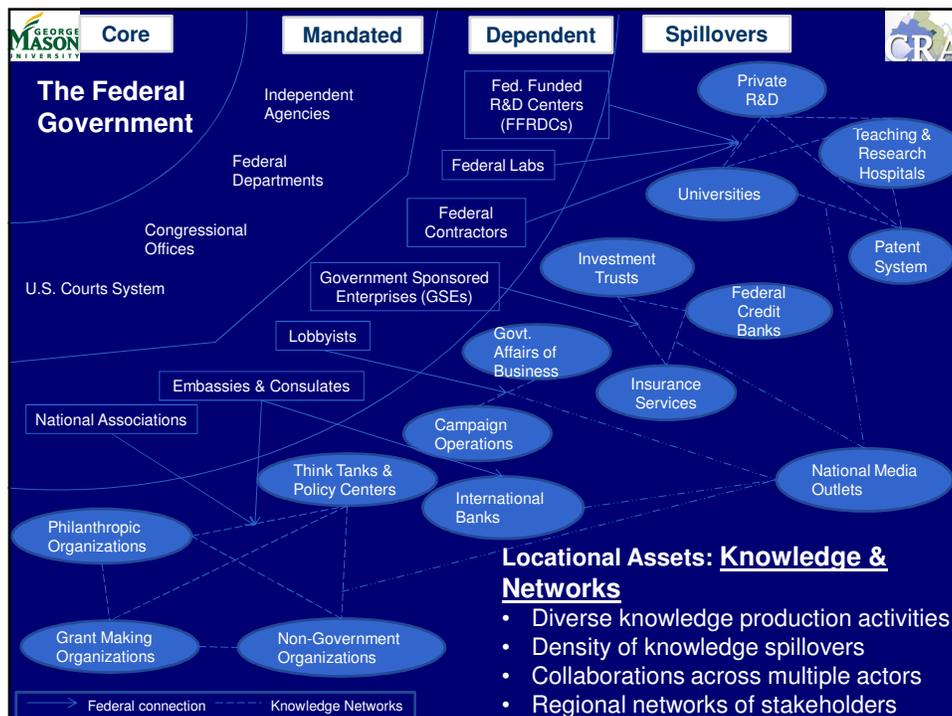
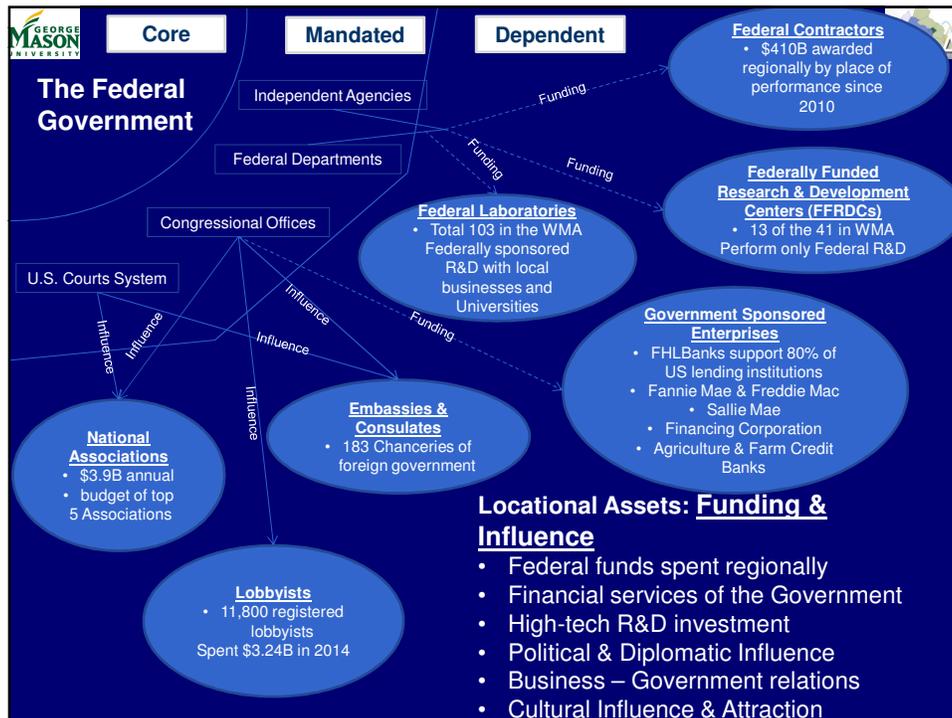


Roadmap to the Washington Region's Future Economy



Washington Region's Competitive Advantages

- Capital City/Federal Government Center
- International Governments and Institutions
- Connectivity to the World
- Concentration of Government and Business Leaders
- High Quality-of-Life
- Diverse Population
- Breadth of Higher Educational Services
- Educated Work Force
- High Level of Labor Force Participation
- Advanced Occupational Specializations






