



Forecasting Florida: What's Ahead for Our State and National Economies



Jacksonville, FL
September 9th, 2016



The Rules of the Game Matter

- They change the way the players play the game.
- They can change the outcome of the game itself.
- Freeze tag





The Rules of the Game Matter

- *Federal Regulation and Aggregate Economic Growth*

by John W. Dawson and John J. Seater

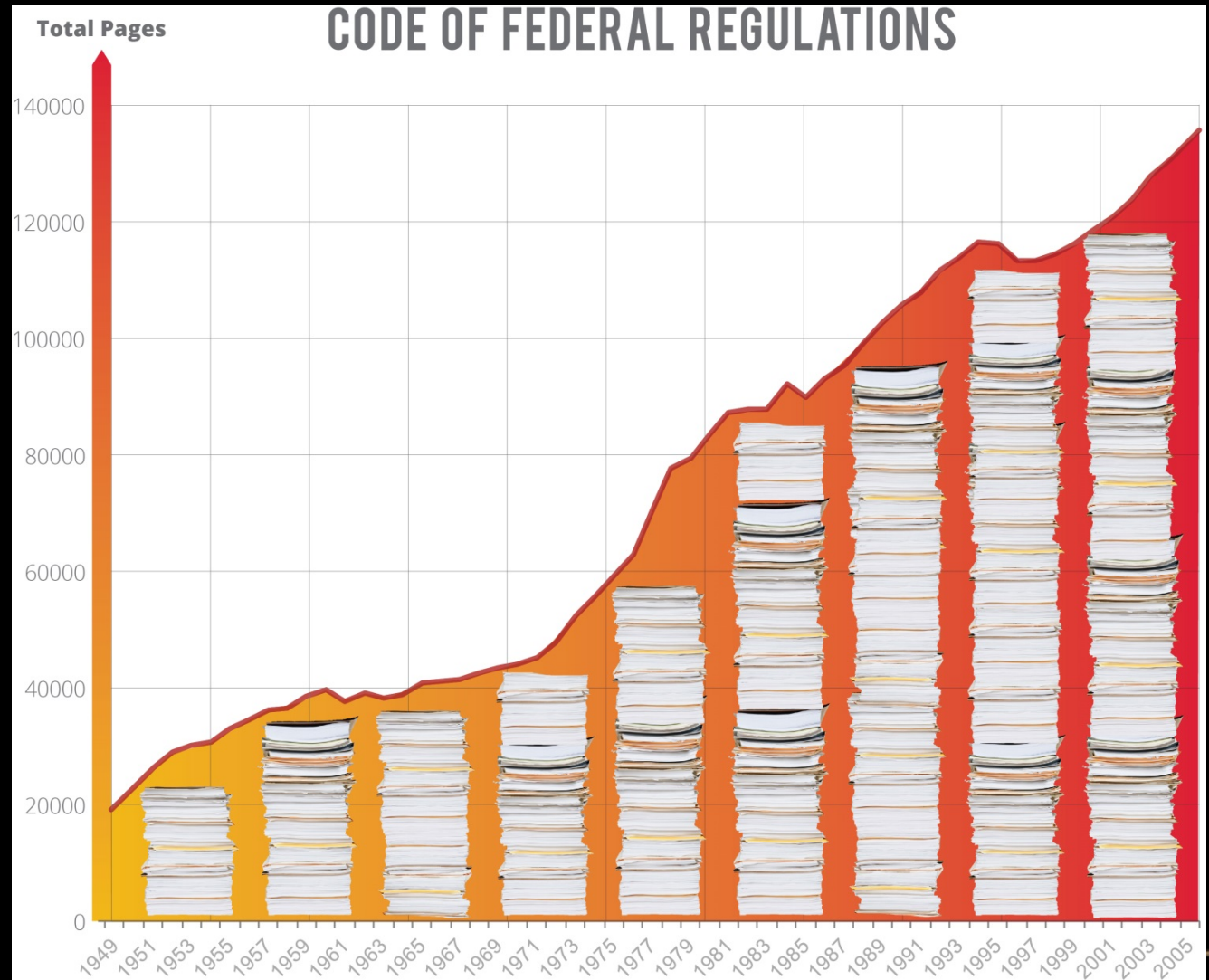
- Journal of Economic Growth
(2013) 18:137-177

