



# A New Direction for the New Mexico Economy?

August 6, 2013

Economic and Rural Development Committee

Elephant Butte, NM

Jim Peach

Department of Economics and International Business  
and Arrowhead Center

New Mexico State University

[jpeach@nmsu.edu](mailto:jpeach@nmsu.edu)



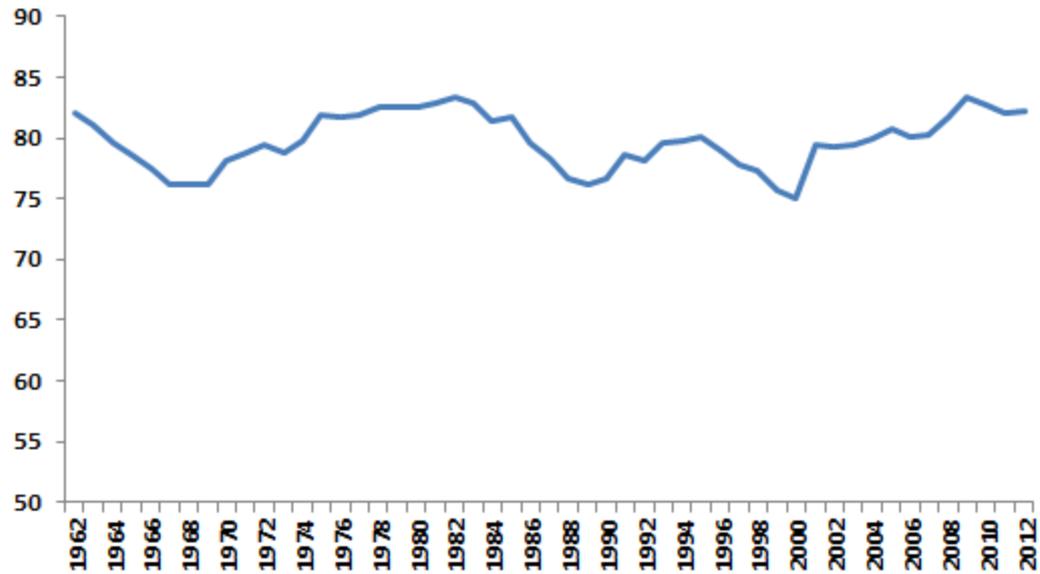


## Outline

- The need for a new direction
  - New Mexico's long term economic record
  - New Mexico's recovery
  - The New Mexico economy in the 21<sup>st</sup> century
- Key ingredients of a new direction
  - Economic development as a process not a short term goal
  - Education, work-force, and infrastructure issues
  - A coherent development strategy
  - Systematic evaluation of development policies and projects

