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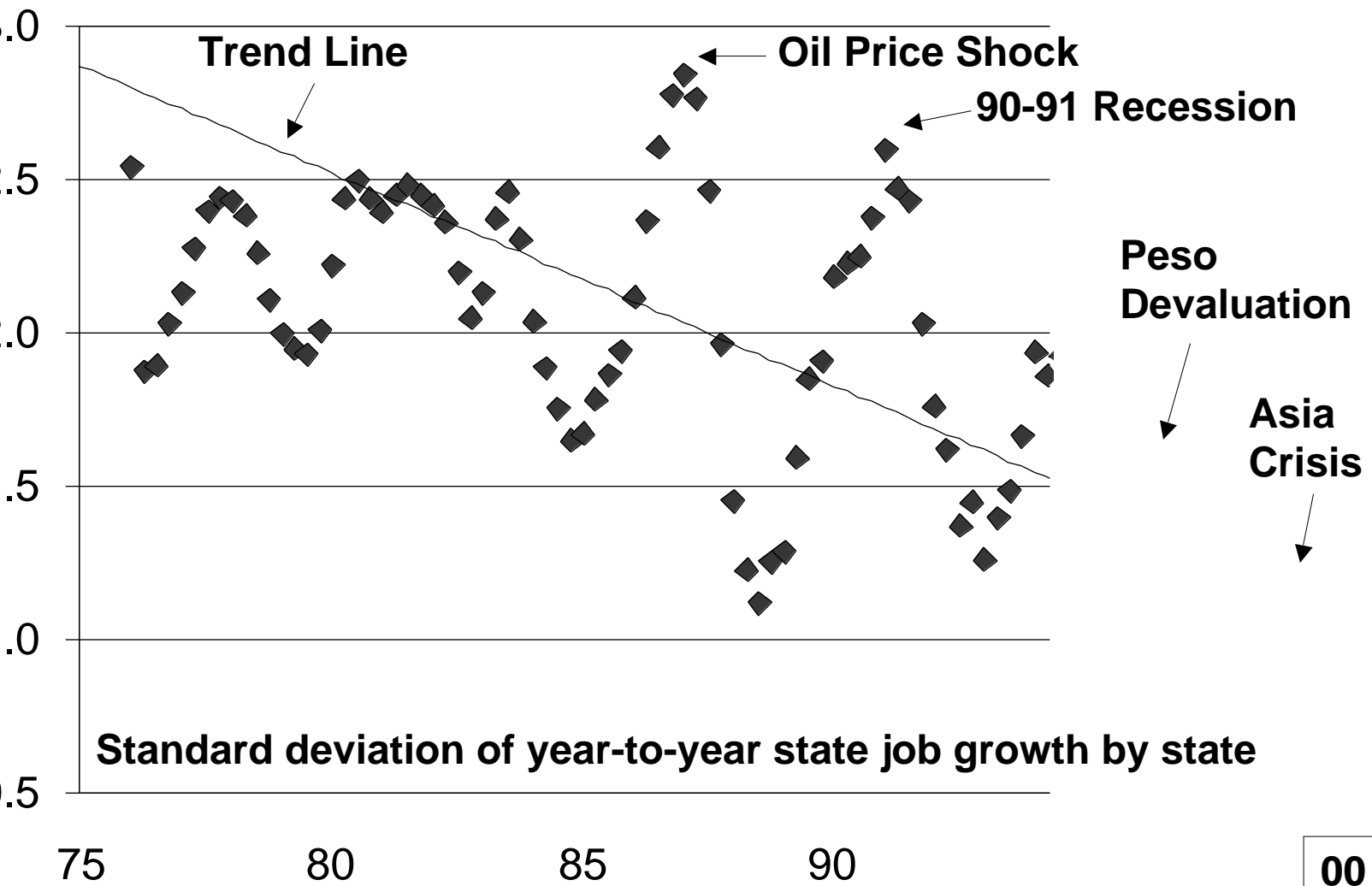
# **Regional Economic Outlook**

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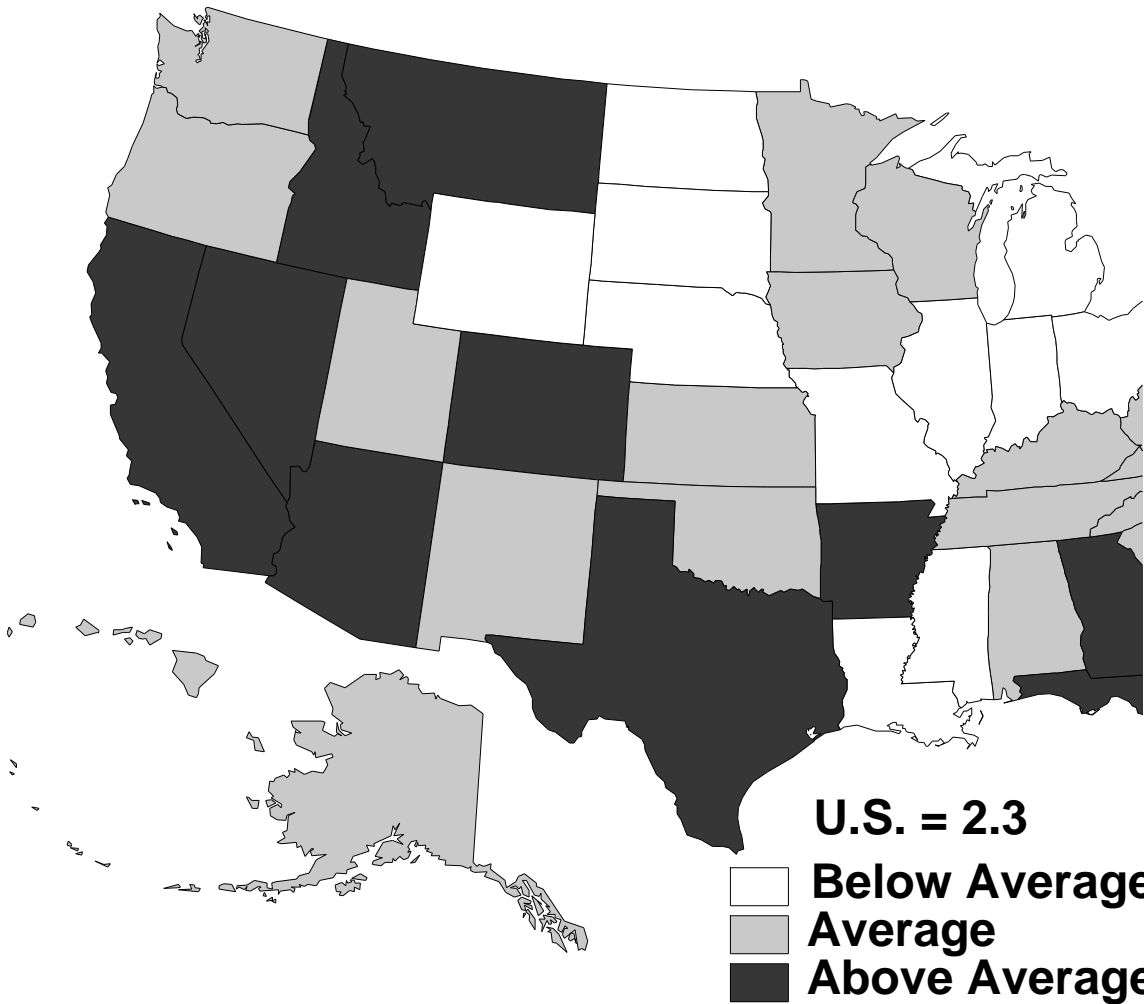
*Presented by*

