



The New Mexico Economy

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New Mexico Jobs Council

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Jim Peach

Department of Economics and International Business

and Arrowhead Center

New Mexico State University

jpeach@nmsu.edu





Economic Development and Economic Growth?

These are not the same concepts

- What is economic growth?
 - Easily quantifiable (e.g. GDP grows by 3% per year)
 - Typically measured by changes in output, income, employment, and population
 - Growth possible without structural change
 - In other words, economic growth may be 'more of the same'

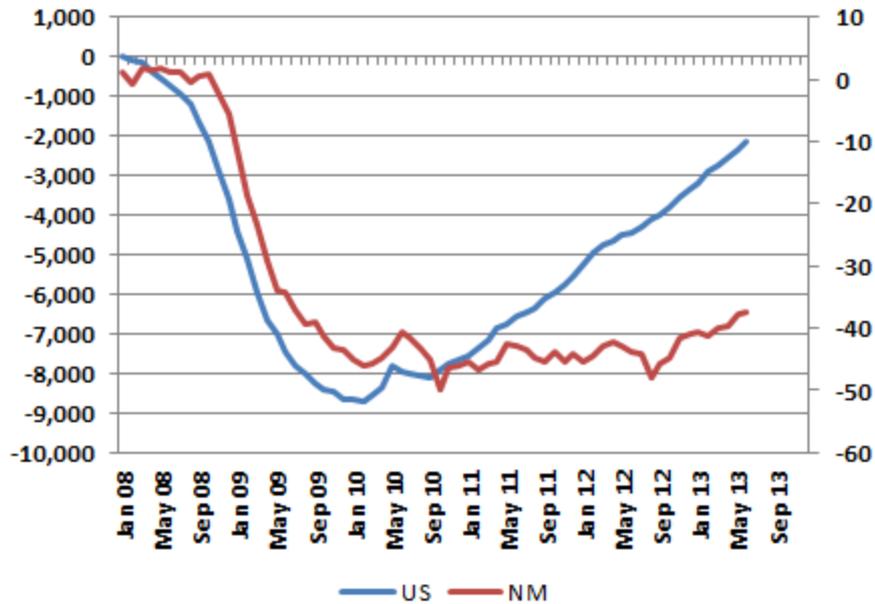


Economic Development and Economic Growth? These are not the same concepts

- What is economic development?
 - A long term process not a short term goal
 - Structural change essential
 - Not always welcome
 - “Economic development is the upward movement of an entire social system.”
 - Gunnar Myrdal, Nobel Laureate in economic development

Where are we?

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

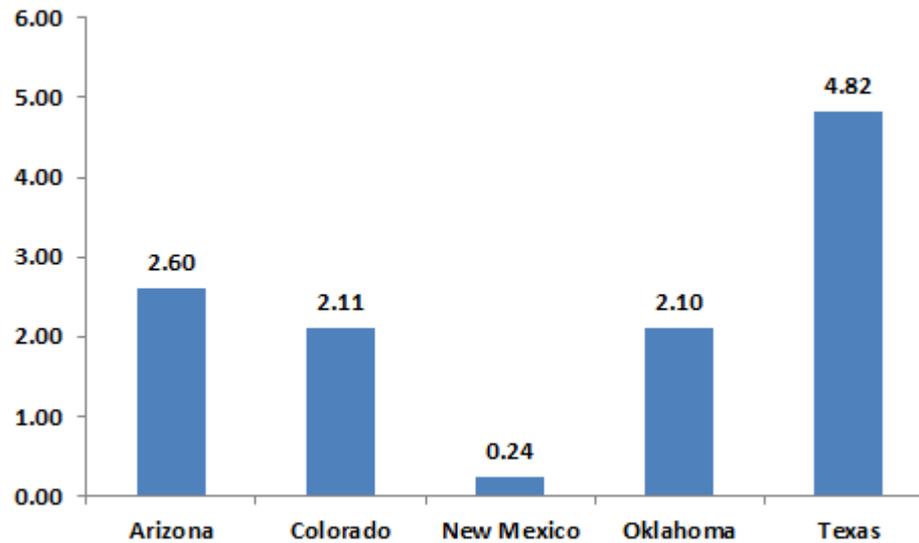


Source: Bureau of Labor Statistics, www.bls.gov



Where are we?