# NM and the Nation

New Mexico per capita income as percent of US per capita income: 1962 to 2012

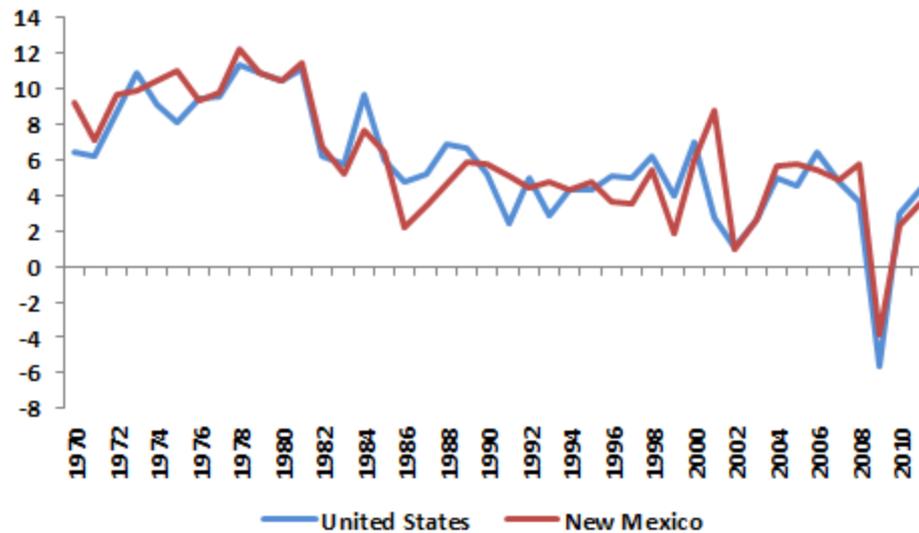


Source: Bureau of Economic Analysis, [www.bea.gov](http://www.bea.gov) and author calculations.



# NM and the Nation

**Percent Change in Per Capita Income: 1970 to 2011**

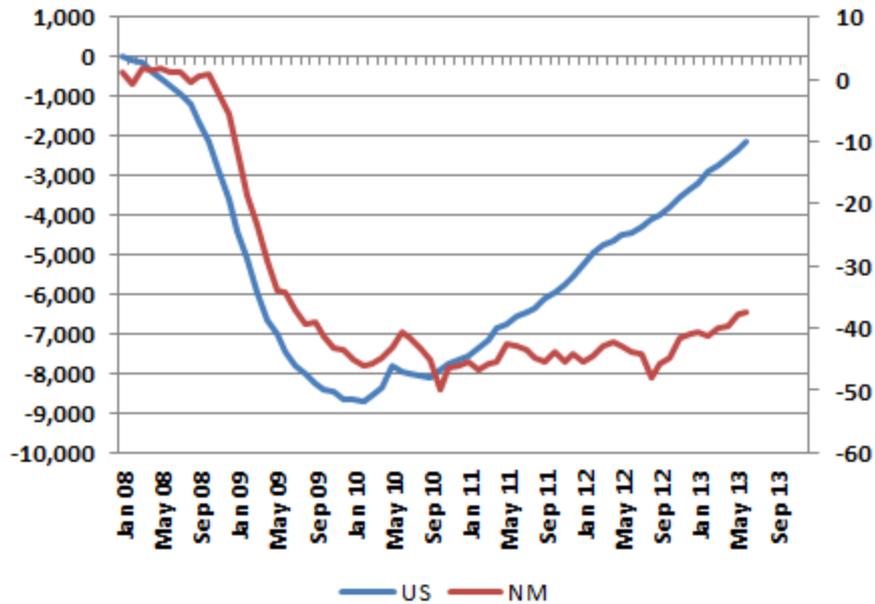


Source: Author calculations from US Bureau of Economic Analysis data



# Where are we?

Change in Non-farm Payroll Employment since Dec 2007  
(1,000s of Jobs)



Source: Bureau of Labor Statistics, [www.bls.gov](http://www.bls.gov)