The Washington Region's Advanced Industrial Clusters: 2014 Employment

<u>Cluster</u>	<u>Jobs</u>	<u>%Change¹</u>	<u>LQ</u>	<u>Wage²</u>
Advocacy Services	115,731	19.0	3.5	1.7
Info & Comm. Tech	204,489	5.5	2.7	1.4
Sci & Security Tech	123,785	18.6	1.8	1.6
Bio & Health Tech	55,396	25.1	2.0	1.6
Business & Fin. Serv.	190,128	38.9	1.8	1.6
Media & Info Services	35,745	- 20.1	1.5	1.7
Leisure & Business T.	85,919	- 1.3	1.1	1.3
All Clusters	811,193	14.5*	2.0	1.6

Sources: U.S. Bureau of Labor Statistics, JobsEQ, University of MD's Inforum
¹2003-2014 Percent Change; ²WMSA/US wage ratio; *total job change for WMSA, 9.3%;




The Washington Region's Advanced Industrial Clusters: Job Growth Forecast

<u>Cluster</u>	<u>2014-2025 Job Forecast</u>			
	<u>Low</u>	<u>%</u>	<u>High</u>	<u>%</u>
Advocacy Services	122,303	5.7	138,868	20.0
Info & Comm. Tech	213,621	4.5	224,87	10.0
Sci & Security Tech	135,707	9.6	147,104	18.8
Bio & Health Tech	58,388	5.4	67,929	22.6
Business & Fin. Serv.	218,851	15.1	269,053	41.5
Media & Info Services	36,292	1.5	41,667	16.6
Leisure & Business T.	87,807	2.2	91,512	6.5
All Clusters	872,969	7.6	981,005	20.9
All Jobs in WMA	3,092,270	4.0	3,402,570	14.4



Requirements for Future Economic Growth: Major Themes

- Talent attraction and retention;
- The region's quality-of-life;
- Transportation flexibility and adaptability;
- Access to capital;
- Entrepreneurial culture;
- Regional branding and national and global marketing;
- Competition among local jurisdictions; and,
- Public costs and disincentives.



Eight Themes/Two Categories

1. What businesses need to grow—supporting our people:

- Talent attraction and retention
- More flexible transportation and work options
- Access to capital
- Entrepreneurial culture



Eight Themes/Two Categories



2. Constraints to business growth based on the nature of our region and challenges in our region that affect growth potential:

- Lack of (or negative) image of region as a place to do business
- (In-)quality-of-life across the region
- Regional competition
- Inefficiencies among multiple governments



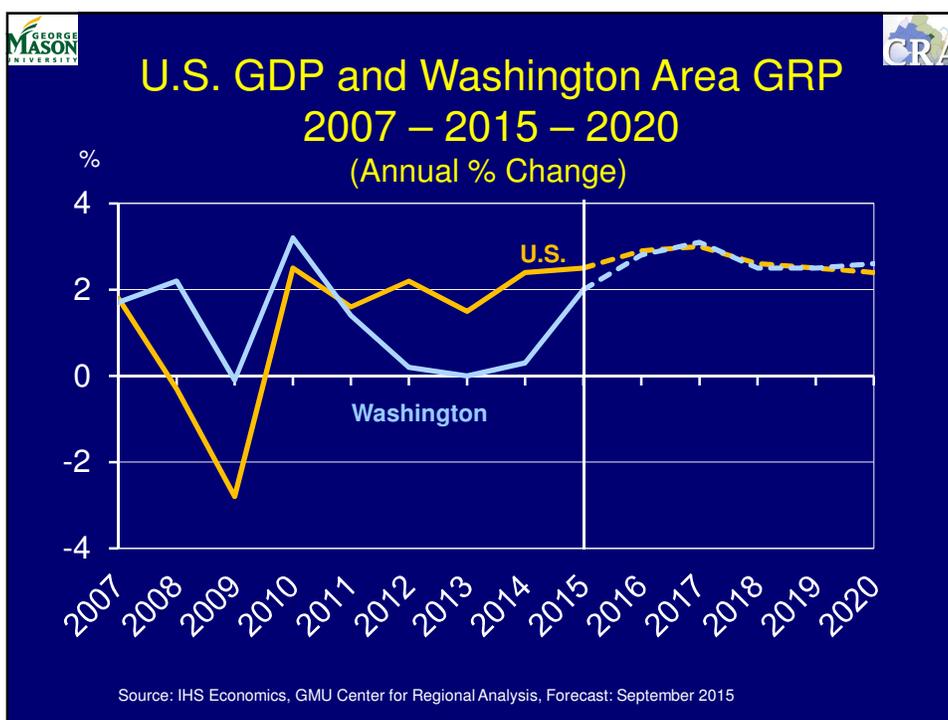
Strategies, Implementing Organizations and Next Steps