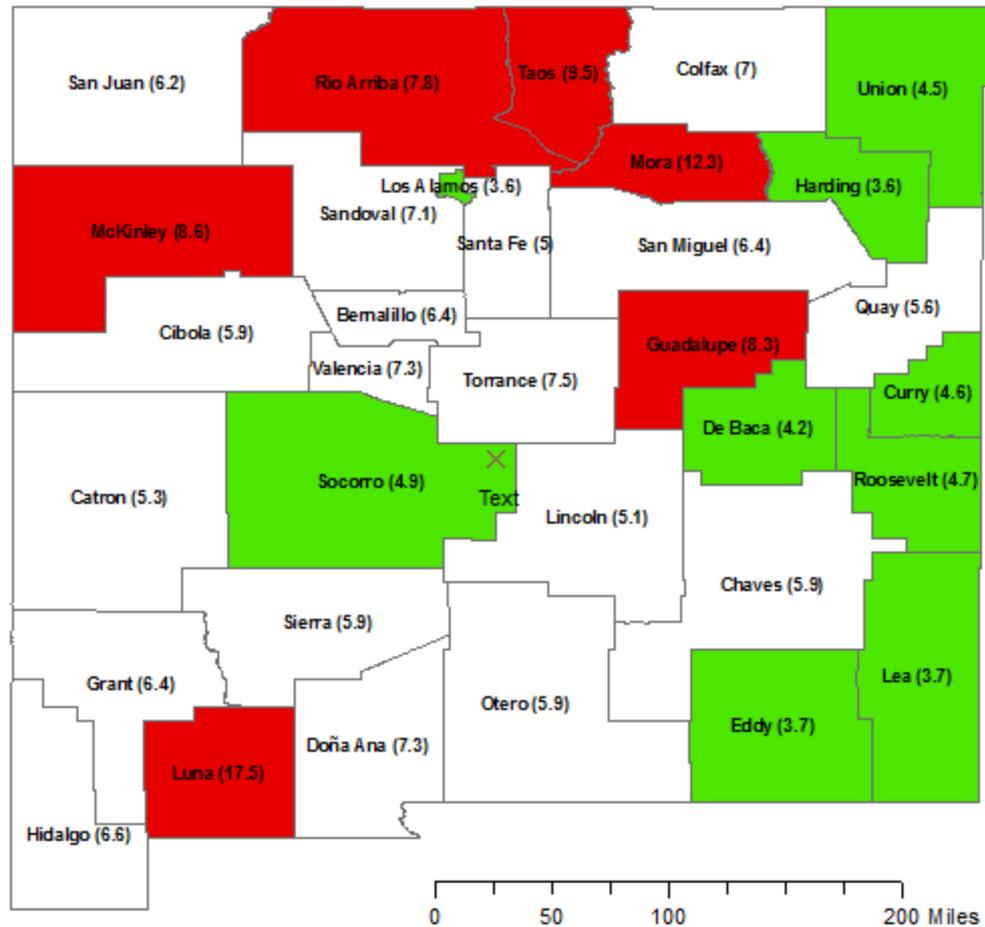
Percent Change in Real GDP 2011-2012: Selected States



