"Flint & Beyond: The Condition of Local and State Economy"

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Warwick Hills Country Club

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Contributions to Real GDP Growth
Q3 2013

- Real GDP: 2.8
- Consumption: 1.0
- Non-residential Investment: 0.2
- Residential Investment: 0.4
- Inventories: 0.8
- Government: 0.0
- Net Exports: 0.3
Household Net Worth
(Millions, $)

Source: Federal Reserve
Michigan Economy Indexes

A zero value for the index indicates that the national economy is expanding at its historical trend rate of growth; negative values indicate below-average growth; and positive values indicate above-average growth. A zero value for the Relative MEI indicates that the Michigan economy is growing at a rate historically consistent with the growth of the national economy; positive values indicate above-average relative growth; and negative values indicate below-average relative growth.
Consumer Price Index for All Urban Consumers: All items in Detroit-Ann Arbor-Flint, MI (CMSA) (CUURA208SA0)

Shaded areas indicate US recessions.
2013 research.stlouisfed.org
GDP by Metropolitan Area (millions of current dollars)

Source: U.S. Bureau of Economic Analysis
US, Midwest, Michigan Unemployment Rates

Source: BLS
Nonfarm Payroll Employment Growth

(US, Michigan, 7th District; 2013Q3/2012Q3)

Year/Year Percentage Change (%)
GREAT LAKES REGION IN 2012
MODERATE GROWTH CONTINUES
Advance Statistics of GDP by Metropolitan Area
(BEA; TUESDAY Sept. 17, 2013)

• Real GDP expanded in 46 of the 55 MSAs wholly contained in this region. Durable-goods manufacturing contributed the most to growth in real GDP for the region.

• This region accounts for 22.1 percent of the nation’s current-dollar GDP in durable-goods manufacturing.

• By contrast, real estate, rental, and leasing restrained growth in the region’s GDP.
• Elkhart-Goshen, IN and Battle Creek, MI experienced the largest upturns in real GDP growth due to growth in durable-goods manufacturing. Elkhart-Goshen, IN growth improved to 11.4 percent in 2012 from 1.4 percent in 2011 (10 percentage points), Battle Creek, MI growth improved to 4.2 percent in 2012 from –2.2 percent in 2011 (6.4 percentage points).

• Growth in real GDP ranged from –3.4 percent to 11.4 percent with the fastest growth occurring in Elkhart-Goshen, IN and Columbus, IN. Growth in each of these metropolitan areas was spurred by durable-goods manufacturing.
Chicago-Joliet-Naperville, IL-IN-WI and Detroit-Warren-Livonia, MI—the two largest metropolitan areas in the region, and the 3rd and 14th largest in the nation—experienced growth (2.4 percent and 2.7 percent, respectively), due to growth in durable-goods manufacturing.
Dieterle’s Walking Mall Survey

• “Big box stores” or “anchor stores” were more positive than specialty stores
• Specialty stores weren’t pessimistic, they just weren’t optimistic
• High end specialty stores reported better sales in the past year than “budget” type stores
• High end stores were 1st hit, but 1st to recover
• High end stores positive about the future—“budget stores not so much
The Future of Flint

Two issues stifling every economy

• Excess reserves
• Velocity of money
Excess Reserves of Depository Institutions

Source: FRED
Questions

Comments
Thank You 🌟