

Trends in the Michigan Economy:

Presentation to the
Michigan Climate Action Committee

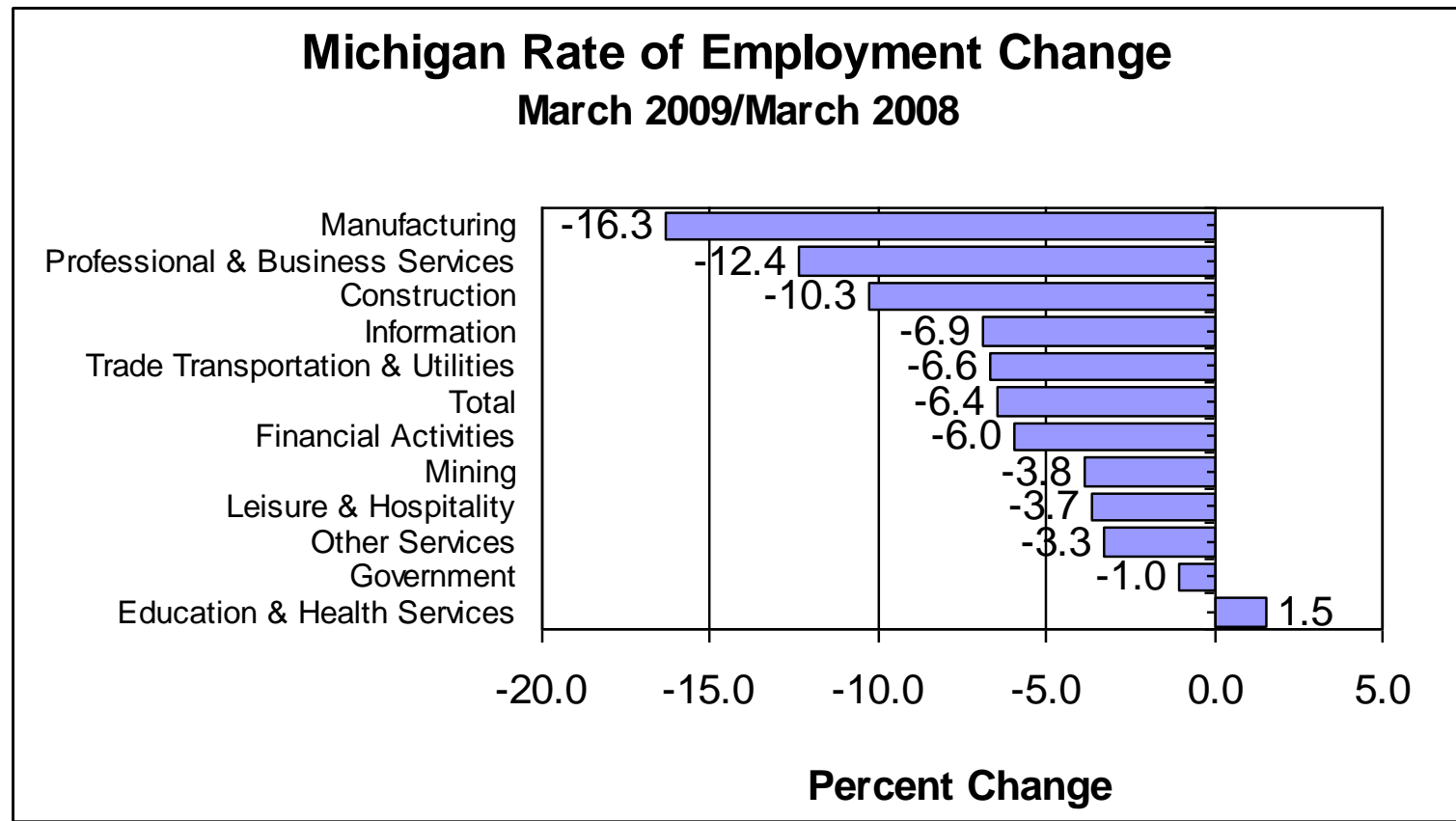
Steven R. Miller

October 30, 2009



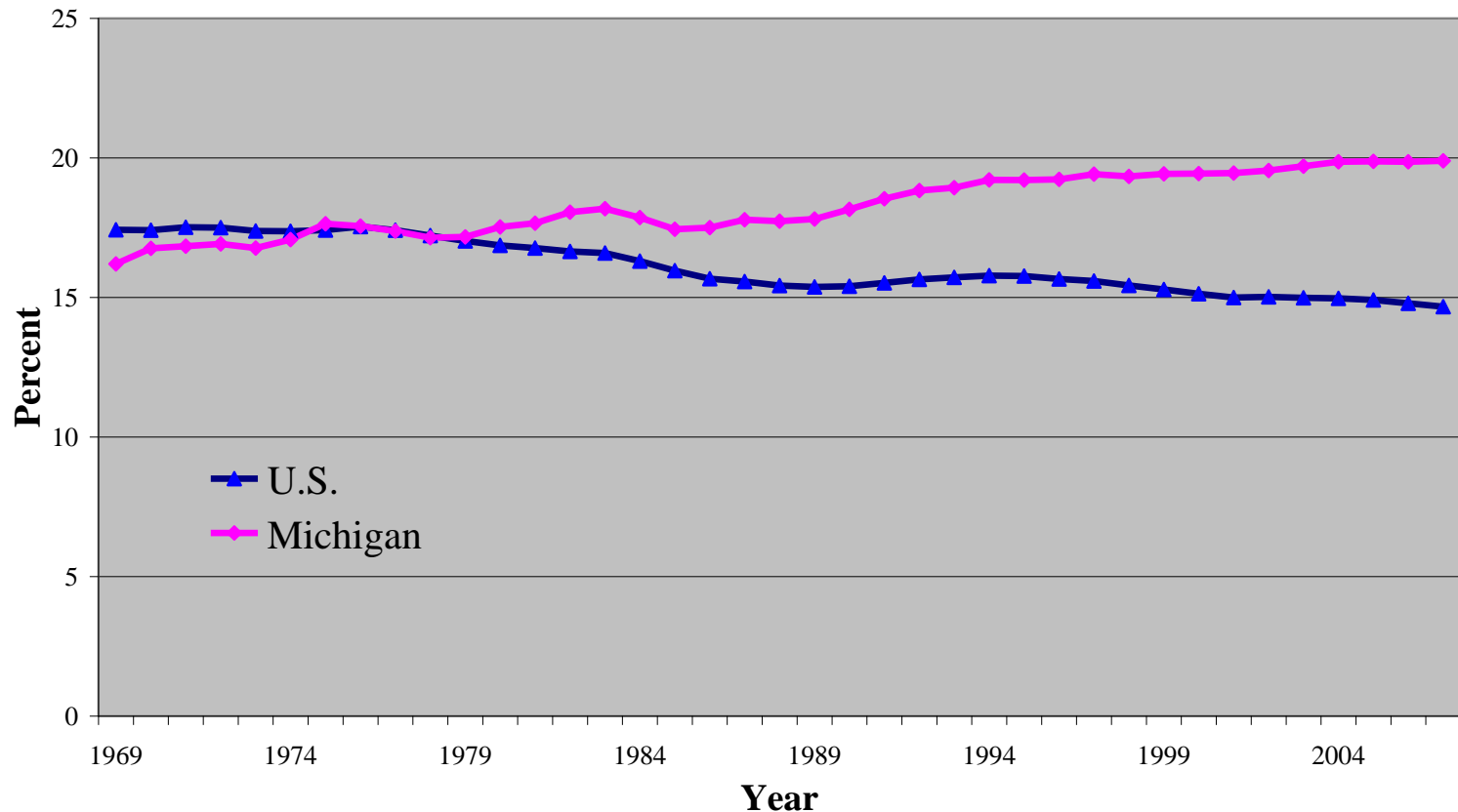