Source: Bureau of Economic Analysis

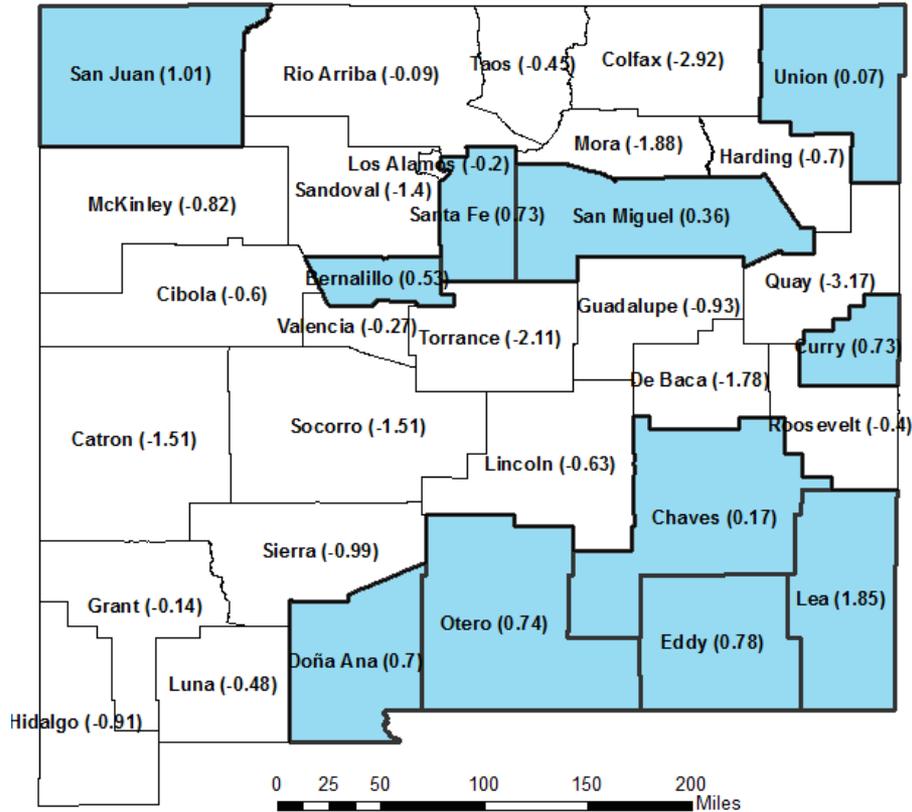


Unemployment Rate by County, May 2013

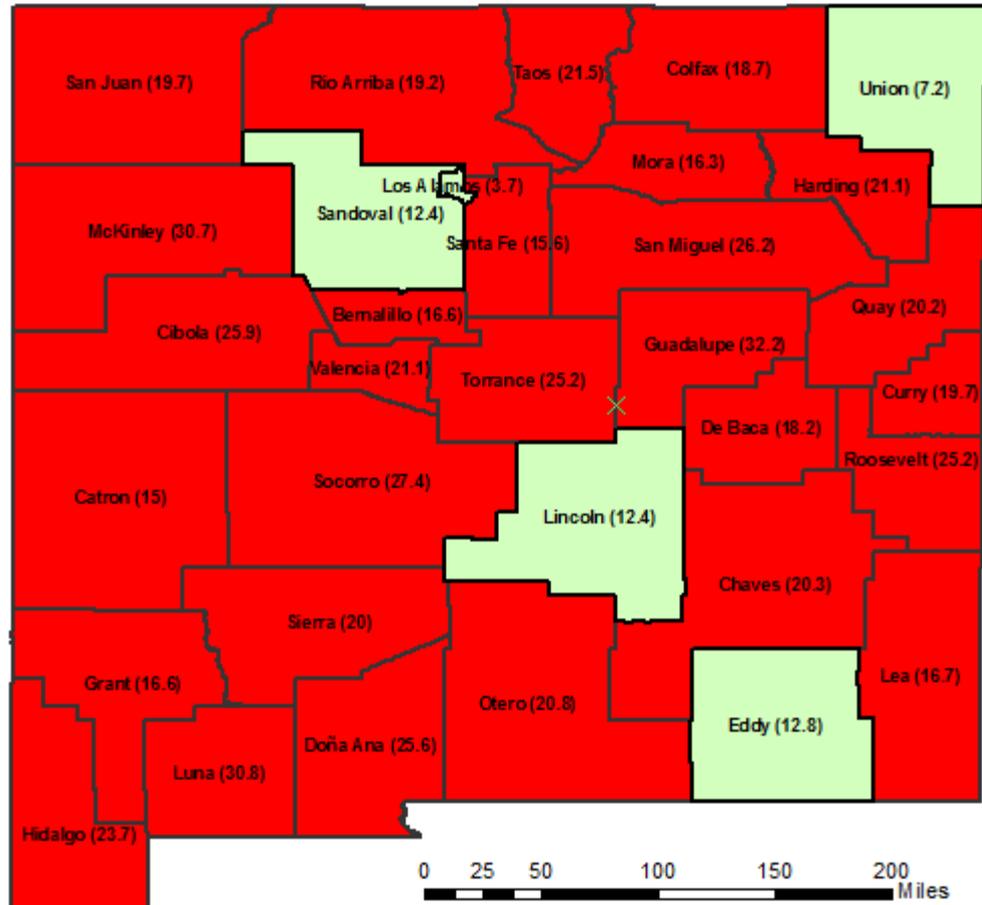


Source: Data from NM Department of Workforce Solutions,
Map by Arrowhead Center
Note: Data not seasonally Adjusted.

Population Change 2011 to 2012



New Mexico County Poverty Rates 2007-2011 (Percent)



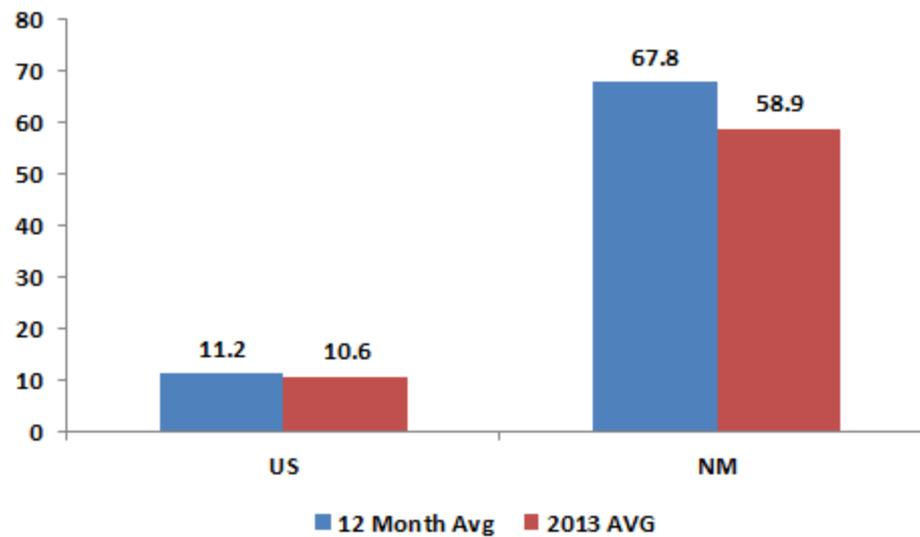
US Poverty rate = 14.3 percent

Legend



Where are we (2)?