**Dr. Steven G. Cochrane**

# Variation in State Job Growth Remains Narrow

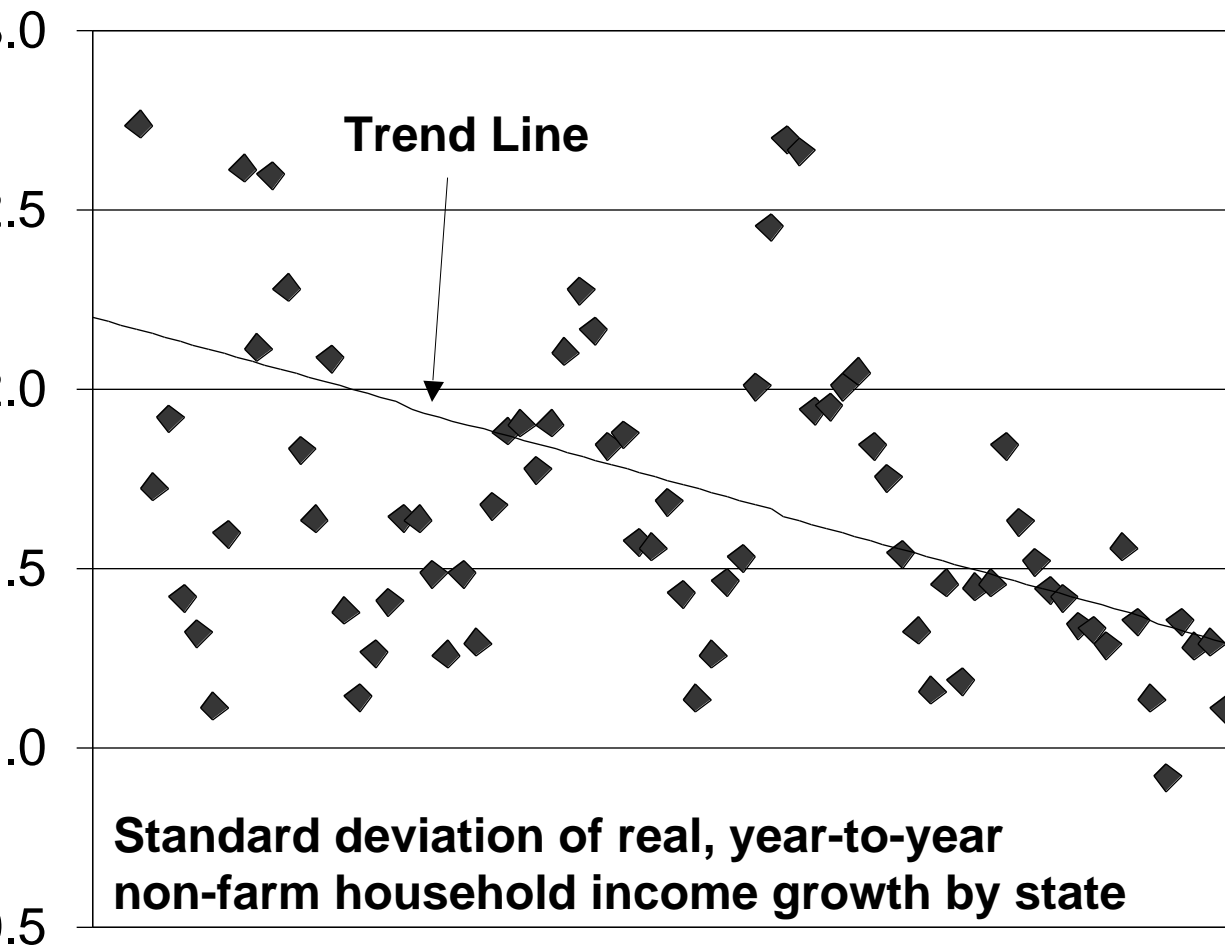


# Job Growth: Narrow Differences

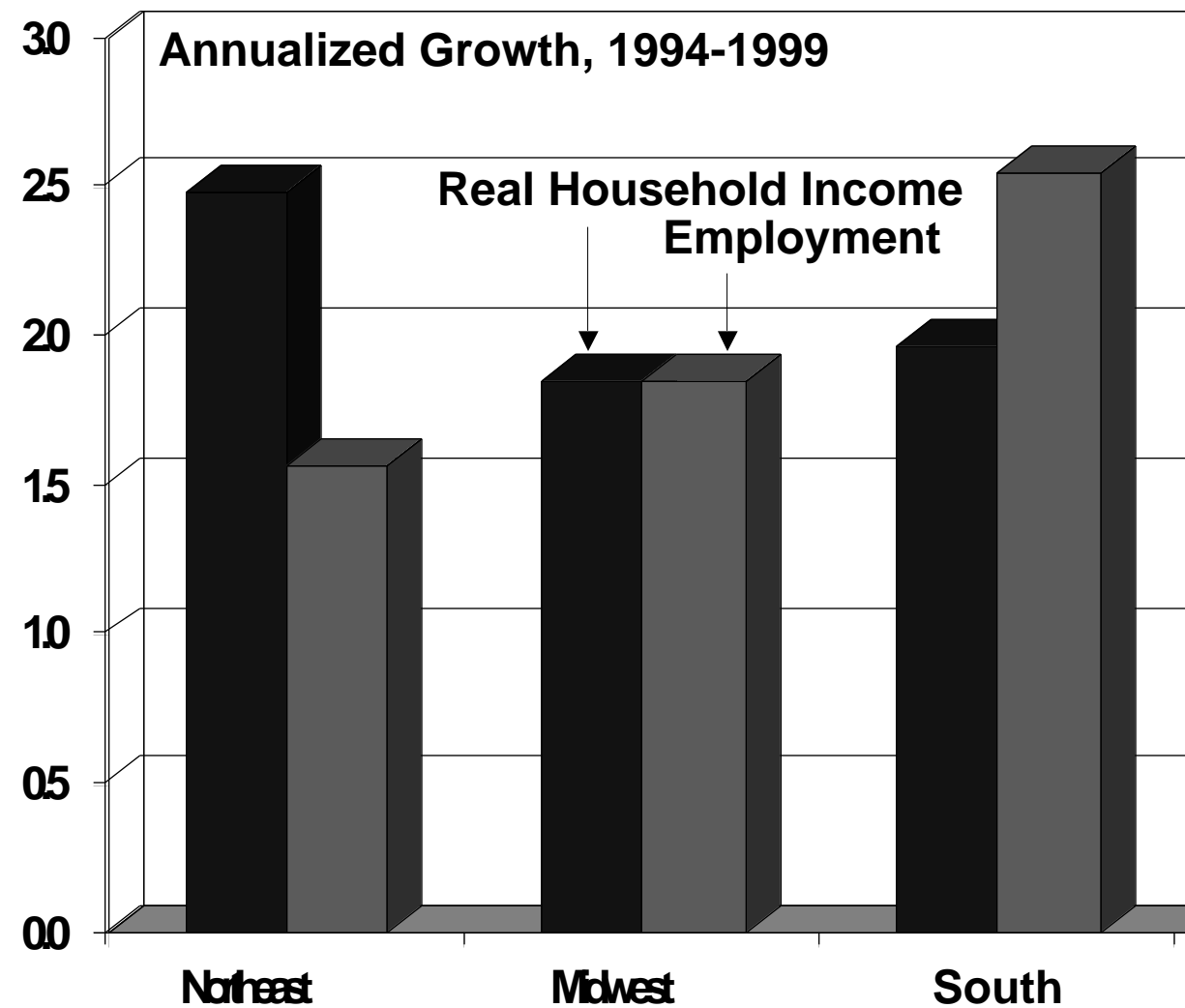


% change year ago, 3-mo. moving average, July 2008  
Average is within 1/2 std. dev. of mean state growth rate of 2.3%

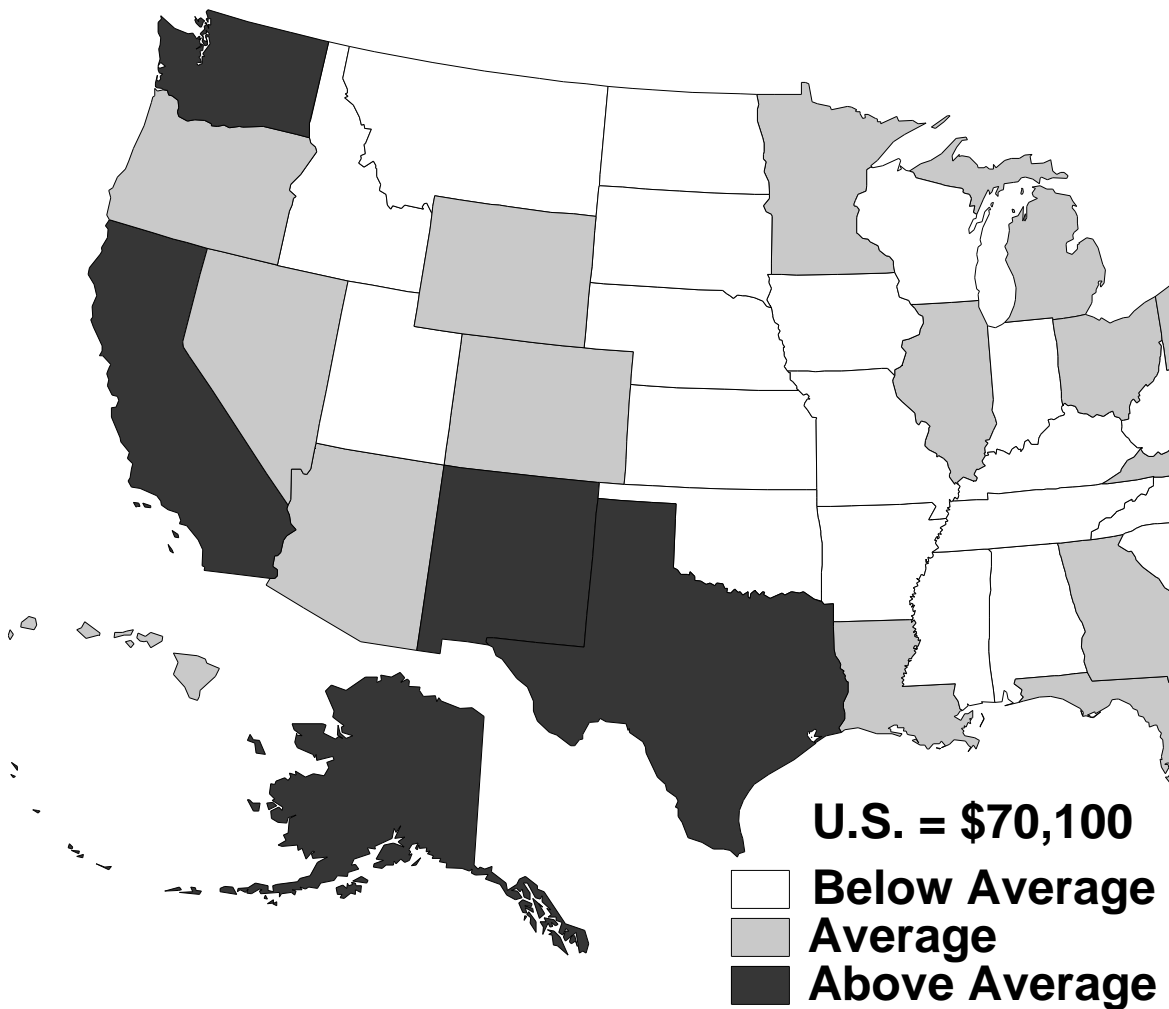
# Variation in State Income Growth Is Beginning to Widen