MICHIGAN STATE
UNIVERSITY

Michigan Employment Growth by Industry March 2008 to March 2009



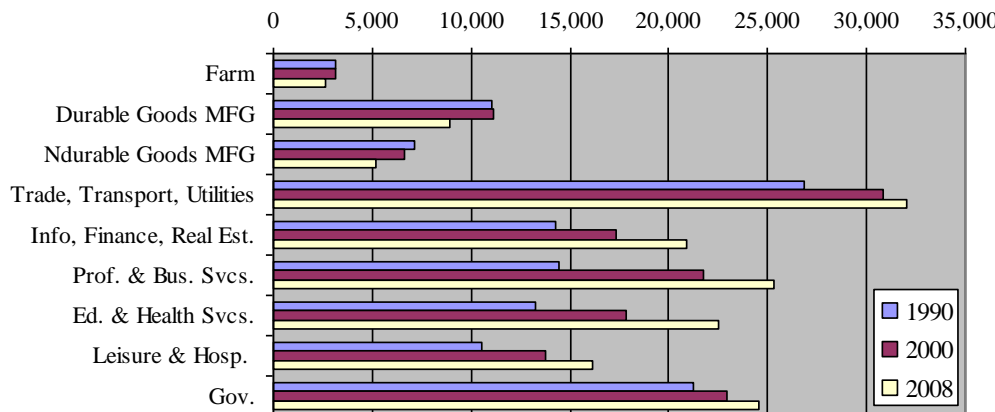
Michigan Employment is Deepening in Rural Counties