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



Source: Bureau of Labor Statistics, www.bls.gov

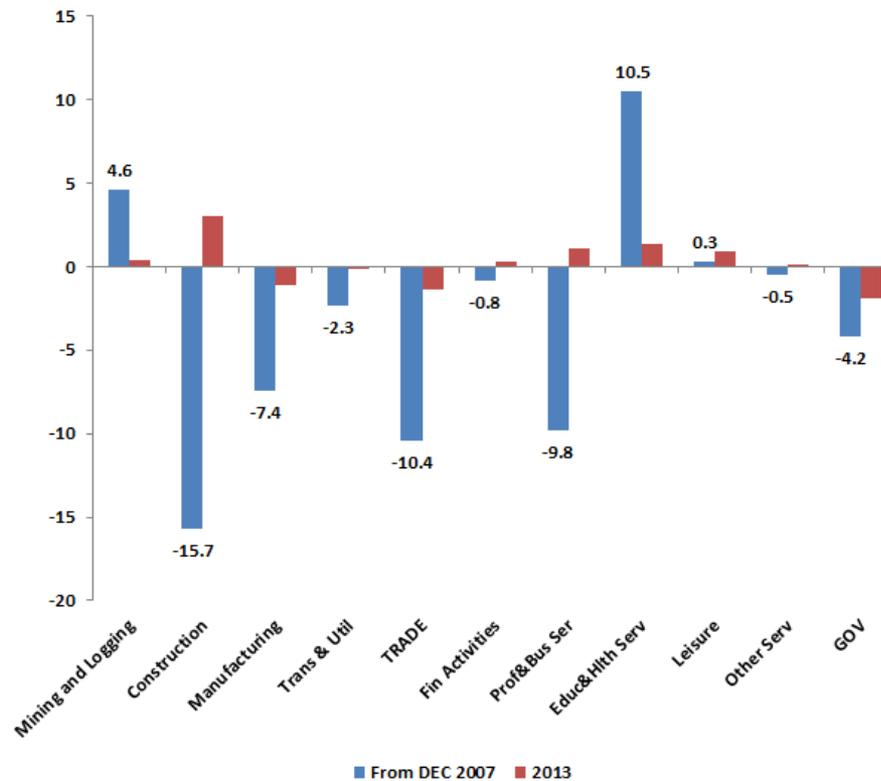


NM Employment by Sector

Change in employment by major sector in New Mexico

Blue = change since Dec 2007

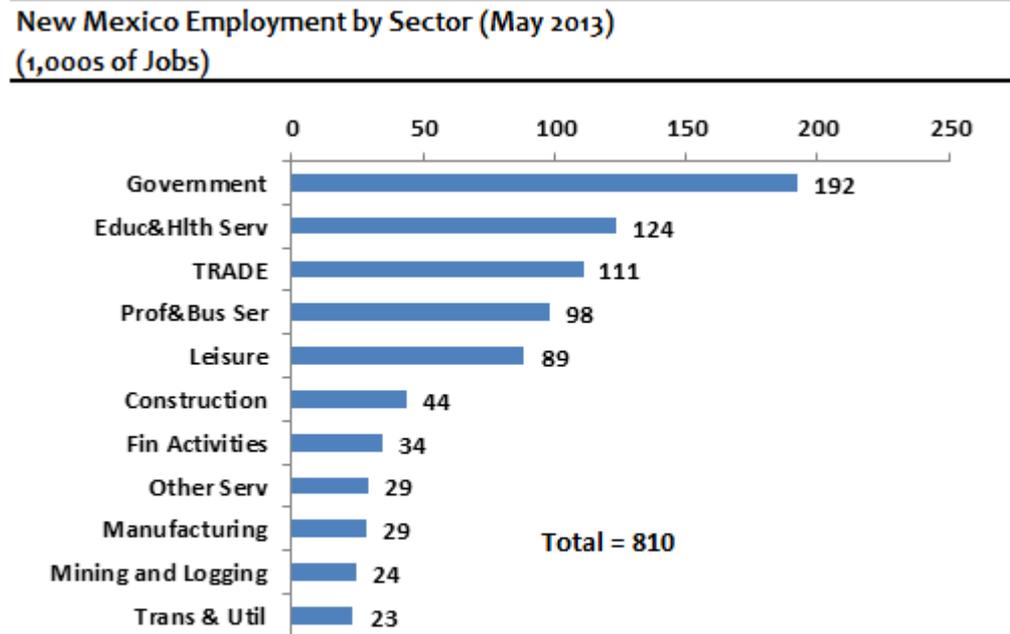
Red = Change in 2013 (January to May)



Source: Bureau of Labor Statistics and author calculations.



