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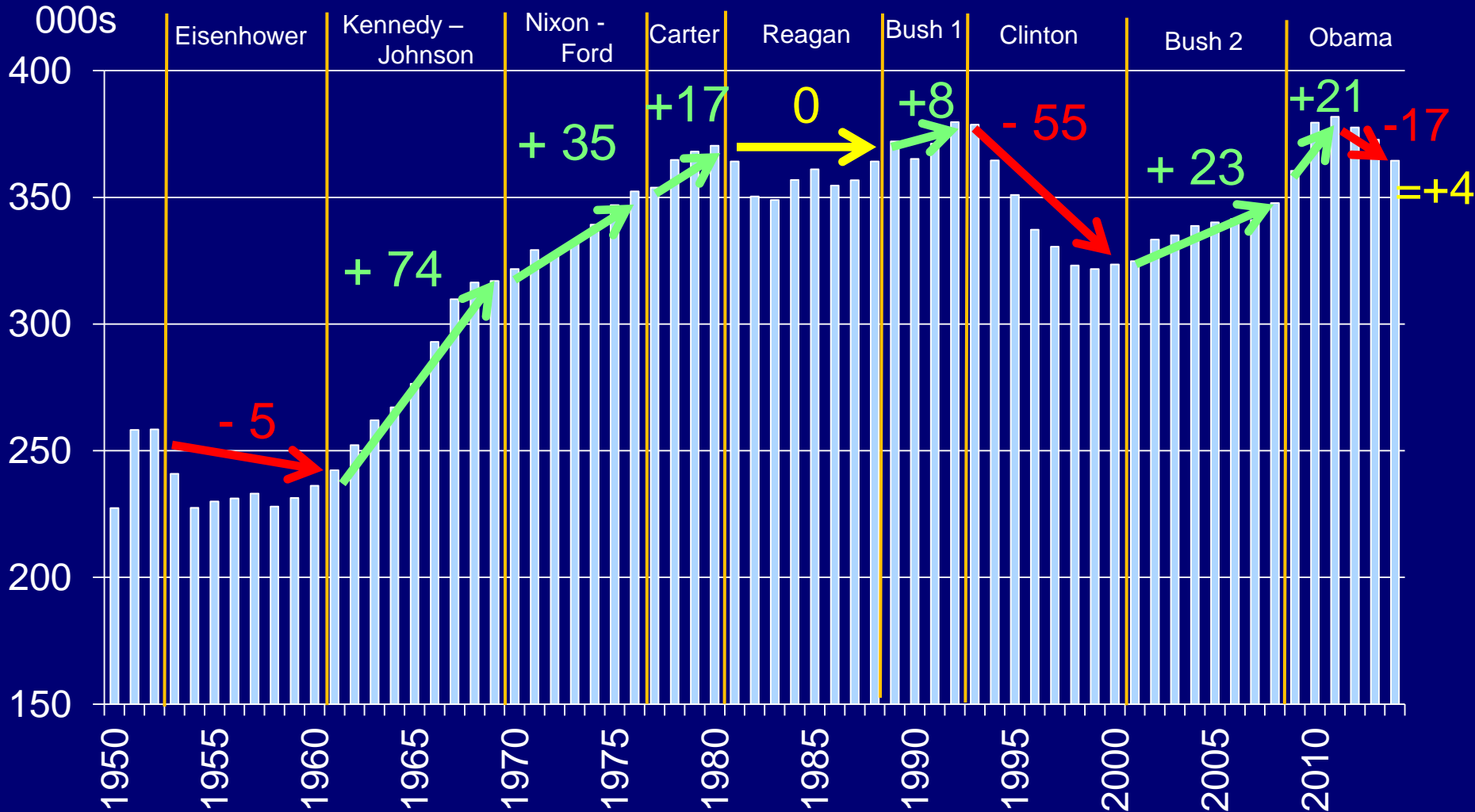
***Company Town to  
Global Business Center:  
Getting There from Here***

Terry L. Clower, Ph.D.