# High Productivity Drives Income Growth in the Northeast

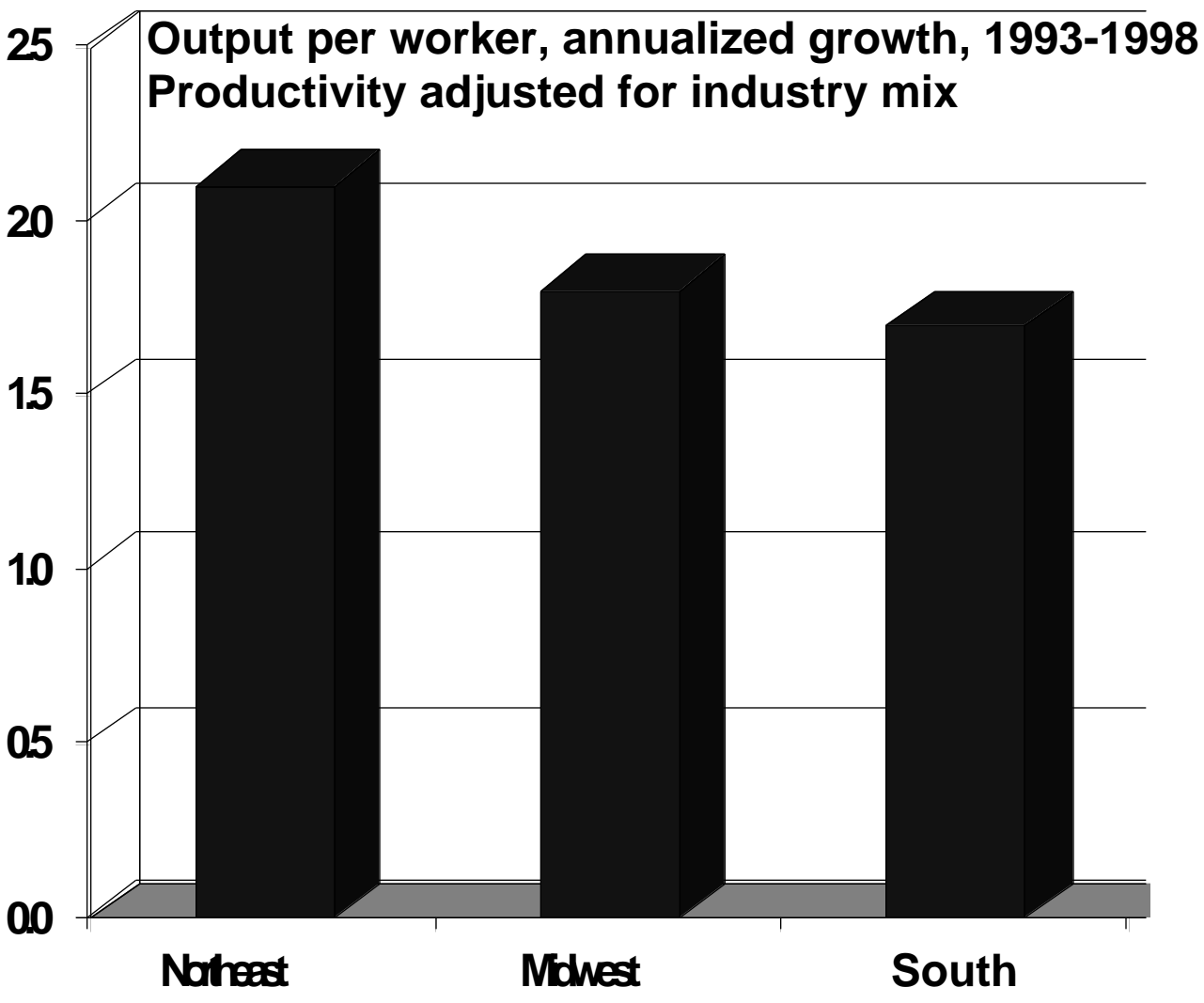


# Productivity is Concentrated

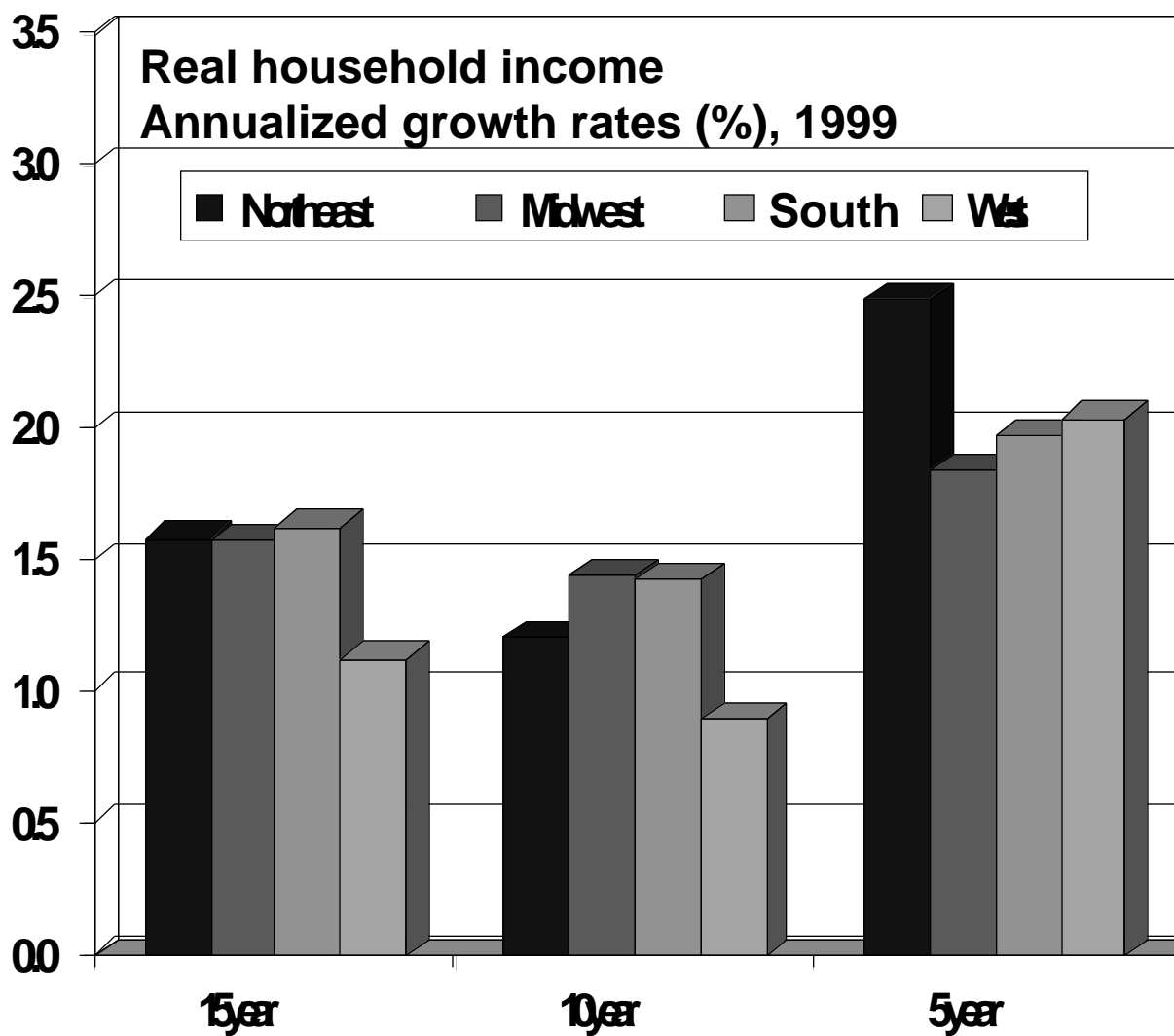


**Note: Productivity adjusted for industry**  
**Output per worker, 1998.**

# Productivity Growth Fastest on the Coasts

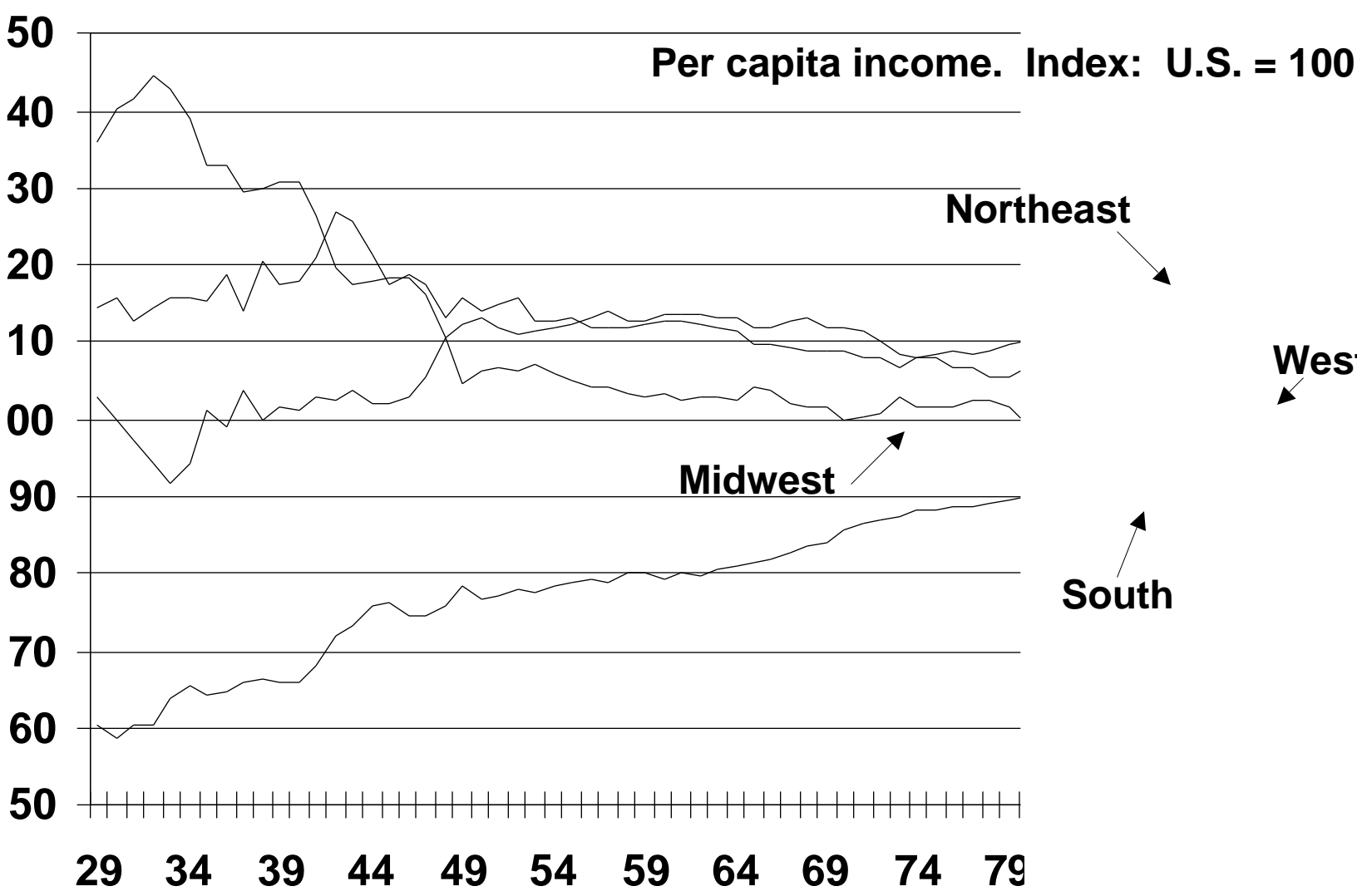