Examined Economic Growth and
Productivity 1949-2005





The Rules of the Game Matter



SOURCE: Federal Regulation and Aggregate Economic Growth, by John W. Dawson and John J. Seater



The Rules of the Game Matter

- Results:
- Regulations have reduced real GDP growth an average of 2% per year.
- Real GDP in 2005 would have been \$53.9 trillion instead of the \$15.1 trillion





The Rules of the Game Matter



- 2015 CFR 178,277
- Dodd-Frank law 2,300 pages
 - 23,000+ pages of rules so far
 - Another 13,000 on the way
- Affordable Care Act

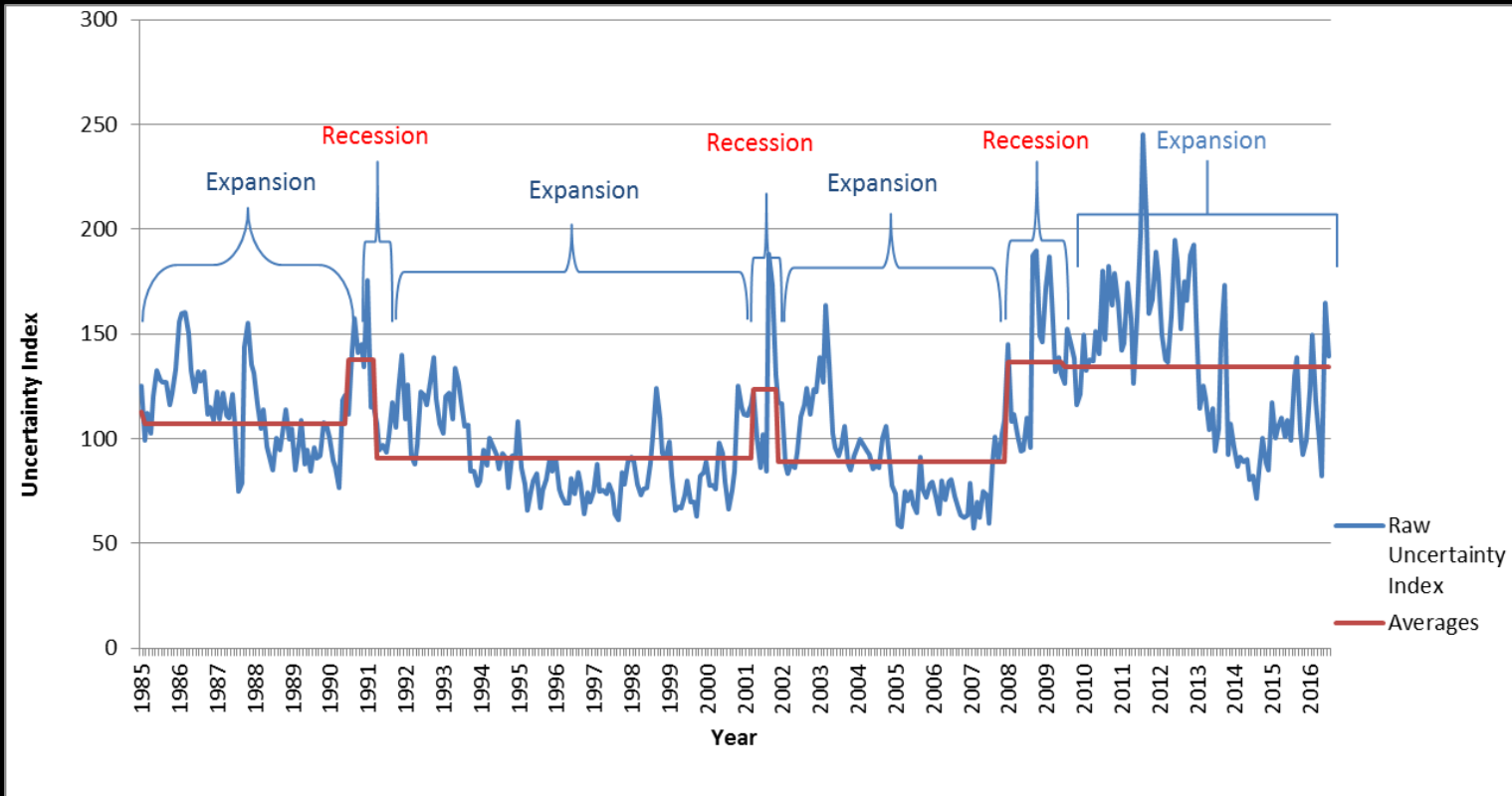


The Rules of the Game Matter

- Dan Gallagher, Commissioner of the SEC:
- "And really, to me, Bob, the burden isn't necessarily as much as the regulations that came from Dodd-Frank. Some of them are just ***completely nonsensical***. I mean, nothing to do with the financial crisis, aren't really germane to the function of the SEC and that's what happens when you get a ***runaway piece of legislation***."

