Economic Development Priorities for Federal Statistical Data: The Case for LAPI Estimates

Stephan J. Goetz*
Professor and Director
Penn State University, NERCRD** and NARDeP***

*With thanks to Yicheol Han and Minghao Li for analysis and charts.
**Northeast Regional Center for Rural Development and ***National Agricultural and Rural Development Policy Center.  *USDA/NIFA funding (various grants) is gratefully acknowledged.*
Percent change in total jobs (2001-2011)
Percent change in total jobs (2001-2007)

Prepared by Y. Han
Percent change in total jobs (2007-2011)

Prepared by Y. Han
Non-Metro Employment, 2001-2012

Source: BEA Data

Non-Metro Population, 2001-2012
Counties with 15.2% or more employment in retail, 2012

Prepared by Y. Han
Examples of Studies Using Jobs Data

• Goetz and Debertin (*SEPS* 1993), estimating the demand for skills in counties
• Porter (*RS* 2003), regional econ. performance
• Desmet and Fafchamps (*JEG* 2005), ditto
• Stephens and Partridge (*G&C* 2011), role of self-employment in econ. dev. of ARC region
• Kandilov and Renkow (*NARDeP Policy Brief* 2013), impact of rural broadband
• Autor et al. (*AER* 2014), trade impacts, China
# Relative Importance of Non-Metro Retail

## Sources of Private Earnings and Jobs

<table>
<thead>
<tr>
<th>Private Nonfarm Earnings</th>
<th>2001</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>As percent of all earnings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail total</td>
<td>11.1%</td>
<td>9.8%</td>
</tr>
<tr>
<td>General Merchandise stores</td>
<td>1.6%</td>
<td>1.8%</td>
</tr>
<tr>
<td>As percent of retail earnings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Merchandise stores</td>
<td>14.8%</td>
<td>18.2%</td>
</tr>
<tr>
<td>Retail as percent of all private non-farm jobs</td>
<td>15.3%</td>
<td>13.8%</td>
</tr>
</tbody>
</table>
1969-2012 BEA Earnings Data

The non-metro to metro per capita income ratio has increased to levels not seen since the early 1970s.
Job Change vs. Wages, Non-Metro Counties, 2001-2012

- Mining
- Management of companies and enterprises
- Utilities
- Real estate and rental and leasing
- Health care and social assistance
- Retail trade
- Federal, civilian
- Military
- Farm
- Manufacturing
- Information
- Construction
- Transportation and warehousing
- State and local
- Finance and insurance
- Administrative and waste management services
- Arts, entertainment, and recreation

Prepared by Y. Han
National self-employment numbers from different data sources, selected periods

Source: Minghao Li
Final thoughts....

• Other county-level data also crucial: e.g.,
  – County Business Patterns
  – Quarterly Census of Employment and Wages
  – American Community Survey

• It is one thing to know where the national economy is heading...
  – Also essential for understanding local economic conditions farmers face

• Data needed to evaluate Federal programs and investments effectively...
  – vs. flying in the dark
  – Pennywise or Pound-foolish?