NM Employment by Sector

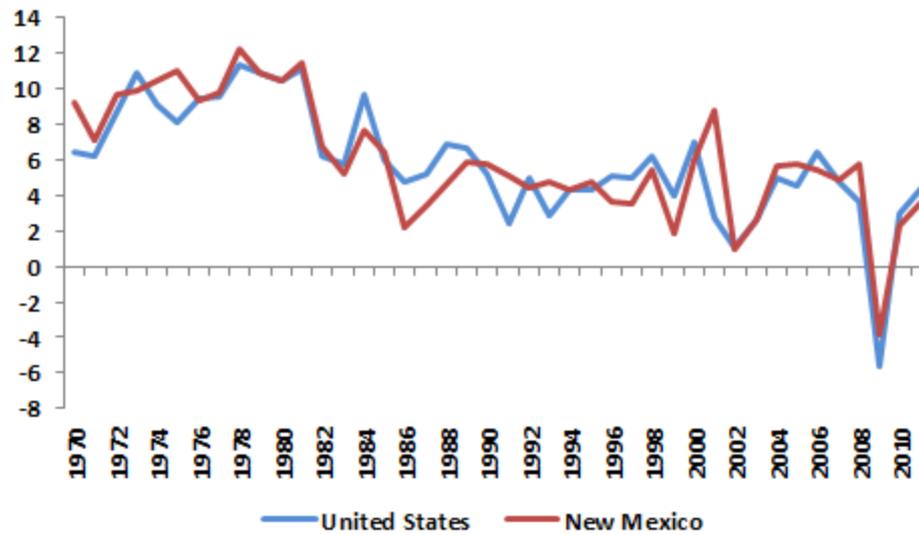


Source: Bureau of Labor Statistics



NM and the Nation (1)

Percent Change in Per Capita Income: 1970 to 2011

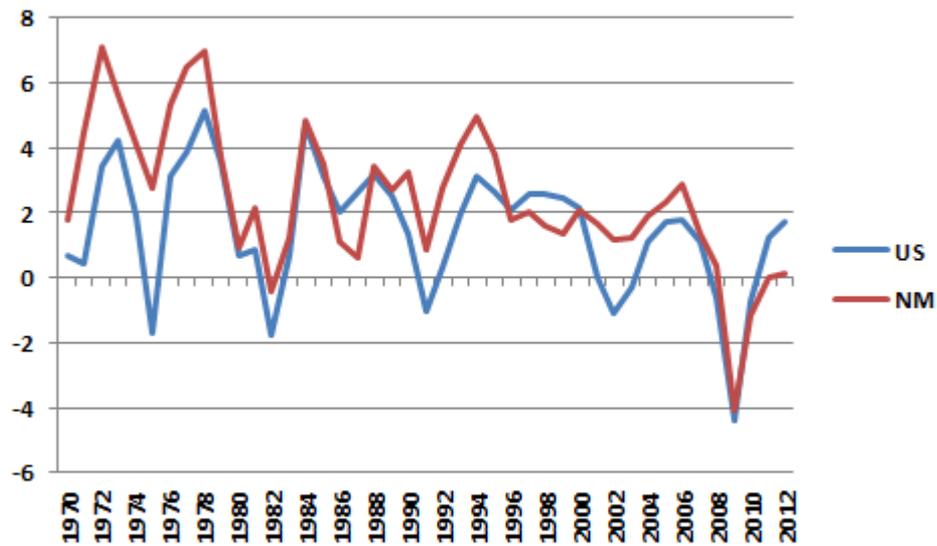


Source: Author calculations from US Bureau of Economic Analysis data



NM and the Nation (2)

Percent change in Non-farm Payroll Employment: 1970 to 2012
(1,000s of Jobs)

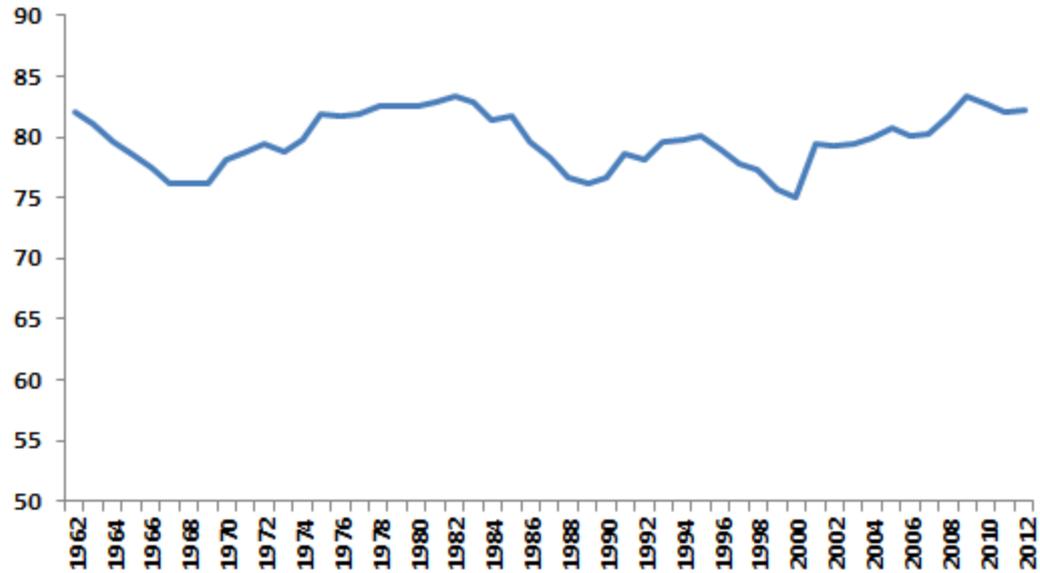


Source: Bureau of Labor Statistics, www.bls.gov



NM and the Nation (3)