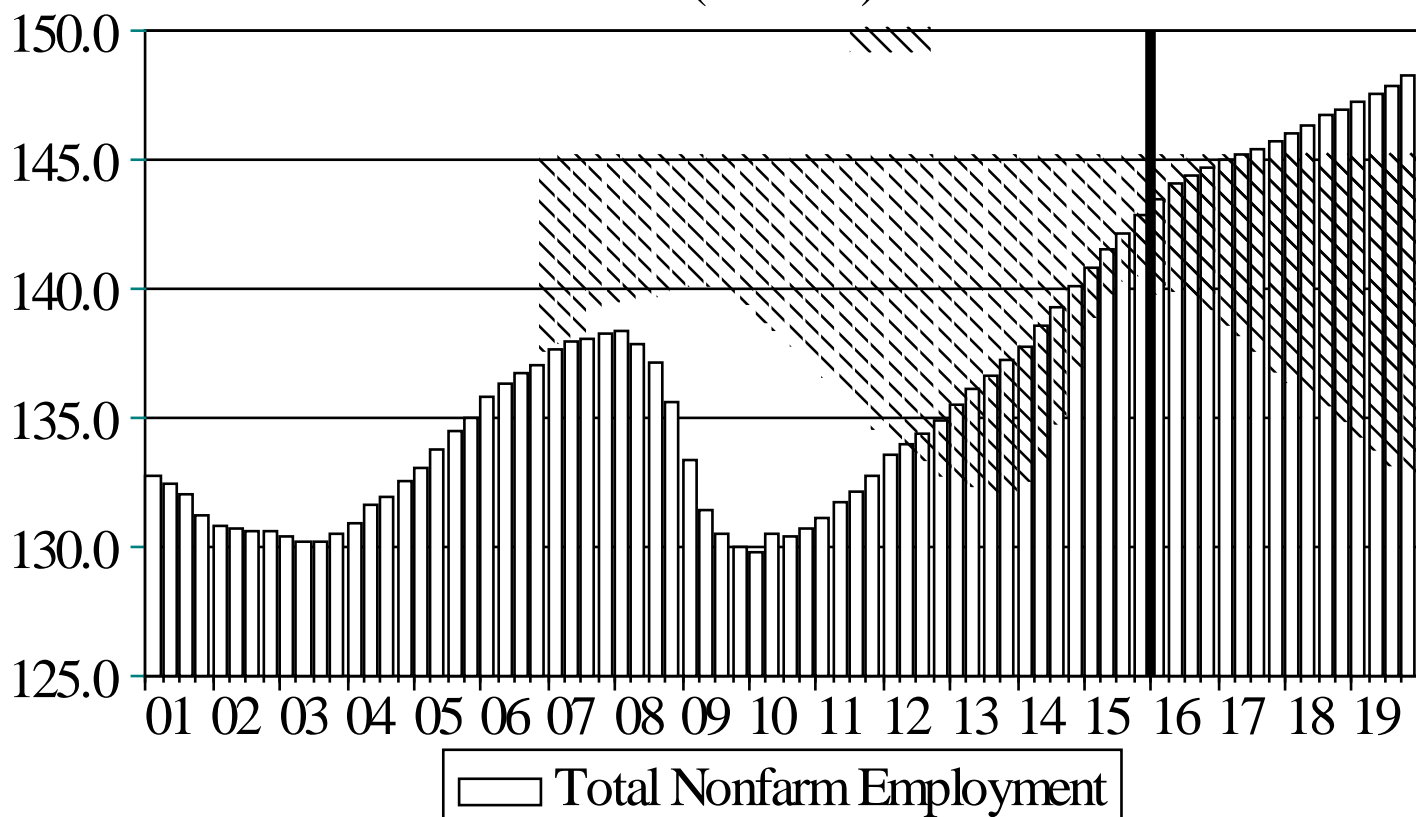


Policy Uncertainty Persists





Total Nonfarm Payroll Employment (Millions)



U.S. Forecast



	2016 Q1	2016 Q2	2015	2016	2017	2018	2019
GDP							
% Change, Annual Rate	0.8	1.1	2.6	1.5	2.2	2.2	2.1
Consumer Price Index							
% Change, Annual Rate	-0.3	2.5	0.1	1.2	2.3	2.2	2.4
Consumer Sentiment	91.6	92.4	92.9	89.8	88.3	87.6	85.0
Consumption							
% Change, Annual Rate	1.8	4.4	3.2	2.7	2.4	2.2	2.5