Percent of State and Federal Non-Ag Employment in Non-Metropolitan Counties

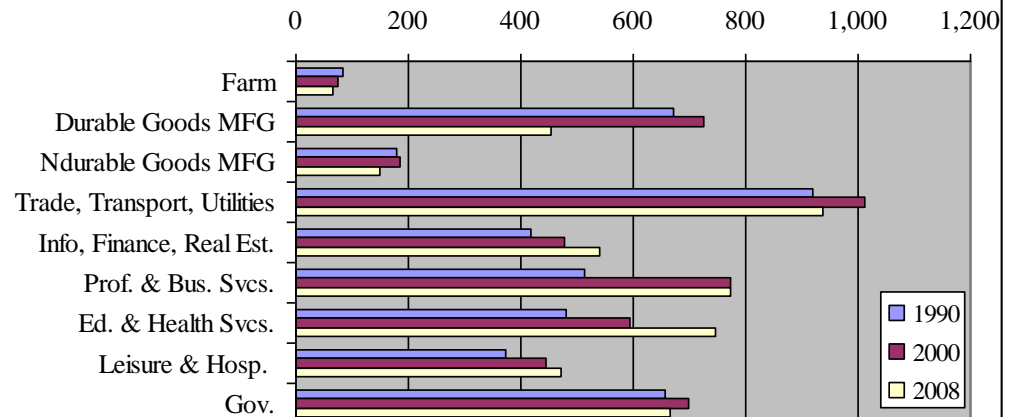


Michigan's Employment Distribution Hardly Resembles the Nation

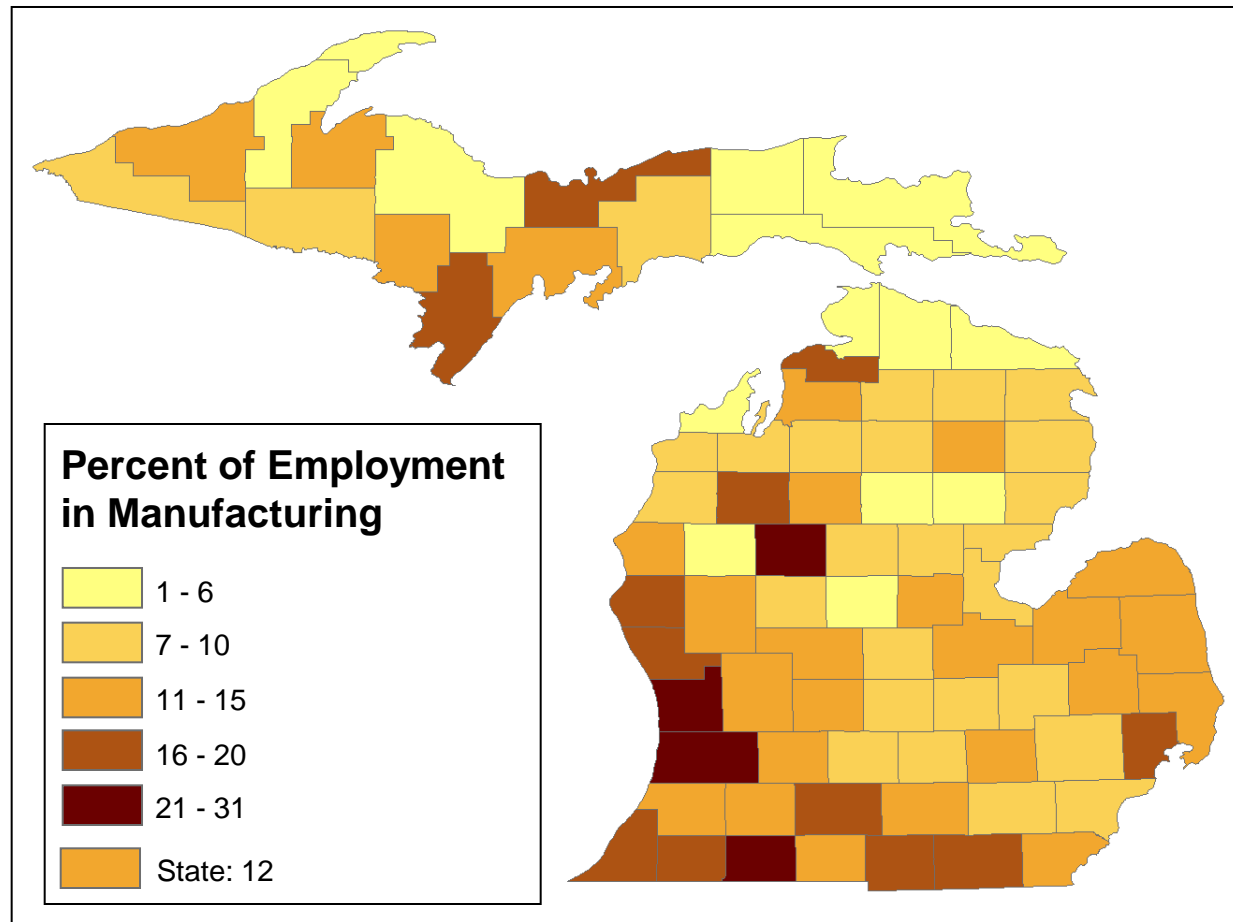
**Employment in Selected Sectors in U.S:
1990, 2000, 2008**