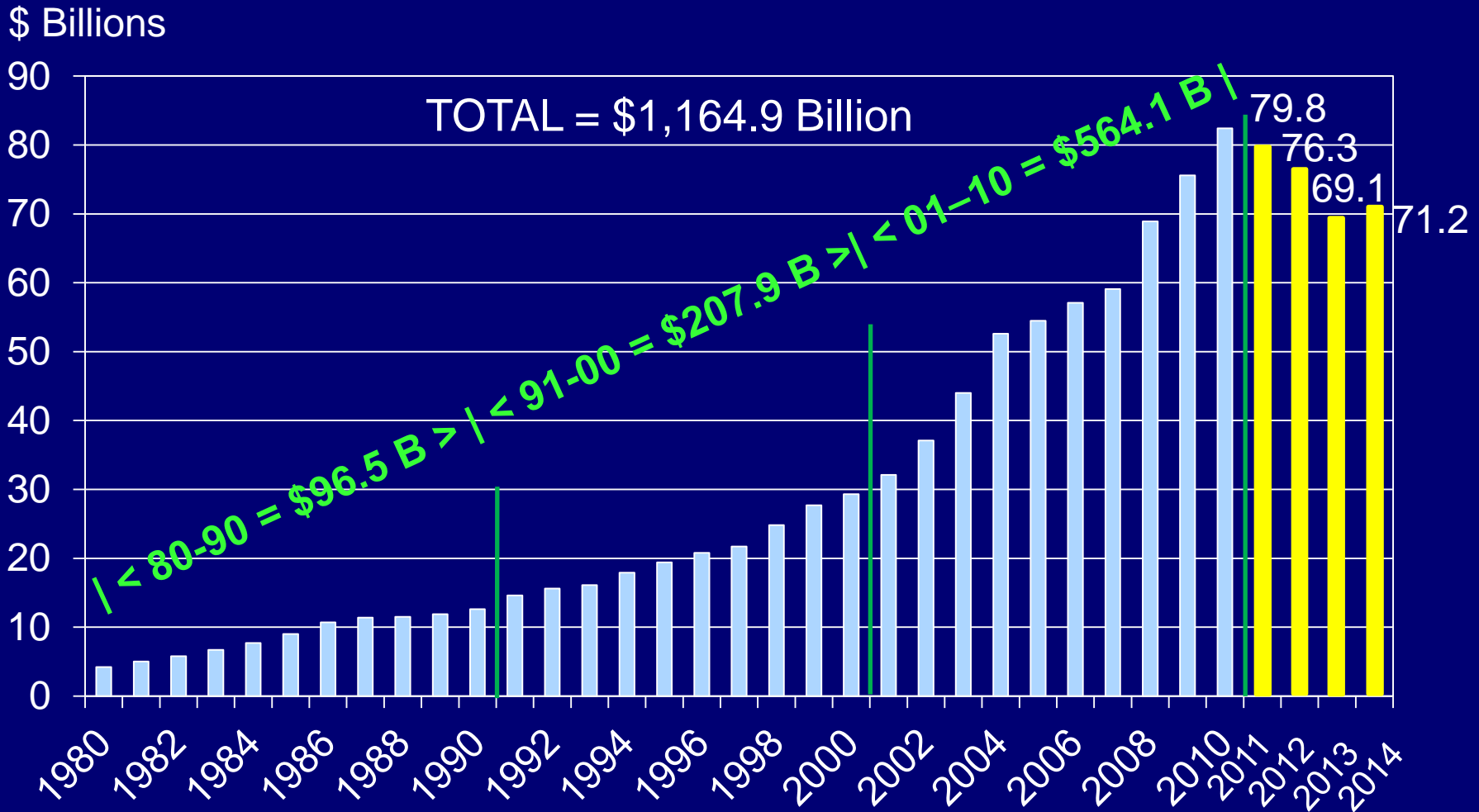
Northern Virginia Chair and Professor of Public Policy  
Center for Regional Analysis  
George Mason University

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# Federal Employment in the Washington Metro Area, 1950-2014



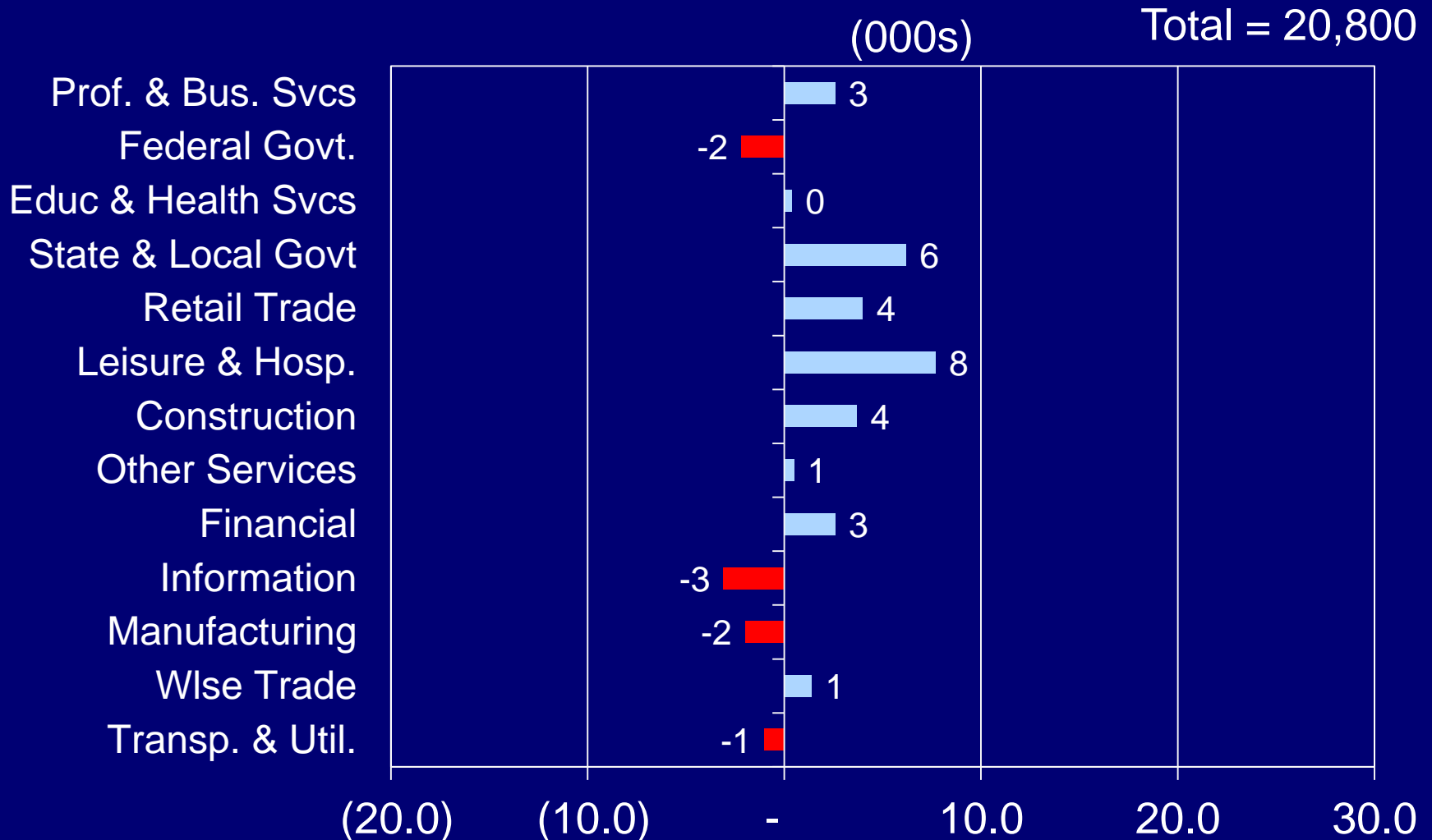
# Federal Procurement in the Washington Metro Area, FY 1980-2014