Florida Housing Market

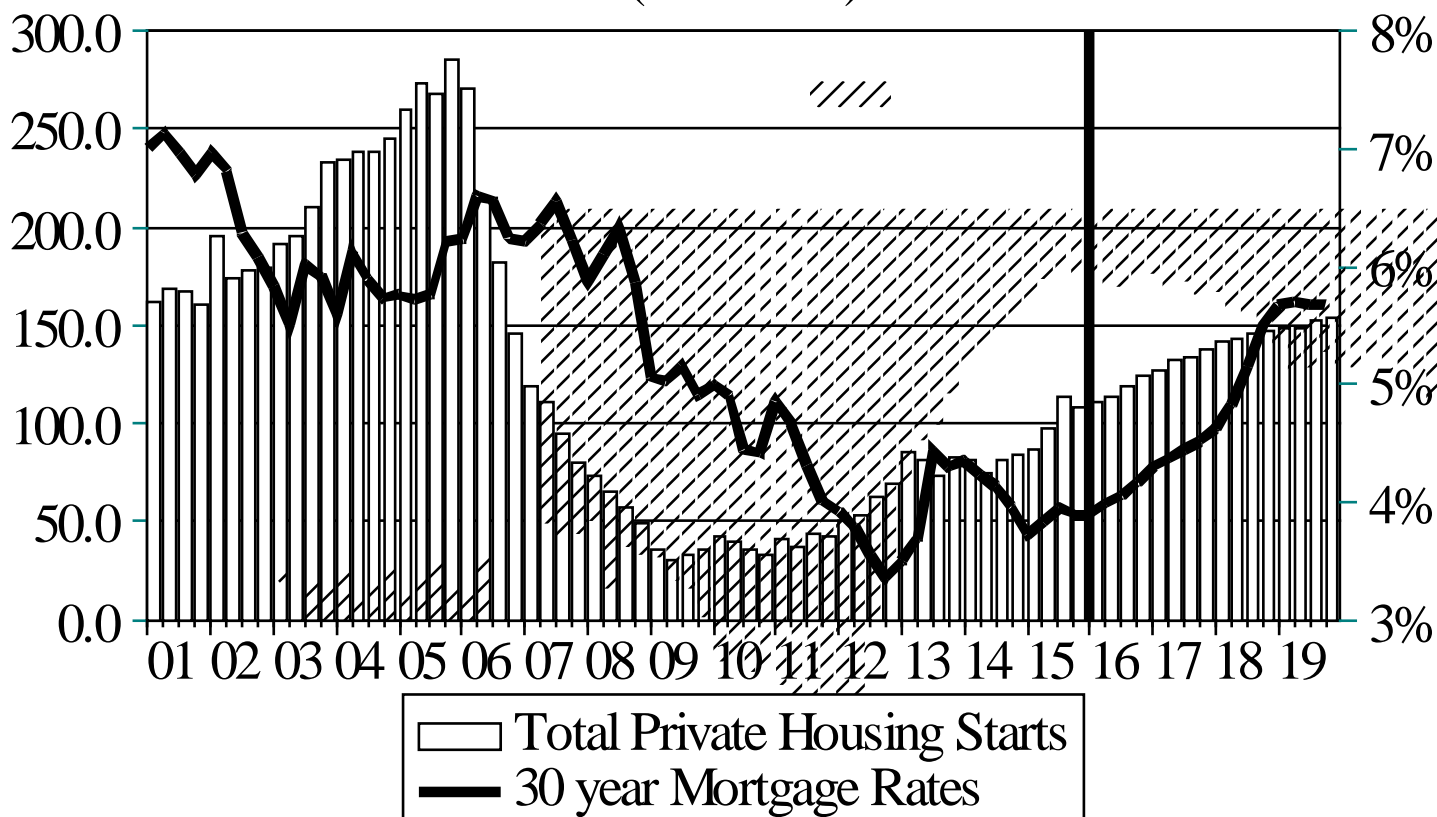
- Housing market recovery continues
- Double-digit price appreciation
 - Investors chasing ever shrinking pool of distressed properties
- Housing finance still an issue
 - New construction a bigger one