# Income Growth is Accelerating Fastest in Northeast and West

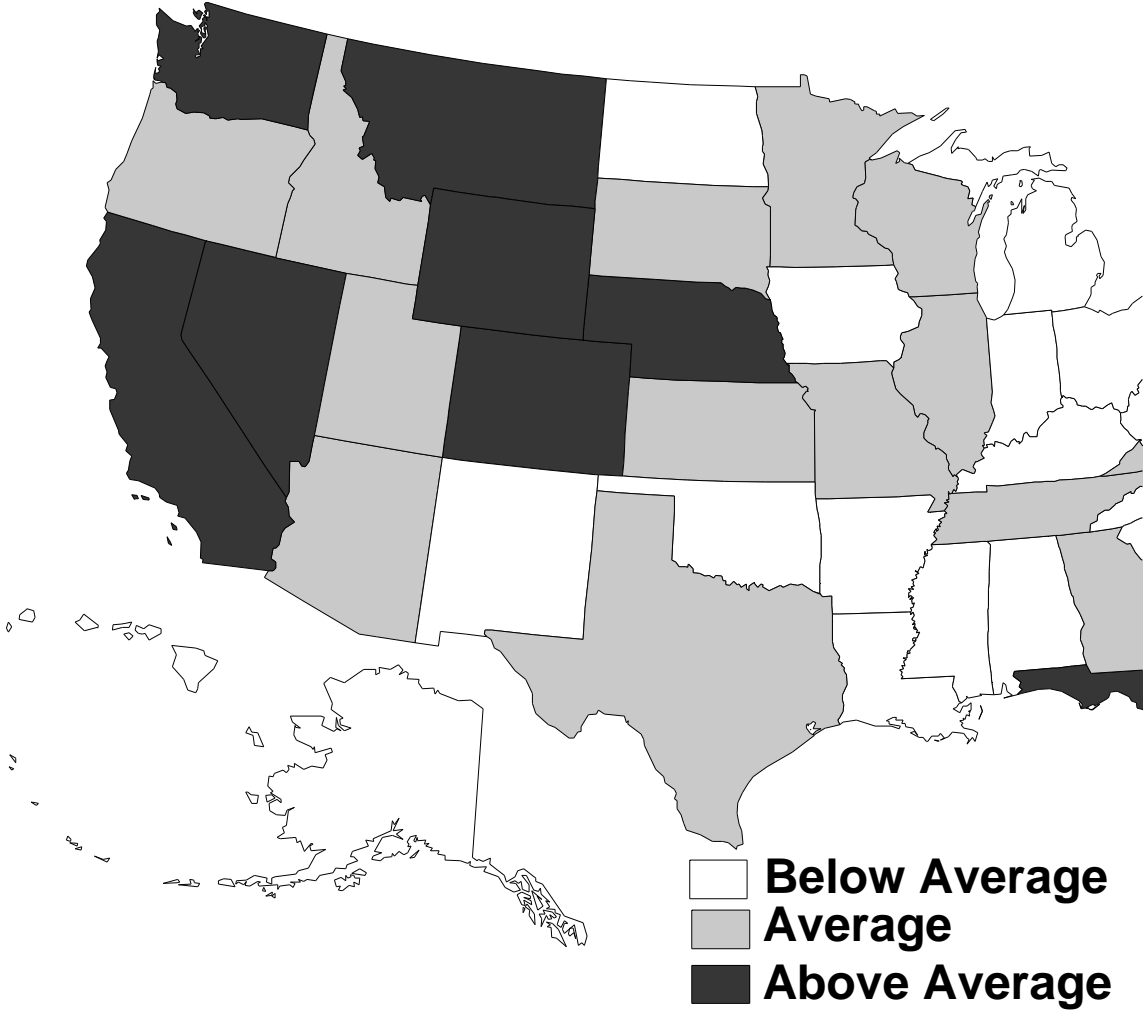




# Regional Income Convergence Has Halted

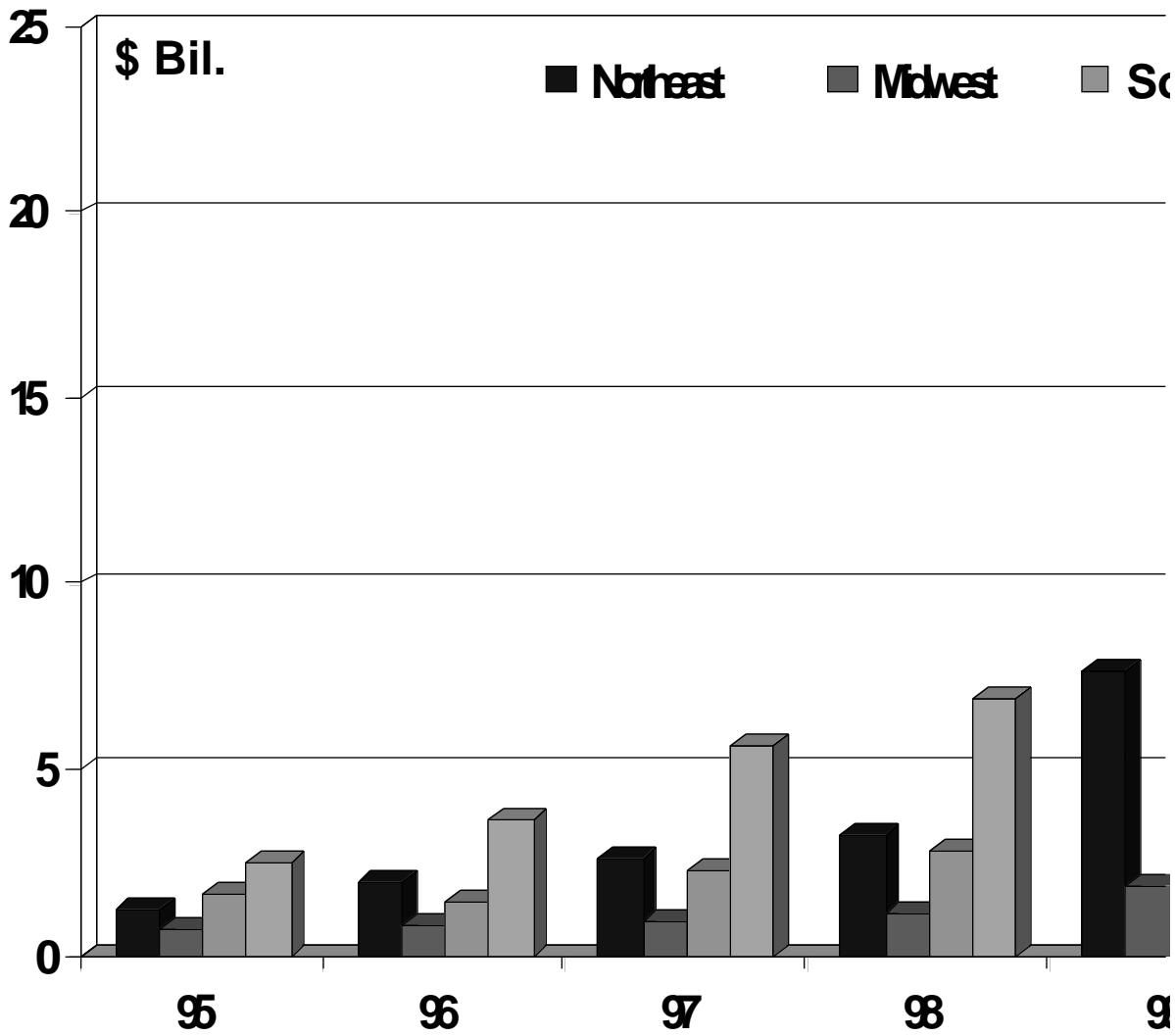


# Capital Gains as a Share of Income



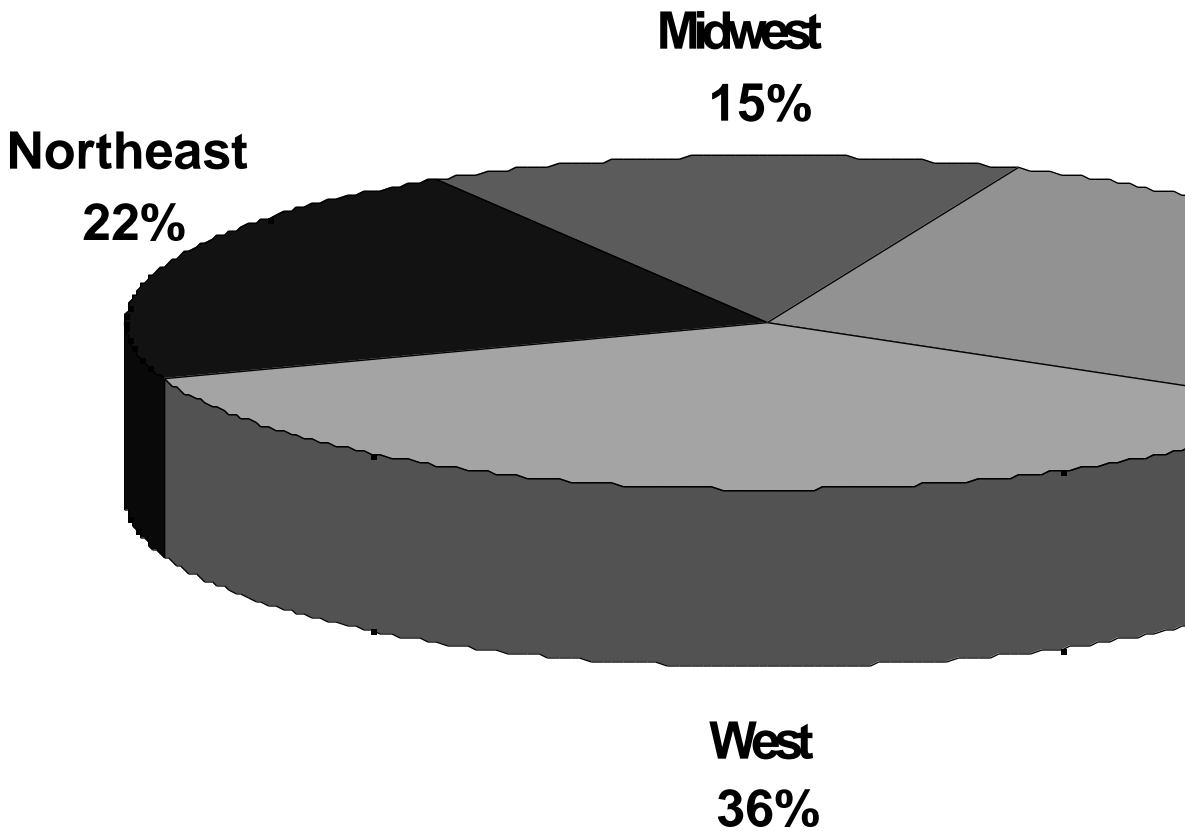
Note: Income is adjusted gross income