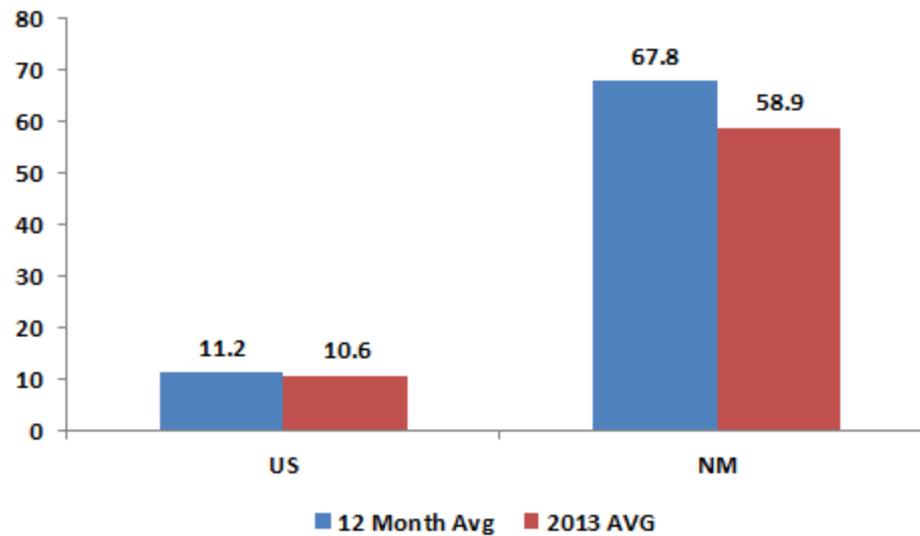


# Where are we?

---

Number of months needed before regaining Dec 2007 employment  
(months at rates indicated)

---



---

Source: Bureau of Labor Statistics, [www.bls.gov](http://www.bls.gov)

---

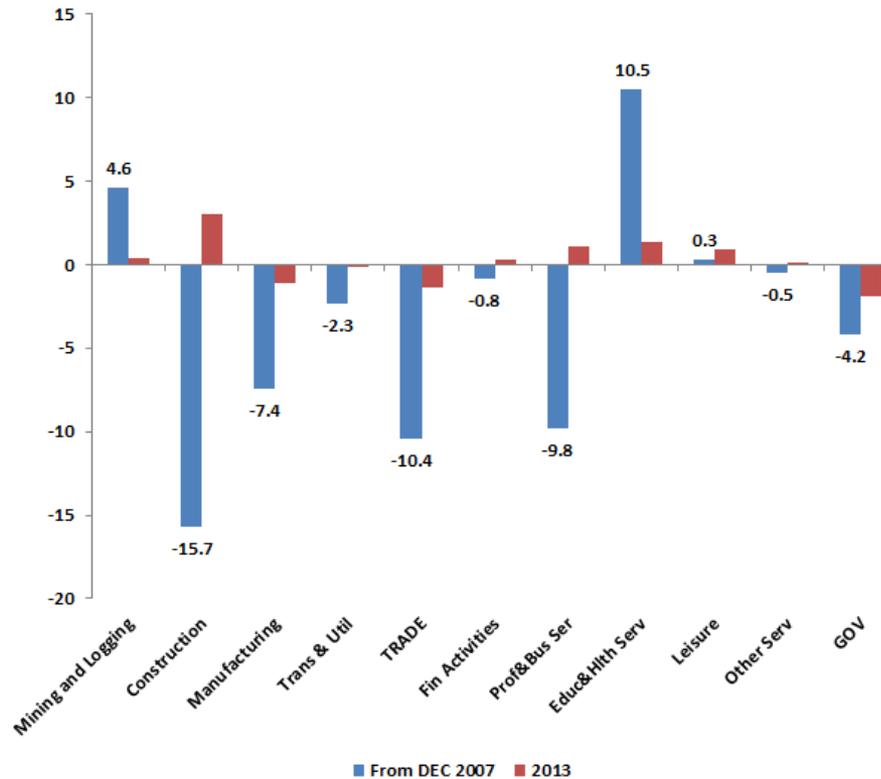


# NM Employment by Sector

Change in employment by major sector in New Mexico

Blue = change since Dec 2007

Red = Change in 2013 (January to May)