Florida Forecast



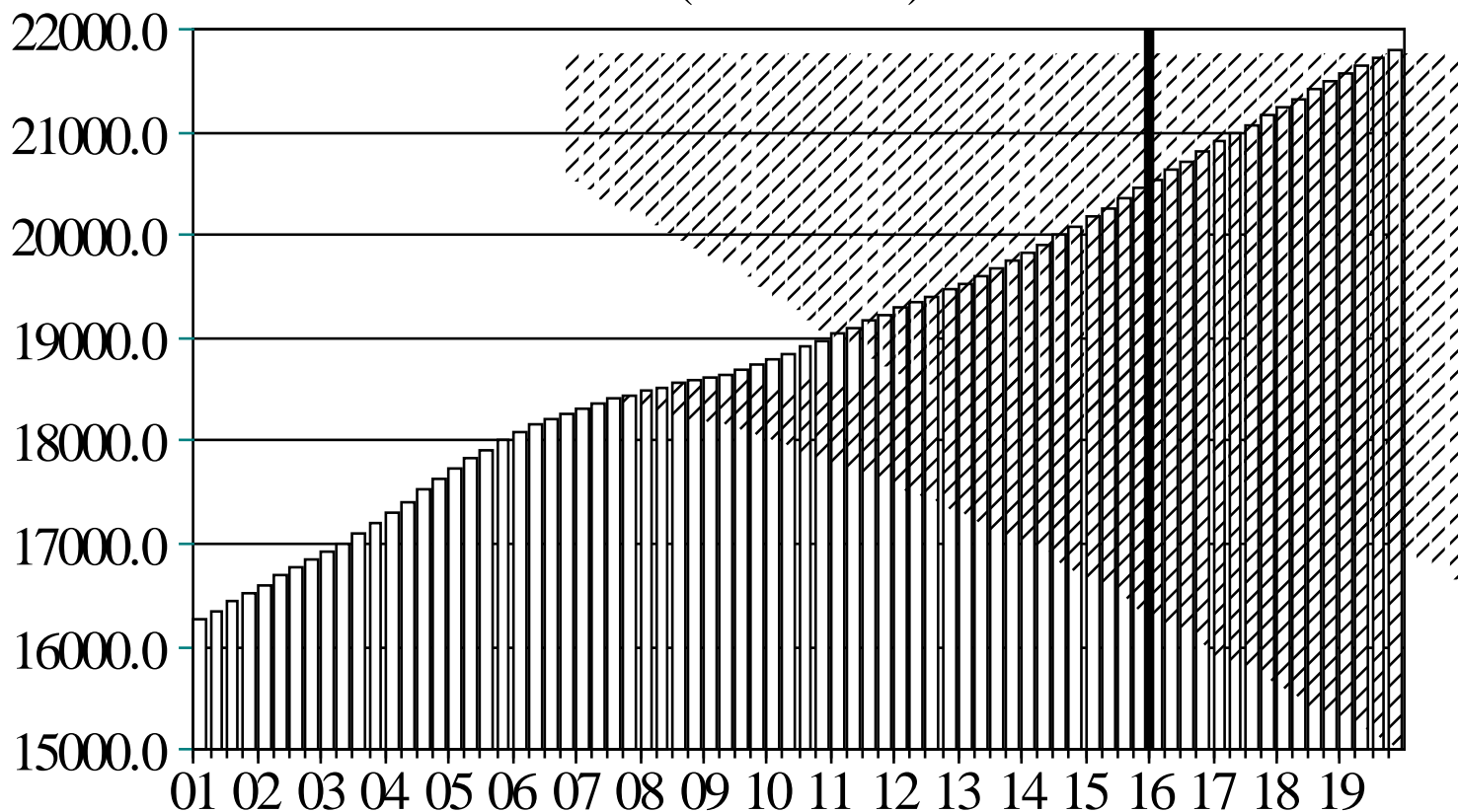
Florida Housing Starts (thousands)



Florida Forecast



Florida Population (Thousands)