# Venture Capital Supports the West





# West Is Home to More Internet Sites

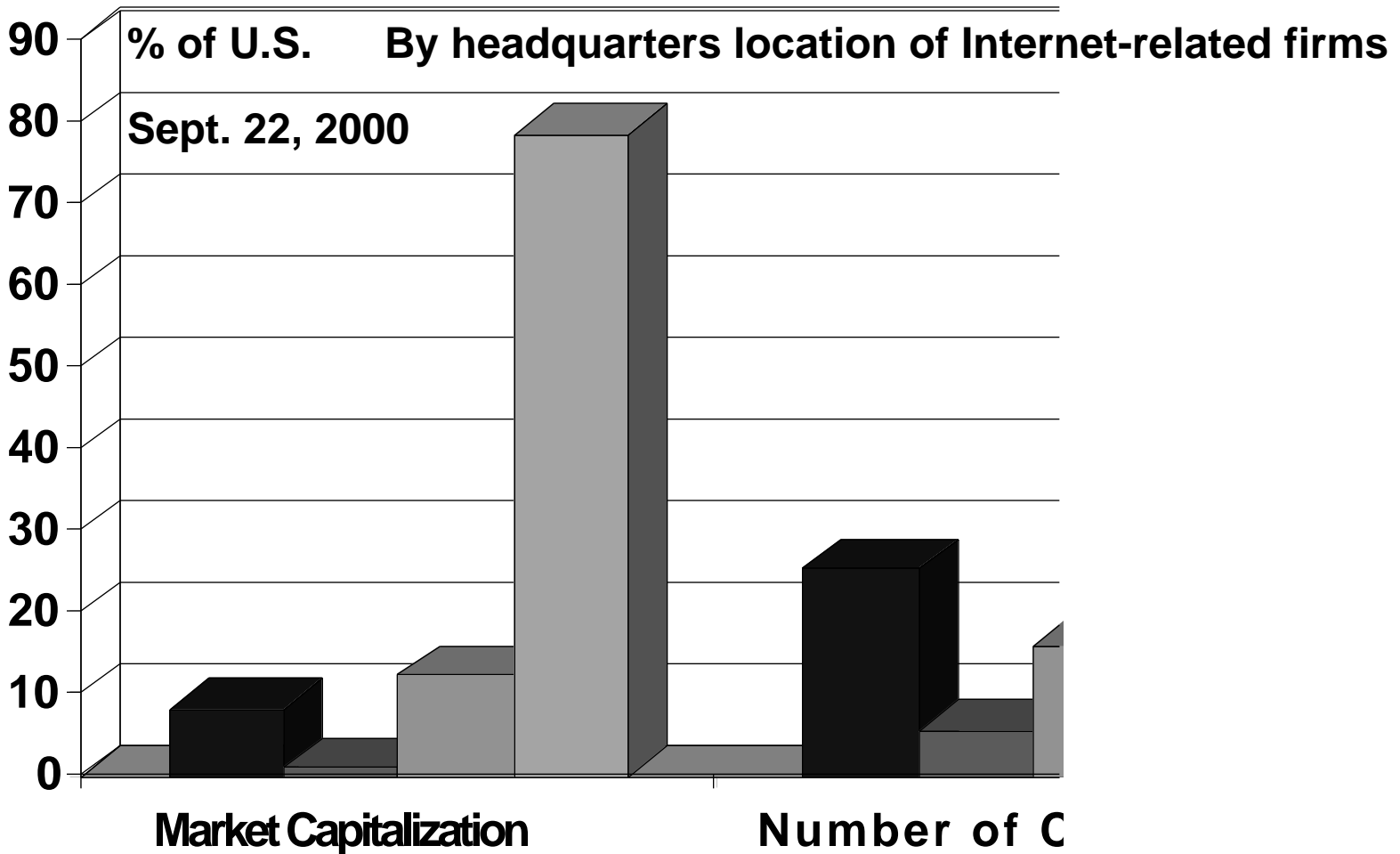


*Location of web site owners, based on approximately 75,000 sites*

Source: Alexa Research

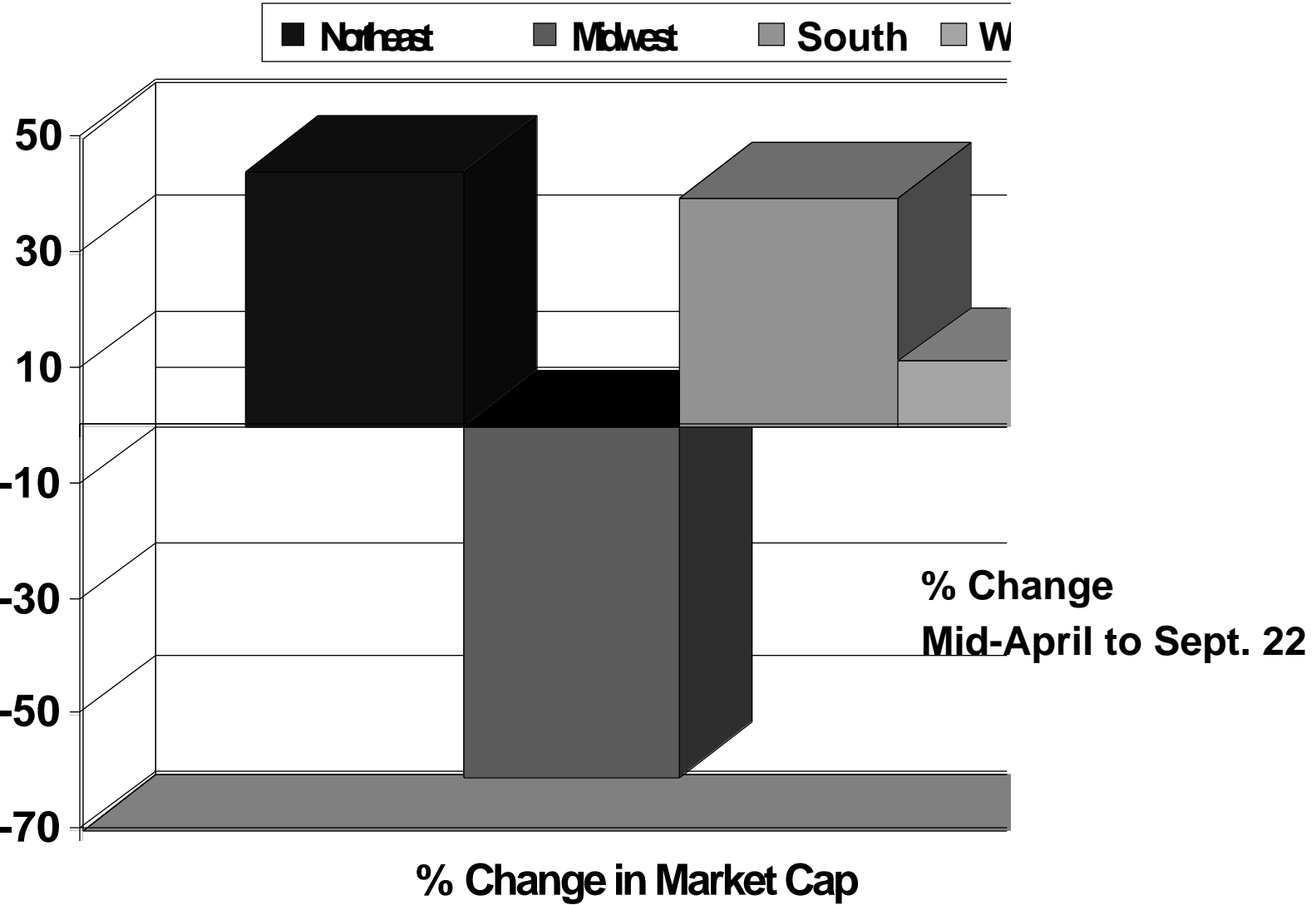
# More Than Half the Internet Economy is in the West