**Employment in Selected Sectors in Michigan:
1990, 2000, 2008**

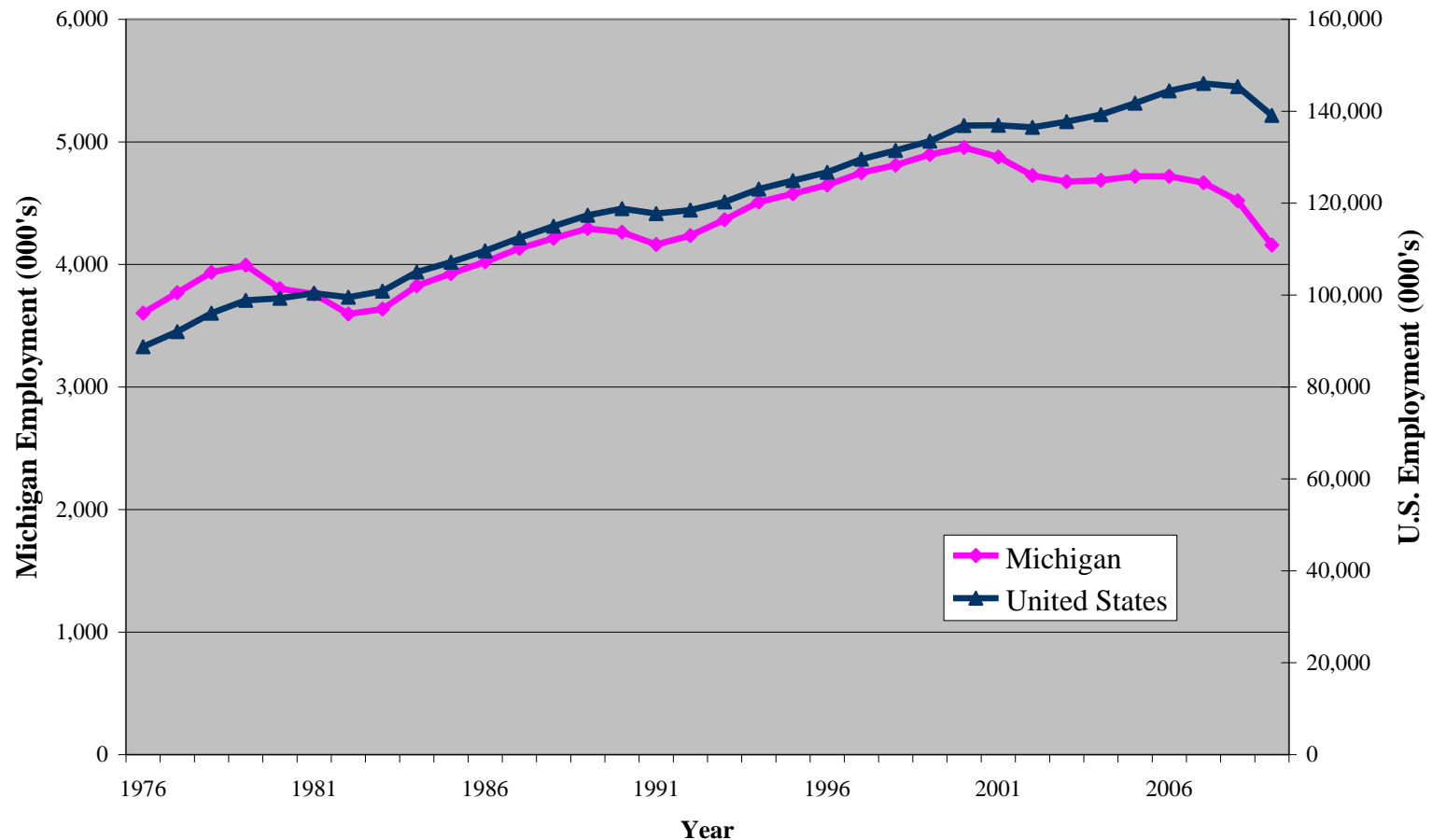


Percent of Total Employment Engaged in Manufacturing, 2008