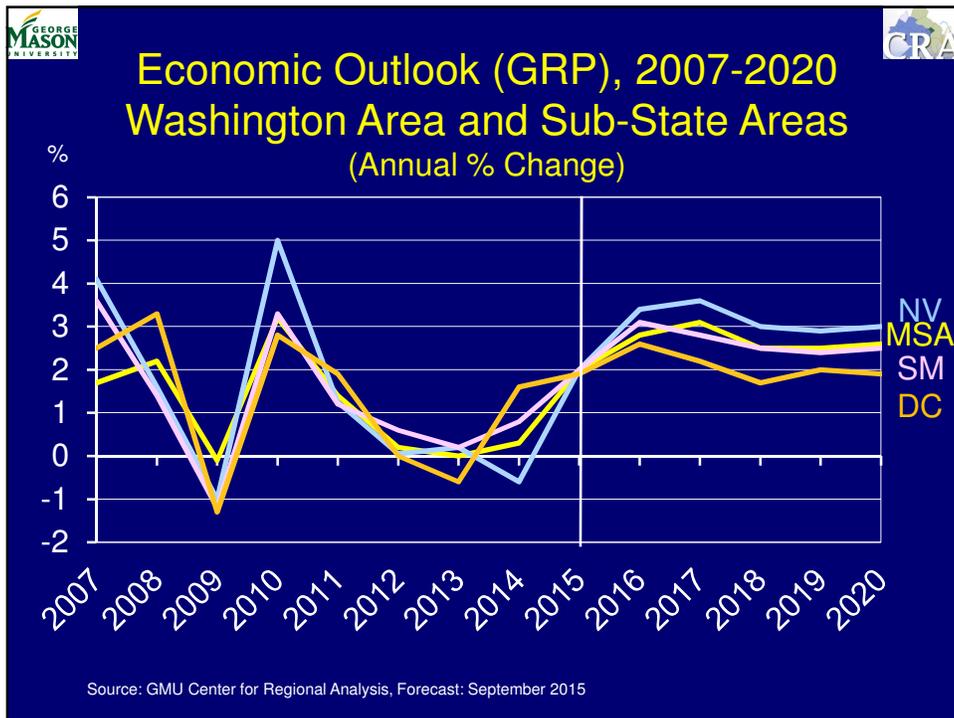


- Increase supply of affordable housing;
- Establish a university/business partnership to provide the talent required for future workforce;
- Meet transportation requirements of the region's workforce and businesses;
- Develop a national and global business brand for Greater Washington;
- Seek regional collaboration across area's local jurisdictions and states in their economic development initiatives; and,
- Foster dialogue between region's public, business and not-for-profit leaders to address challenges to growth.

GEORGE MASON UNIVERSITY CRA

Economic Outlook for the Washington Metropolitan Area: 2013-2020



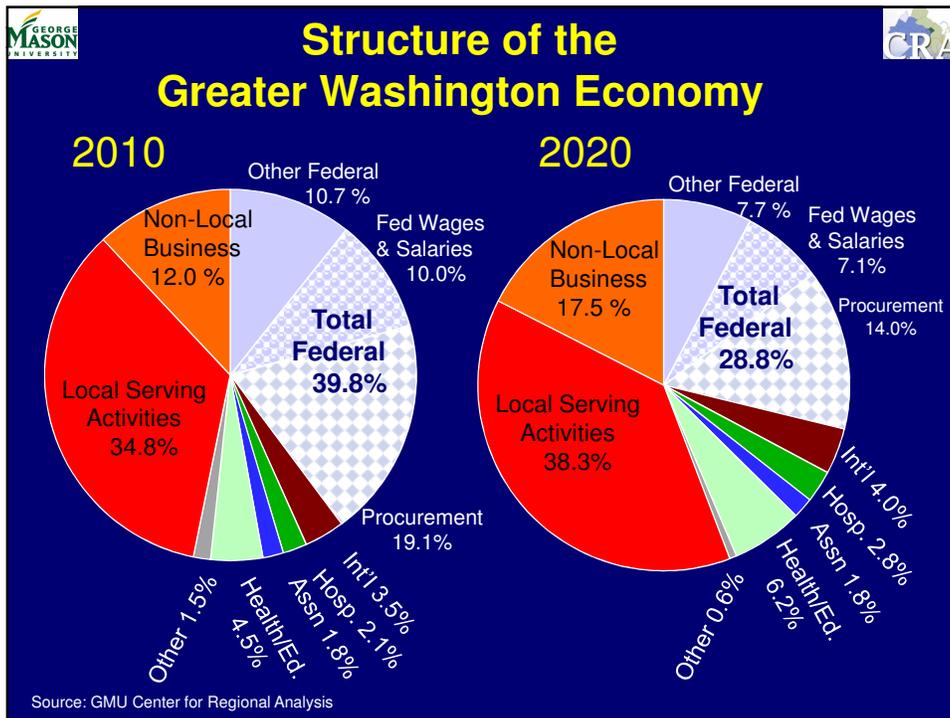


**Employment Change in the WMSA
by Sub-State Area (000s)**

	2013	2014	2015*	2016	2017	2018	2019	2020
D.C.	13.0	6.5	14.3	15.7	11.0	12.7	11.7	11.0
Sub. MD	6.1	11.1	20.0	22.4	20.1	16.9	15.8	14.8
No. VA	8.9	1.3	24.6	28.3	26.7	19.0	17.9	16.8
REGION	28.0	18.9	58.9	66.4	57.8	48.6	45.4	42.6

Average Annual Change 1990-2010 = 36,000

Source: BLS, IHS Economics, GMU Center for Regional Analysis (August 2015); *estimated based on first half-year performance.
NOTE: The regional totals do not include Jefferson, WV.



Thank You Questions

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