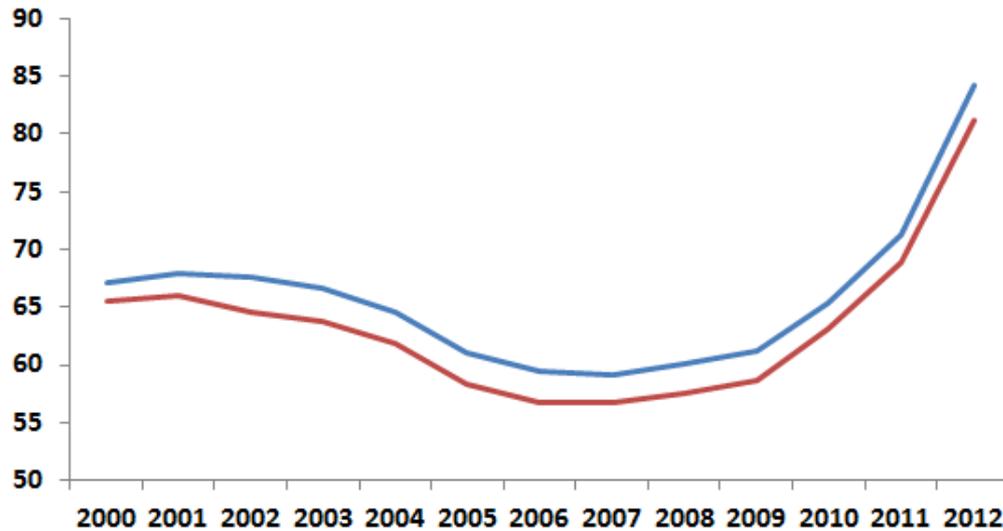


Source: Bureau of Labor Statistics and author calculations.



# A Leading sector

**Crude Oil Production in New Mexico and the Southeast Region  
(Millions of Barrels)**

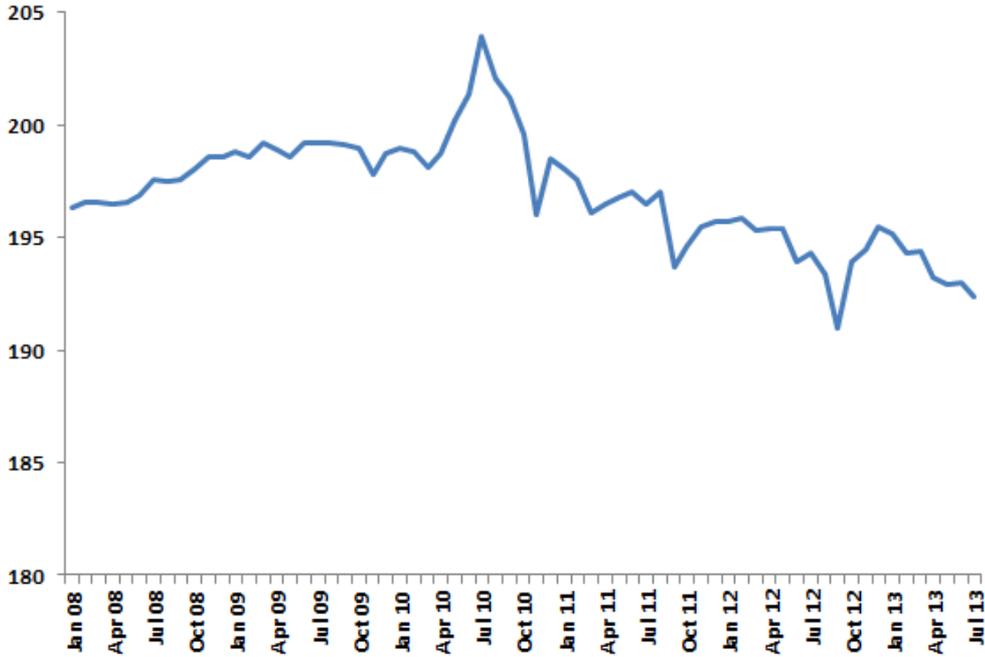


Source: Energy Information Administration, Crude Oil and Other Liquids, <http://www.eia.gov>, May 24, 2013 and New Mexico Energy and Minerals Department



# A Lagging sector

New Mexico Government Employment (Federal, State, and Local): 2008 to 2013  
(1,000s of Jobs)