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

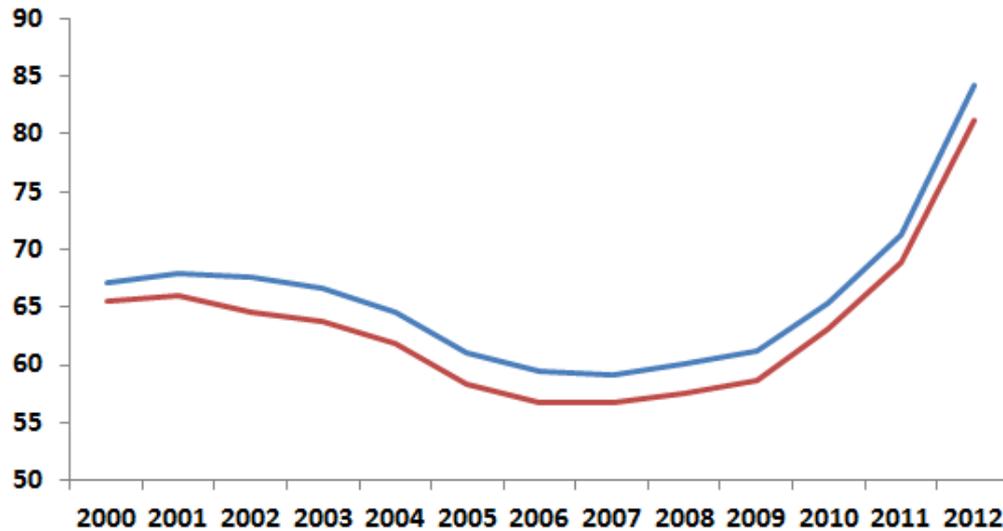


Source: Bureau of Economic Analysis, www.bea.gov and author calculations.



A Leading sector

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

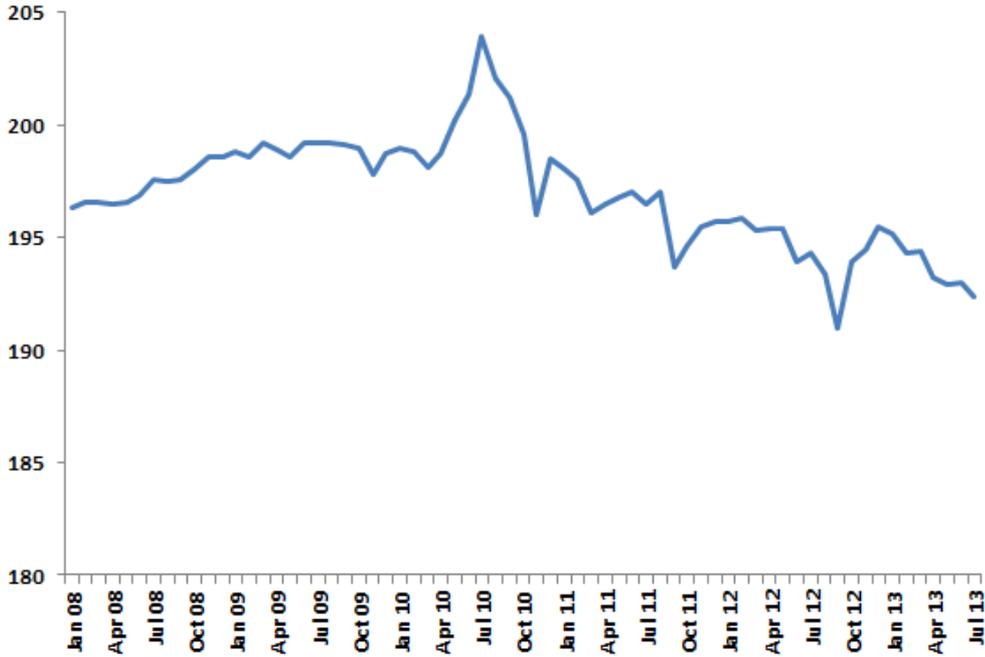


Source: Energy Information Administration, Crude Oil and Other Liquids, <http://www.eia.gov>, May 24, 2013
and New Mexico Energy and Minerals Department