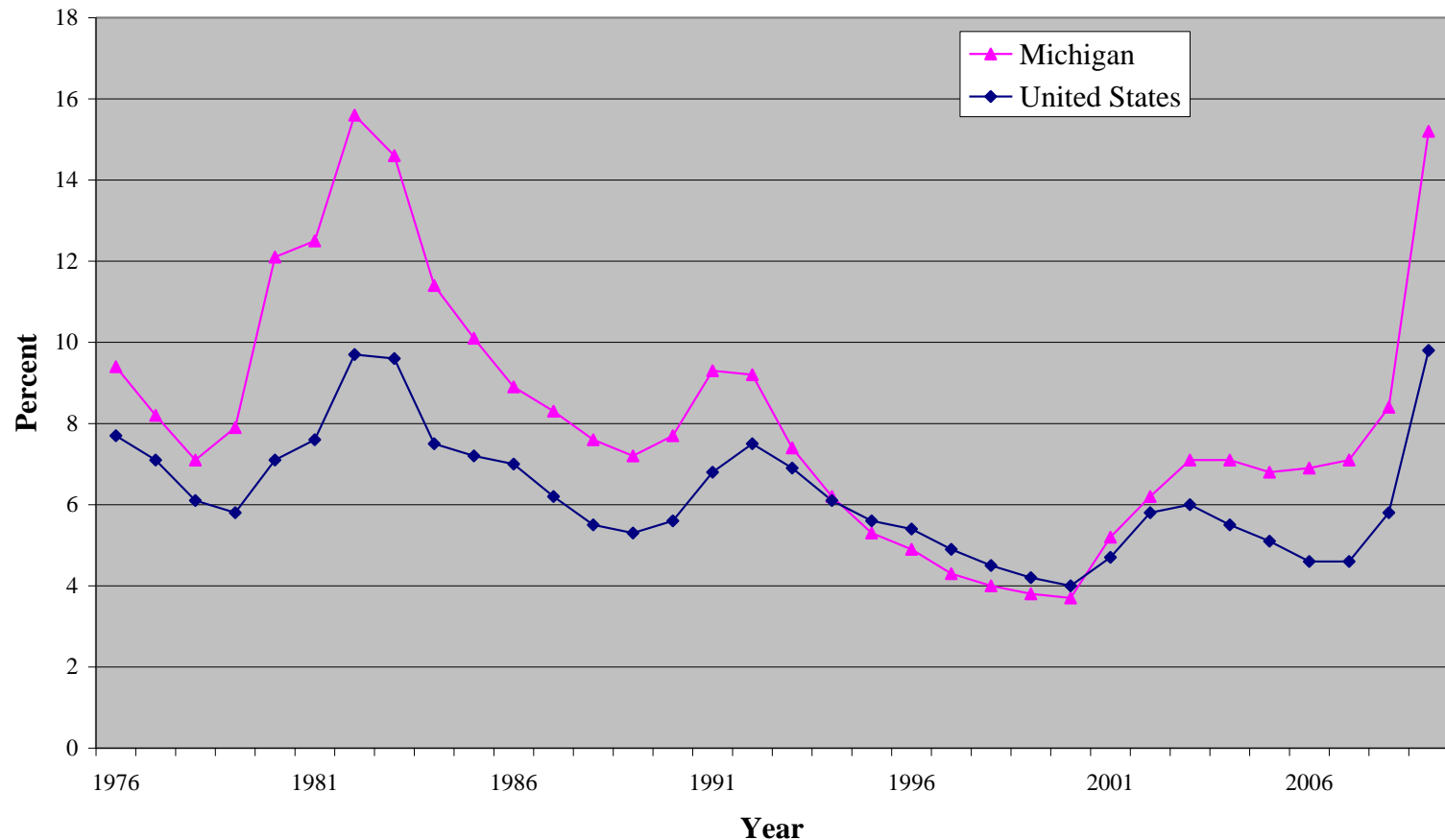
We are Not Likely to See Michigan's Employment Reach the 5 Million Mark in the Foreseeable Future