■ Northeast ■ Midwest ■ South ■ West

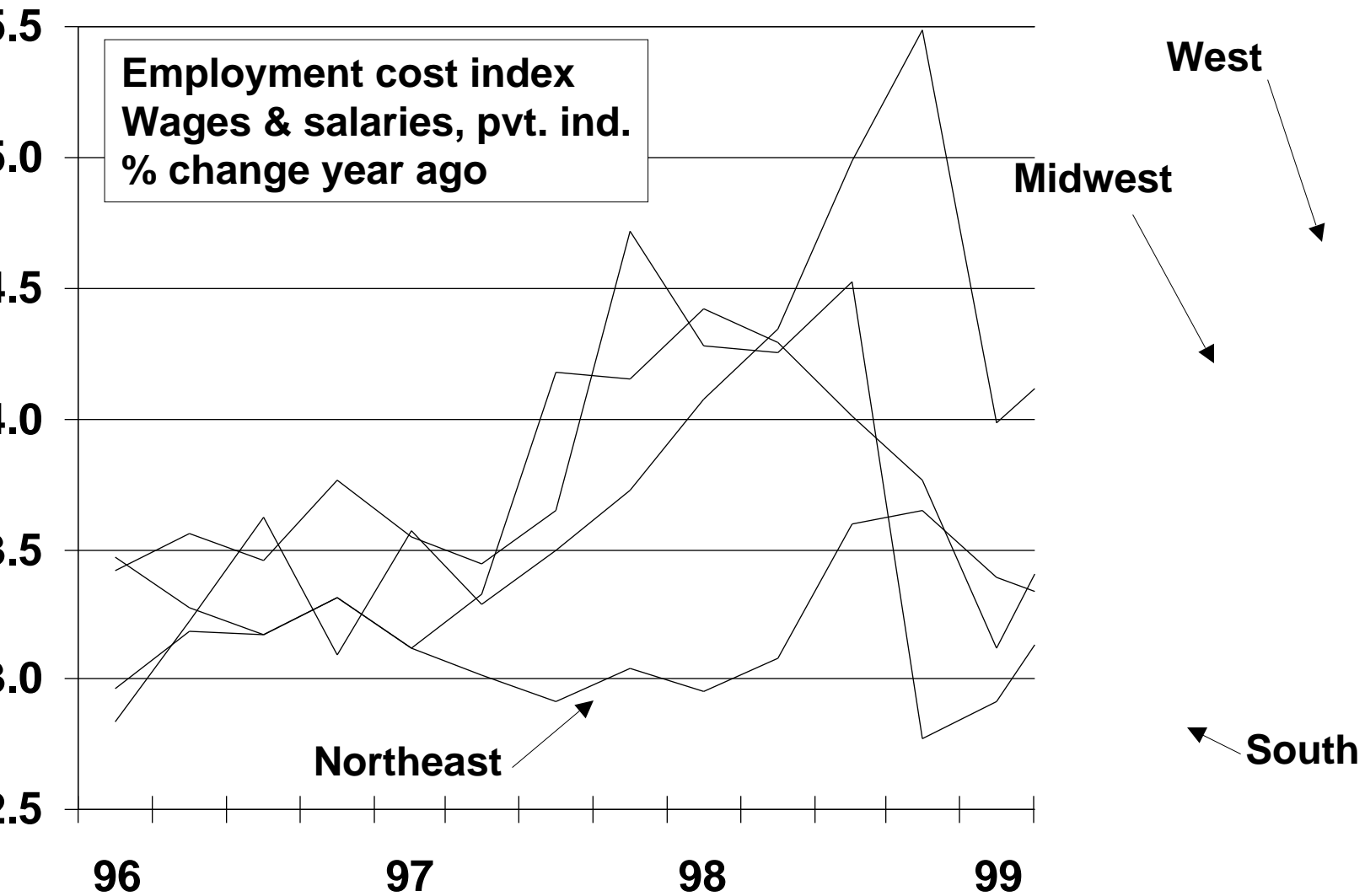


\*535 Public and private companies

# Southern & Northeastern Internet-Related Firms Holding Value Better

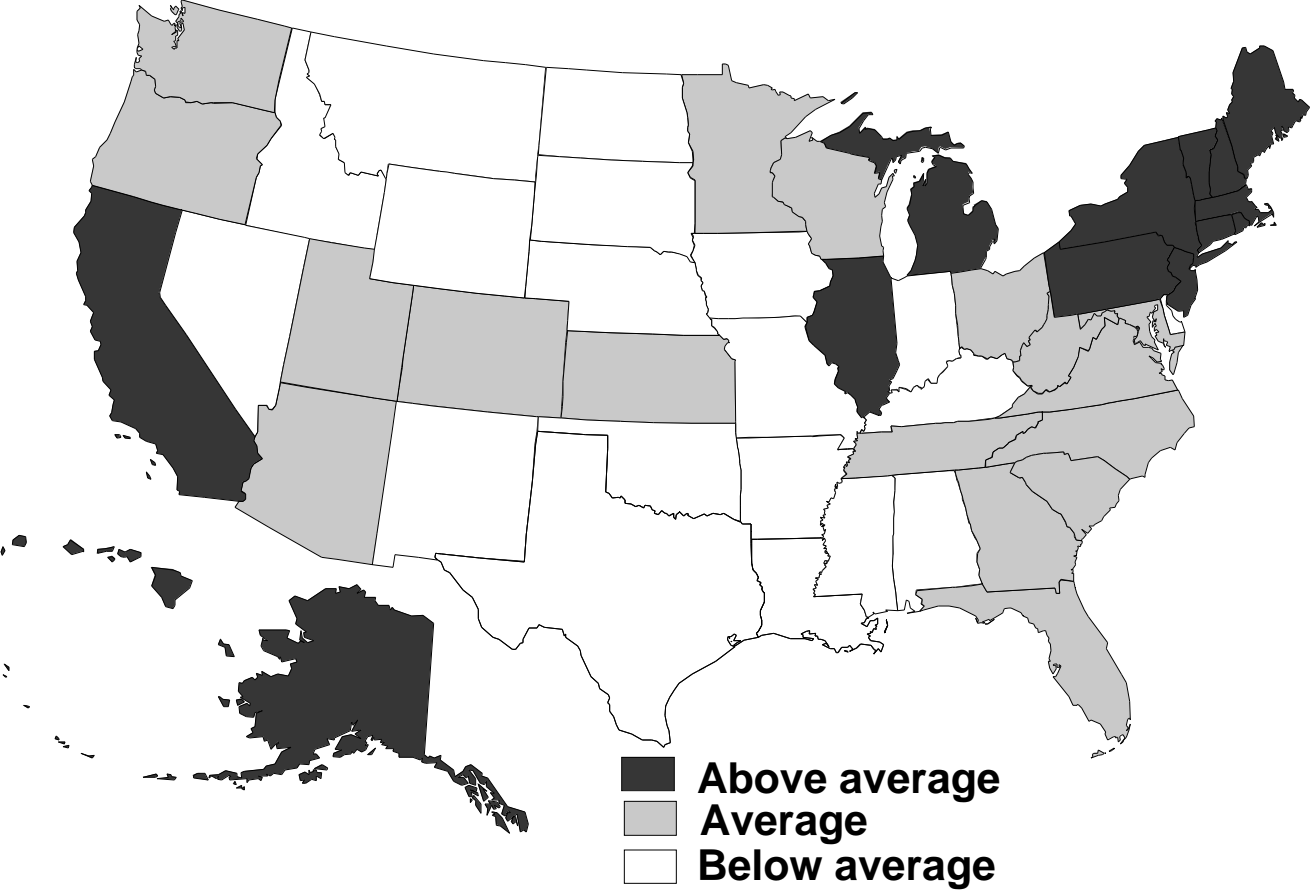