A Lagging sector

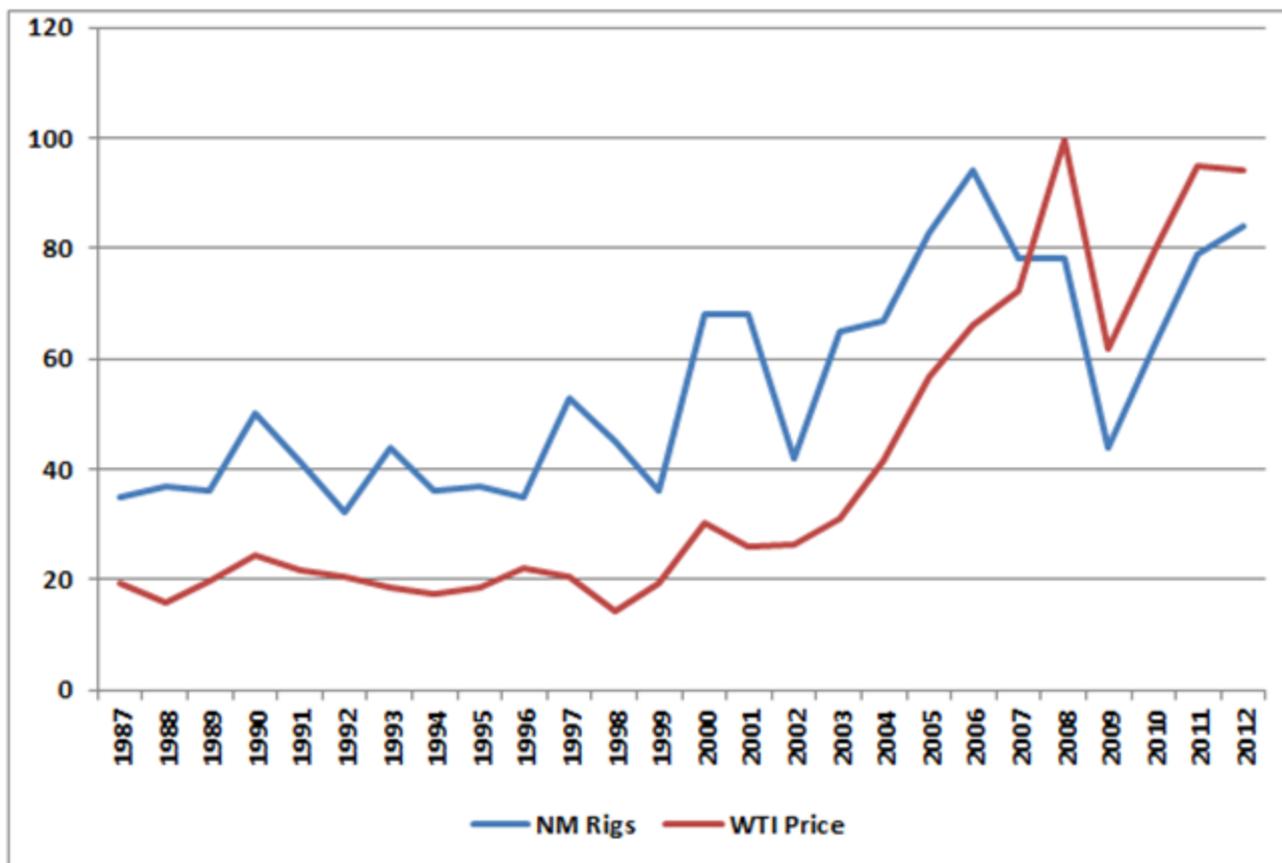
New Mexico Government Employment (Federal, State, and Local): 2008 to 2013
(1,000s of Jobs)



Source: Bureau of Labor Statistics.



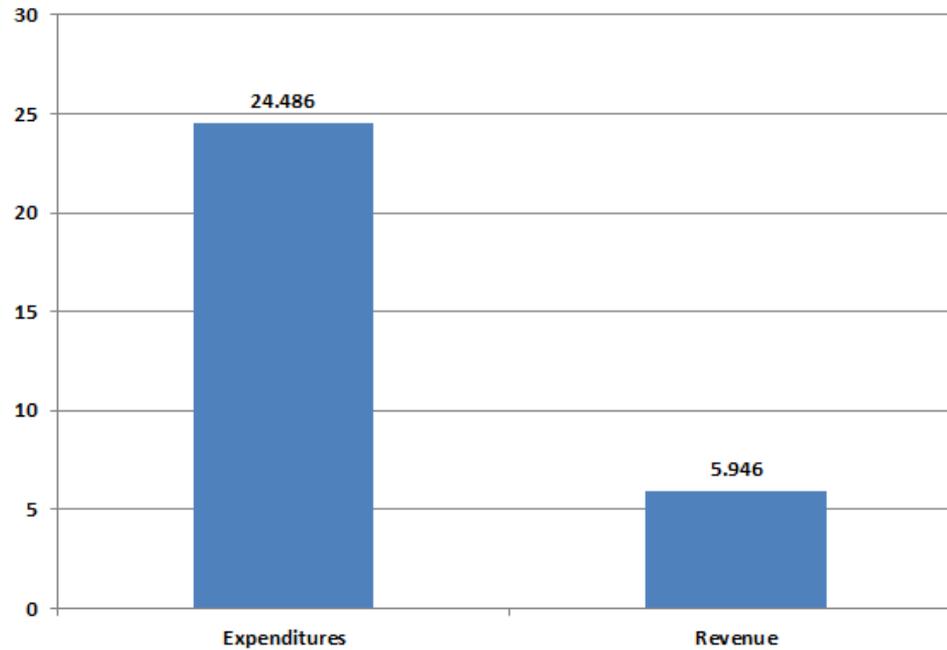
Rig Counts in NM and WTI Prices 1987 to 2012
WTI in \$ per barrel Rig Counts = Active Units