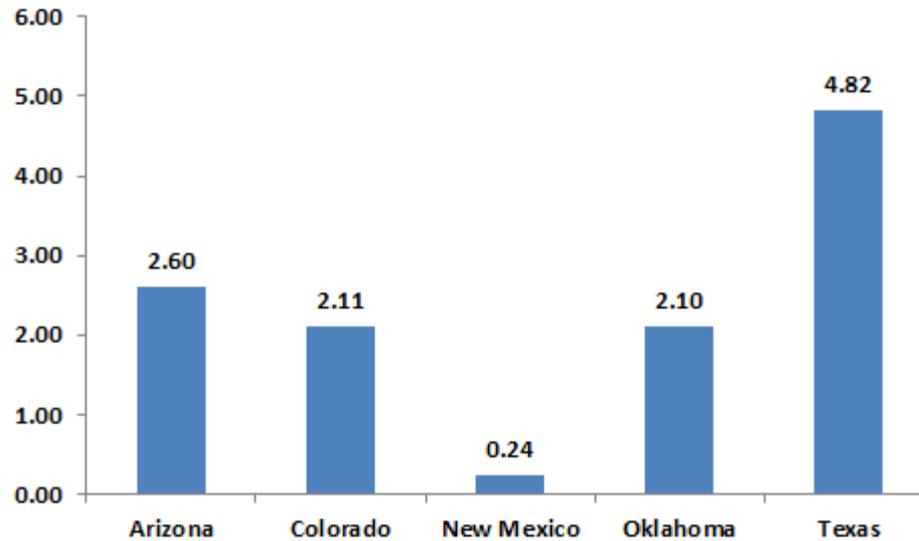


Source: Bureau of Labor Statistics.



# Where are we?

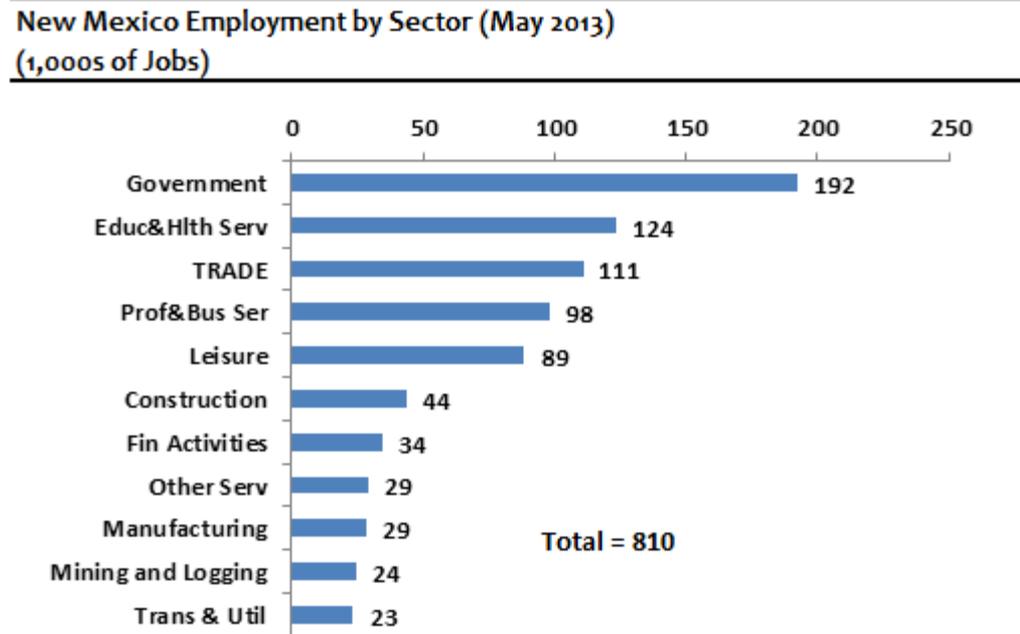
Percent Change in Real GDP 2011-2012: Selected States



Source: Bureau of Economic Analysis



# NM Employment by Sector



Source: Bureau of Labor Statistics



Thank you!  
Questions?