# Costs Are an Increasing Concern



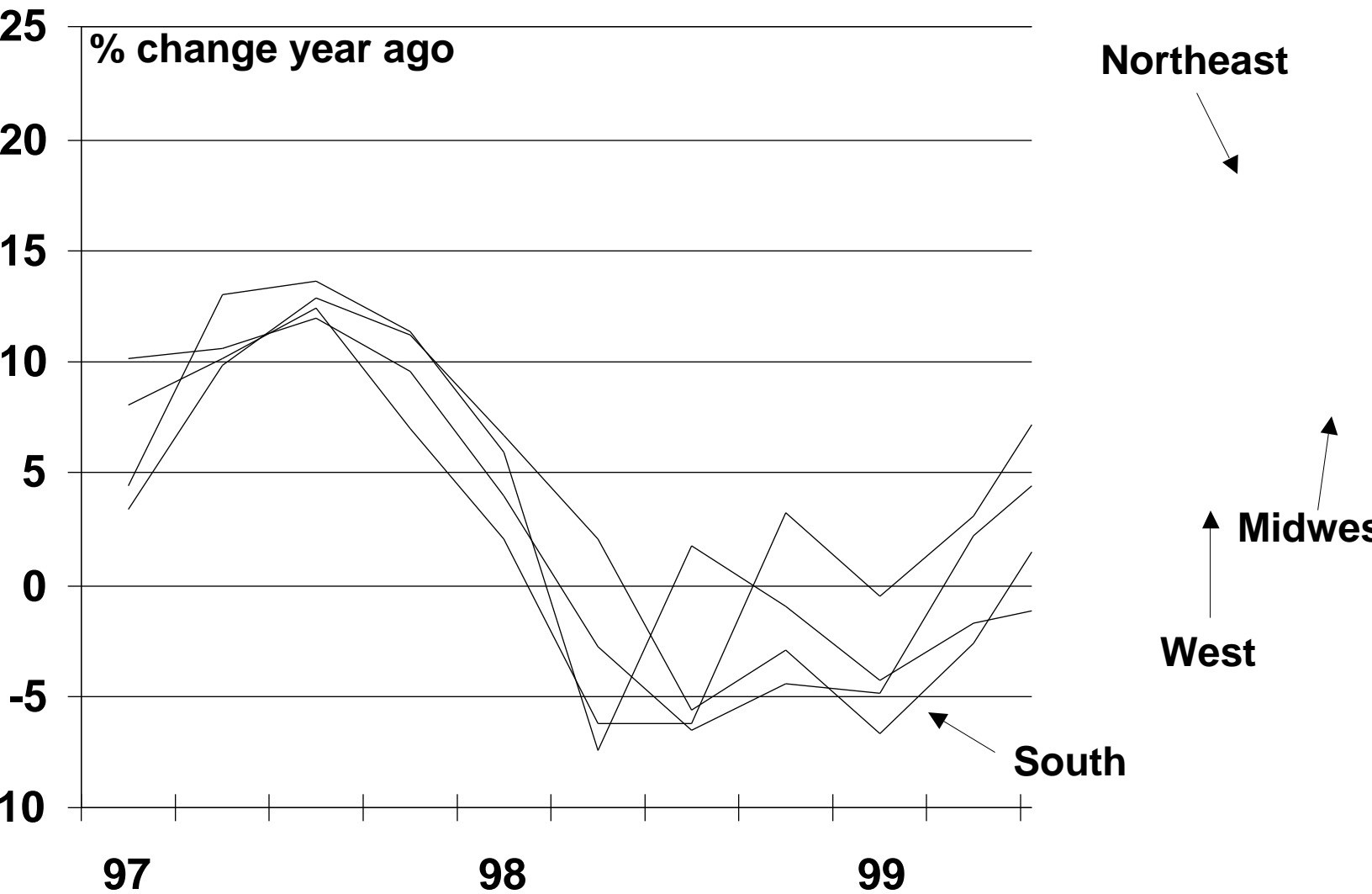


# Cost of Doing Business



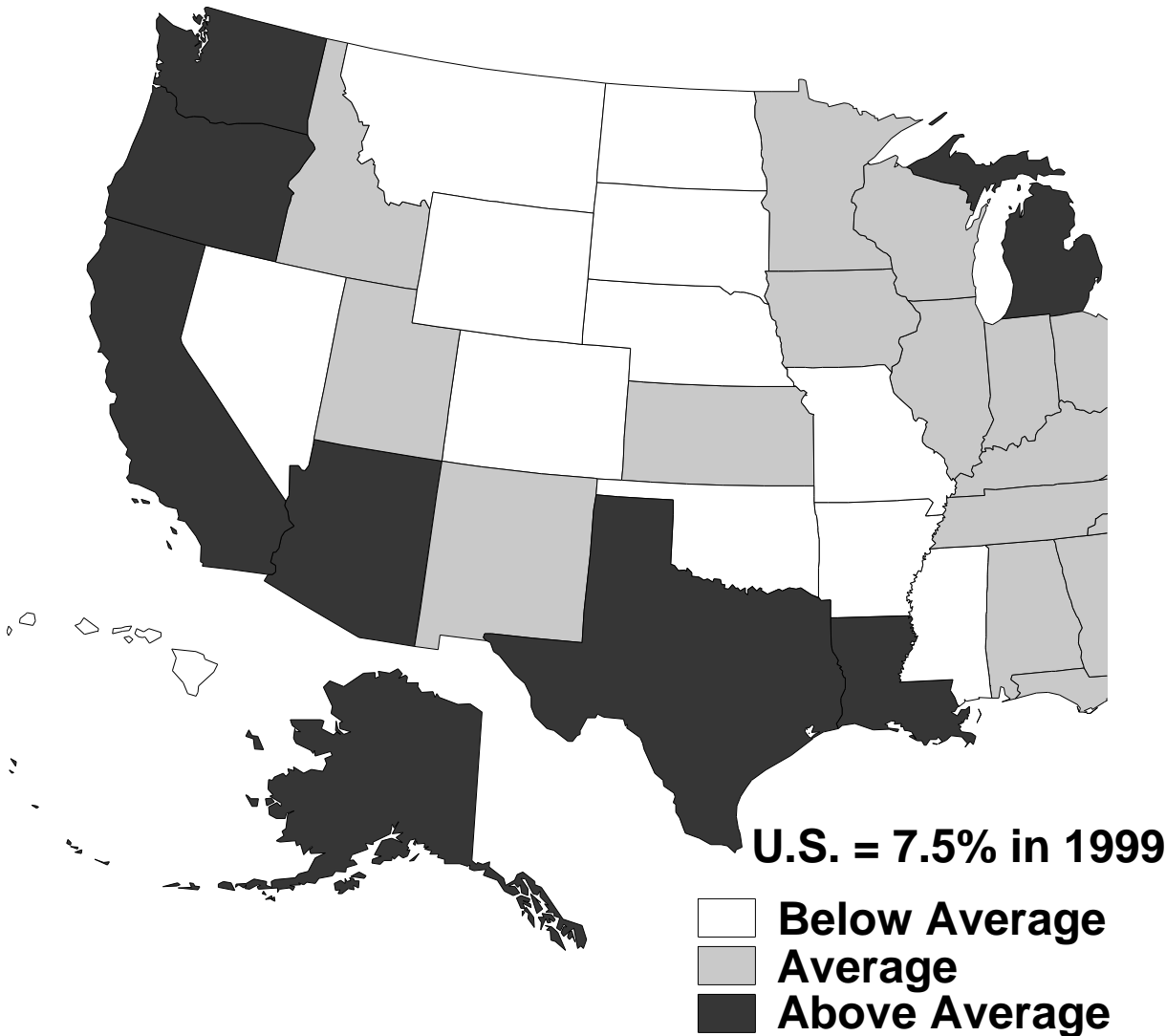
Costs include tax burden, unit labor costs and energy c