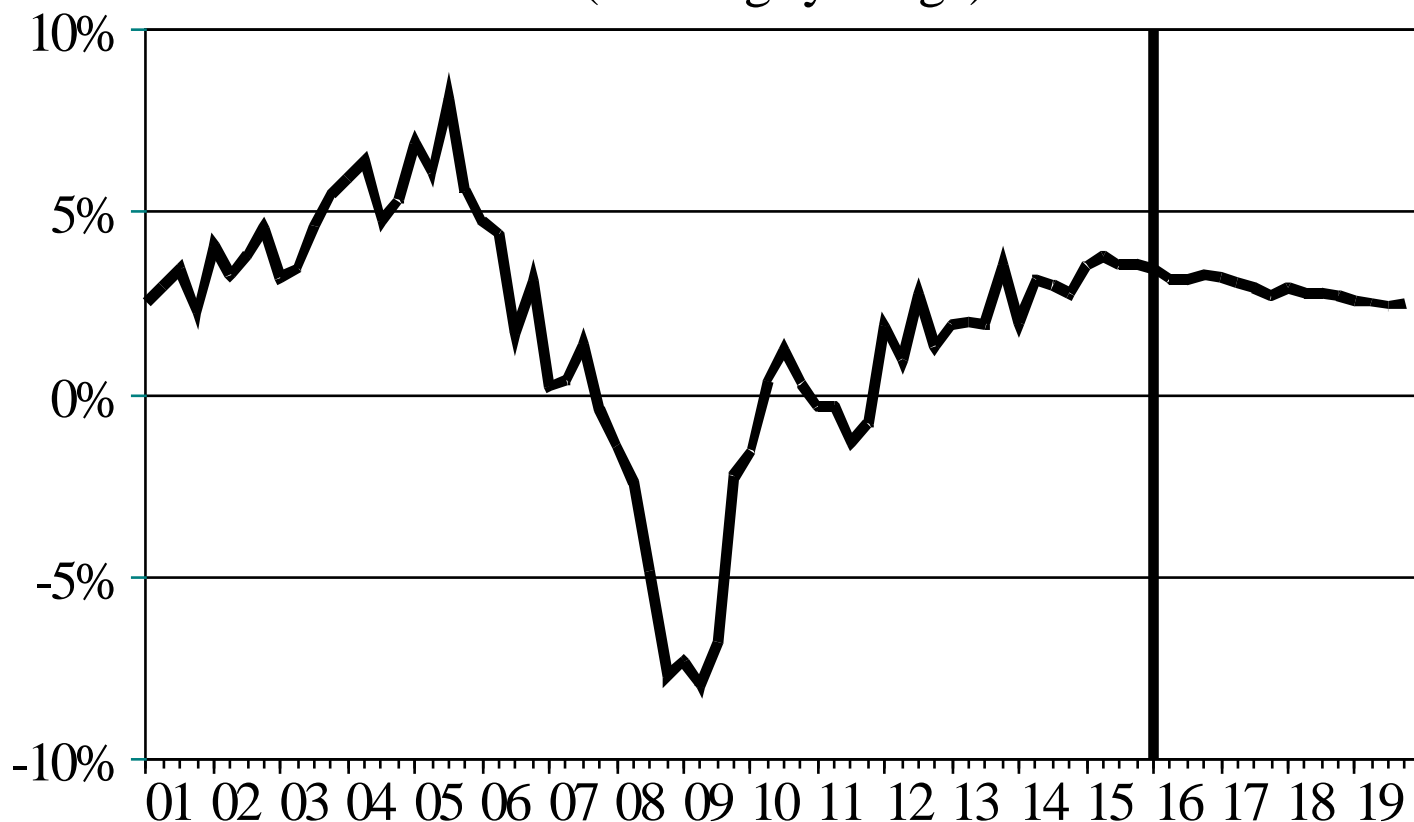


Florida Forecast



Florida Real Gross State Product

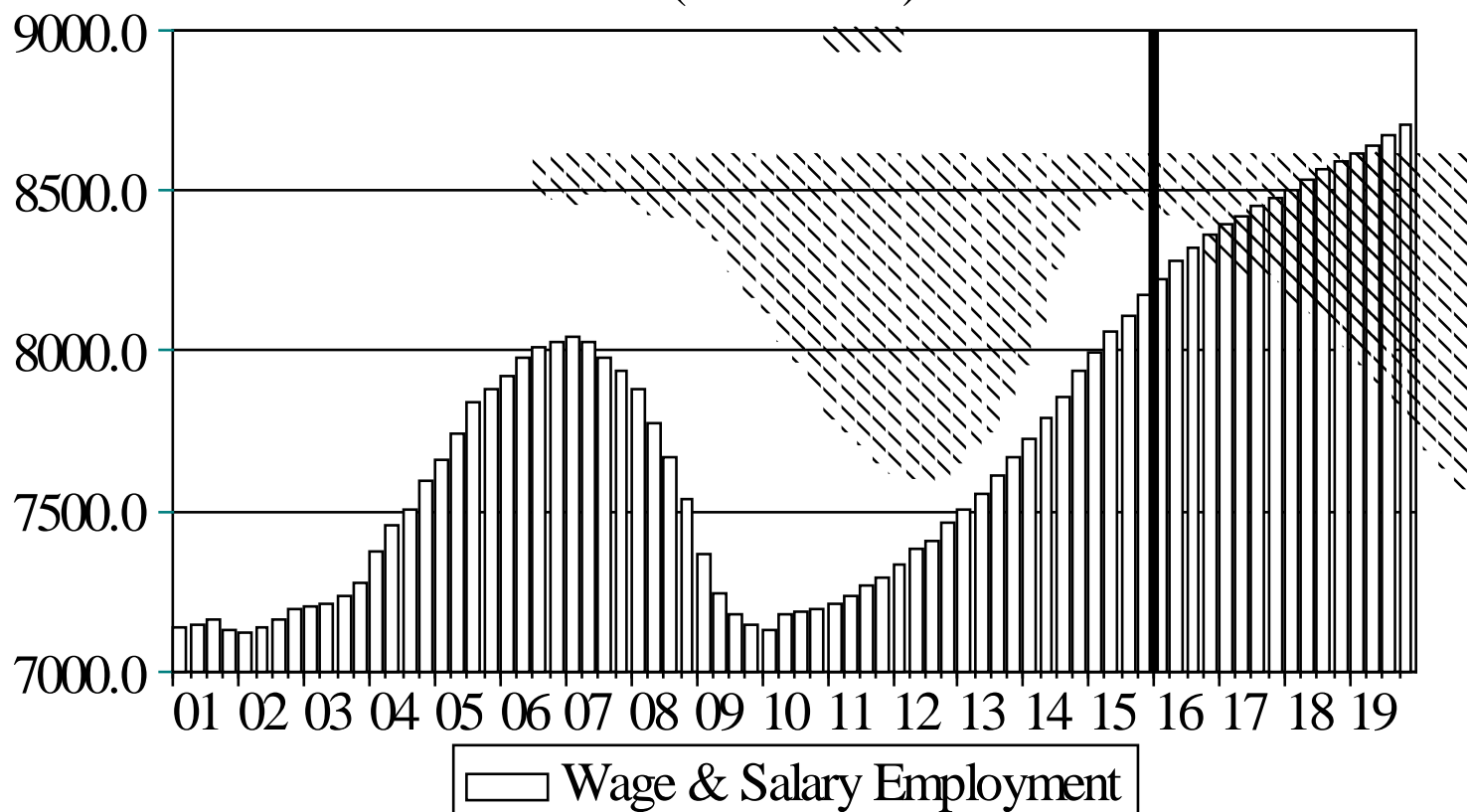
(% change year ago)



Florida Forecast



Florida Employment (Thousands)





2016-2019 Averages; Q2 2016 Forecast



Florida

Sector	% Average Annual Growth
Professional & Business Services	6.3
Construction	4.1
Trade, Transportation & Utilities	2.3
Education-Health Services	1.8
Leisure & Hospitality	1.6
State & Local Government	1.2
Manufacturing	0.9
Financial	0.7
Information	0.2
Federal Government	-0.6



2016-2019 Averages; Q2 2016 Forecast



Region	Population Growth	
	Average % Chg	Rank
Florida	1.5	---
Deltona	1.7	3
Gainesville	1.0	11
Jacksonville	1.6	5
Lakeland	1.6	4
Miami	1.2	10
Naples	2.6	1
Ocala	1.5	7
Orlando	2.2	2
Palm Bay	1.4	8
Pensacola	0.9	12
Tallahassee	1.3	9
Tampa	1.6	6



2016-2019 Averages; Q2 2016 Forecast



Region	Employment Growth	
	Average % Chg	Rank
Florida	2.1	---
Deltona	1.8	6
Gainesville	1.2	11
Jacksonville	2.1	4
Lakeland	1.5	9
Miami	1.7	7
Naples	2.3	2
Ocala	2.0	5
Orlando	2.8	1
Palm Bay	1.6	8
Pensacola	1.0	12
Tallahassee	1.3	10
Tampa	2.1	3



Quarterly Forecast Publications Available

Florida & Metro Forecast



U.S. Forecast



Download for free at:

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Institute for Economic Competitiveness



Thank you

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