# The Household Income Effects of Structural Change in the Washington Metropolitan Area

<u>Jurisdiction</u>	<u>Median HH Income 2013*</u>	<u>Change from 2009*</u>
District (DC)	\$67,575	\$2,919
Frederick Cty	84,308	- \$5,856
Montgomery Cty	98,326	- \$4,552
Prince George's Cty	72,052	- \$4,060
Arlington County	102,501	- \$1,675
Fairfax County	111,079	- \$249
Loudoun County	116,768	- \$7,283
Prince Wm County	95,268	- \$2,234
Alexandria City	86,775	\$2,985
Total Metro Area	\$90,149	- \$2,287

# Job Change by Sector Dec 2013 – Dec 2014 Washington MSA



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

# Where we are:

- We are technically growing, but remain a highly specialized economy:
  - Slowest growing major metro area
  - Declining quality of jobs
    - Average wages decreased for three consecutive years ('10-'13)
  - Local fiscal resources under strain
    - Will impact services, infrastructure, quality of life
  - Federal spending could/should increase as national economy improves, but we need to diversify

# Where do we need to go?

- Rethinking The Regional Economy's Future:
- Exports are key:
  - Scientific and Technical Services
  - Higher Ed and Health Services
  - Manufacturing
  - Agriculture and Natural Resources
  - Leisure and Hospitality
  - Foreign Direct Investment
- High-value added employment:
  - Builds the residentially based economy
  - Strengthens the tax base.

# How do we get there?

- Fresh Approaches to Economic Development
  - Business Attraction
    - Retention
  - Start ups?
  - Expansion
- **Identify the region's principal economic assets and focus on these as sources of future growth**
  - Existing competitive advantages
  - Shift markets not capabilities (B  $\longrightarrow$  G)
  - Timing is critical



## How do we get there?

- Strengthen business competitiveness by reducing the unproductive public costs of business operations
- Invest in the region's and local jurisdictions' infrastructure
- Increase the capacity of the region's educational and skills training institutions
- Unify local and regional approaches to economic development
  - Reduce conflicting messages
  - Compete, but avoid predatory practices

# How do we get there?

- Messaging is important
  - Intra-regional distinctions not usually recognized
  - Re-brand the region's and local jurisdictions' economic development images and business investment climates
- The world needs to get the message that Washington is on the move by action
  - Regional partnerships are a *powerful* message
- Local/Internal messaging also important
  - Economic development is a process
  - Start with low hanging fruit

# High-Value Added Economic Development Targets of Opportunities

- Redevelop Union Station into a 21<sup>st</sup> Century transportation, employment and residential center;
- Grow Dulles Airport into a center for global business building on connectivity to regional, national and world economies;
- Develop the Washington region as a global medical complex;
- Implement the White Oak Science Gateway Plan centered on FDA;
- Market the Washington region as a world-class cultural and sports visitor destination;
- Capitalize on the region's federal labs and centers: Fort Belvoir, Fort Meade/NSA, NASA, Cybersecurity/FBI, NIH/FDA/BioTech;
- Accelerate Prince Wm Cty/GMU Innovation /Technology Center.

# Thank You & Questions

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