# Commodity Exports Rebounding

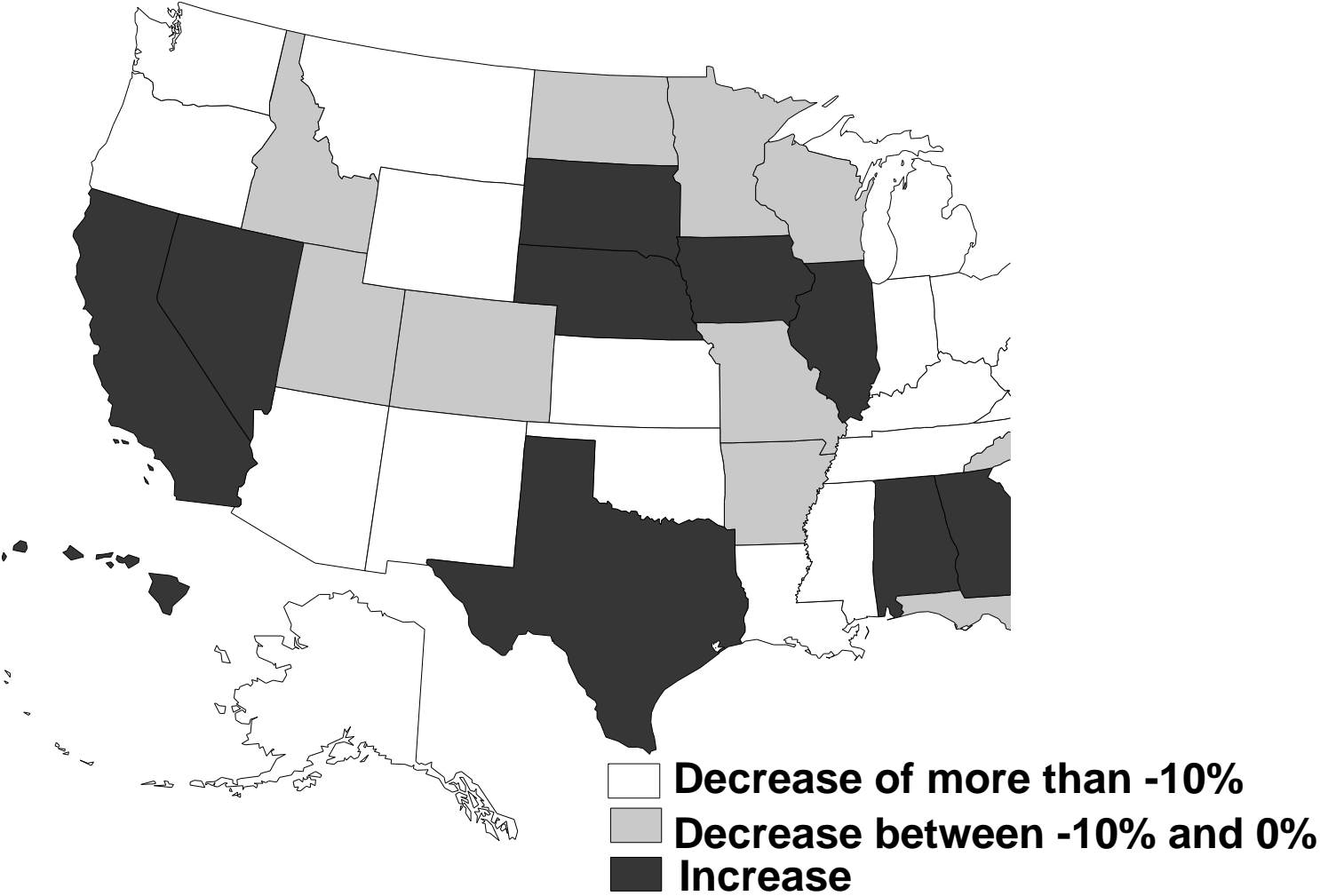


# Exposure to Exports

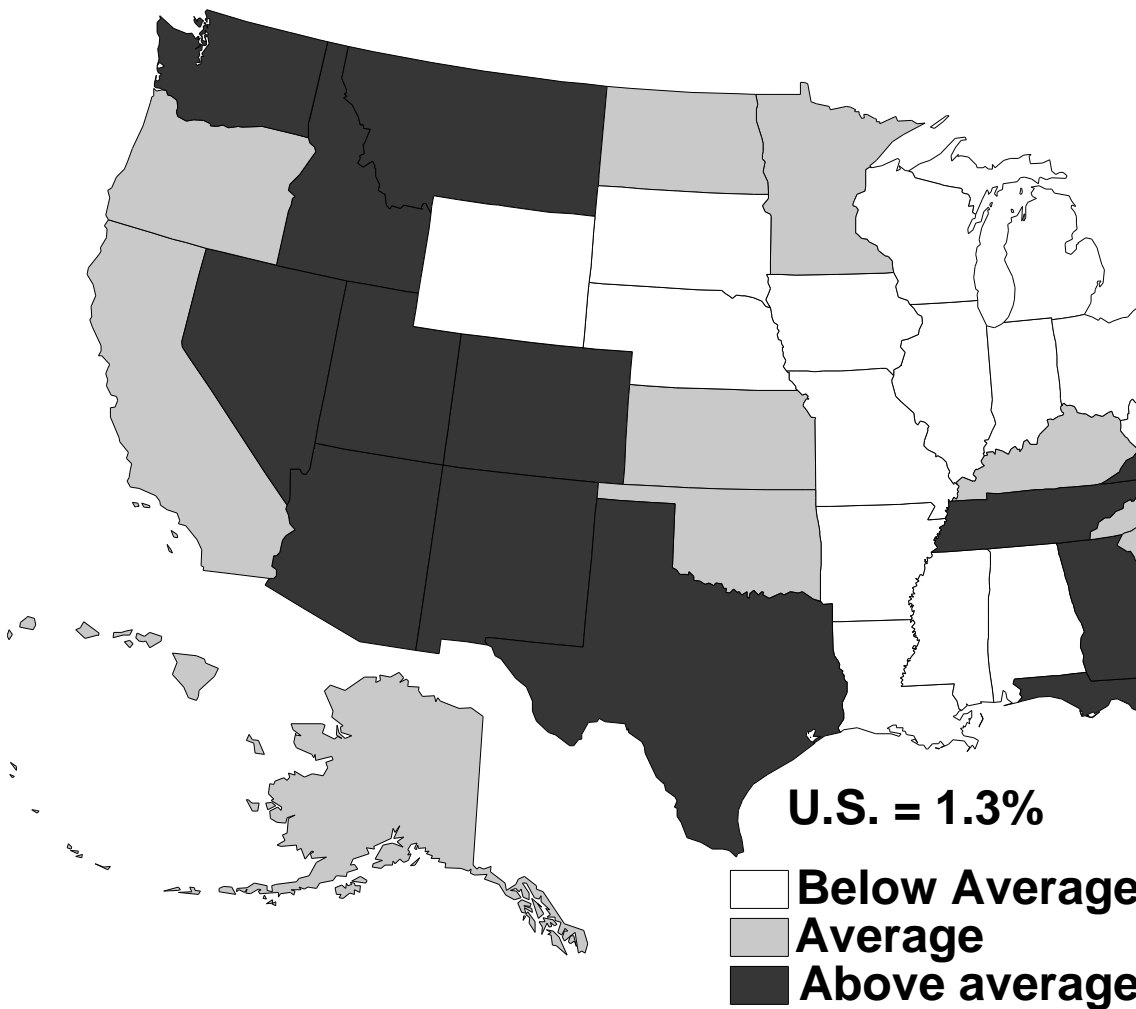
*Commodity exports as a share of GDP*



# Slowdown in Homebuilding is Not Uniform



# Job Growth Outlook 2000-2003



Note: Annualized growth