Source: Energy Information Administration STEO Feb 7, 2013 and Baker Hughes

Estimates of Federal Government expenditures and revenues NM 2011

Billions of Dollars



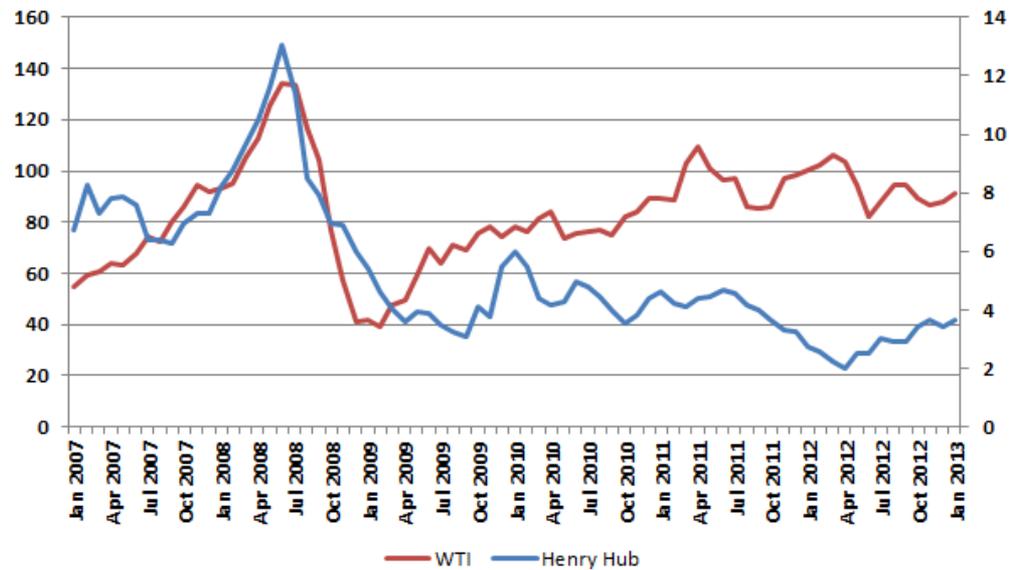
Sources: USA Spending.Gov and IRS, Statistical Data Book
Expenditures are underestimated and exclude several items



Oil and Gas Prices

Oil and Gas Prices

WTI in \$ per barrel Henry Hub = \$ per mcf

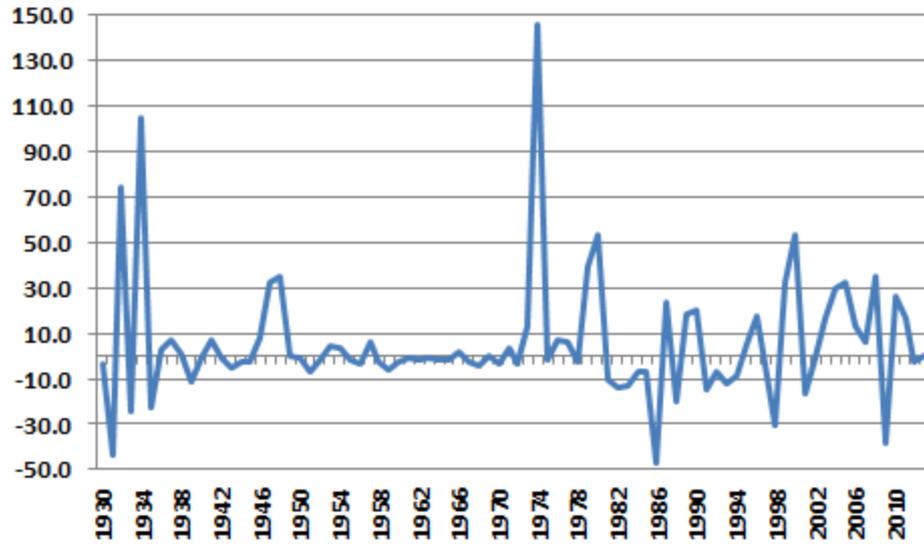


Source: Energy Information Administration STEO Feb 7, 2013



Oil Price Volatility

Annual Percent Change in Real WTI prices



Reasons for optimism . . .



Combined career Record 284 wins



267 complete games



Thank you!
Questions?