U.S. and Michigan Employment Trends, 1976-2009

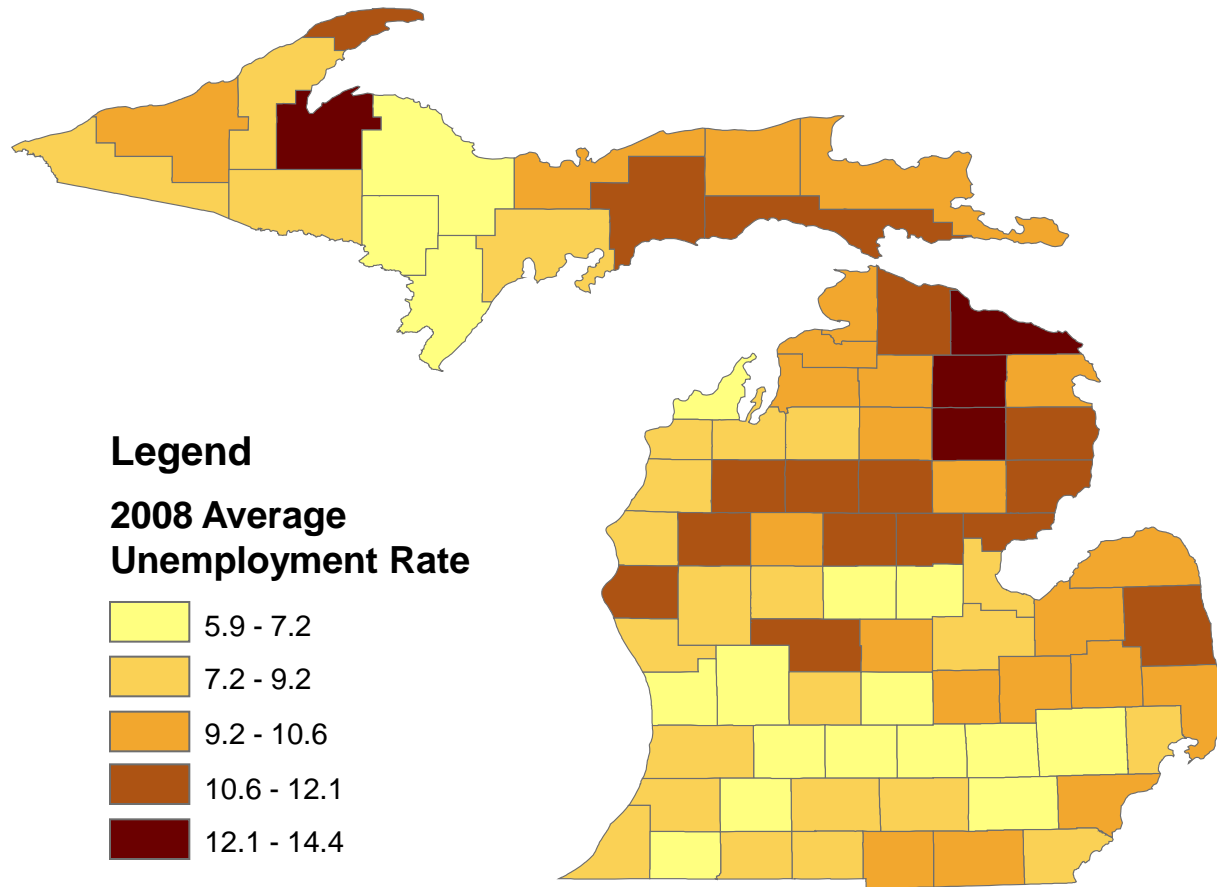


Michigan's Never Experienced a Recovery from the 2001 Recession

**Unemployment Rates in Michigan
and the United States, 1976-2008**

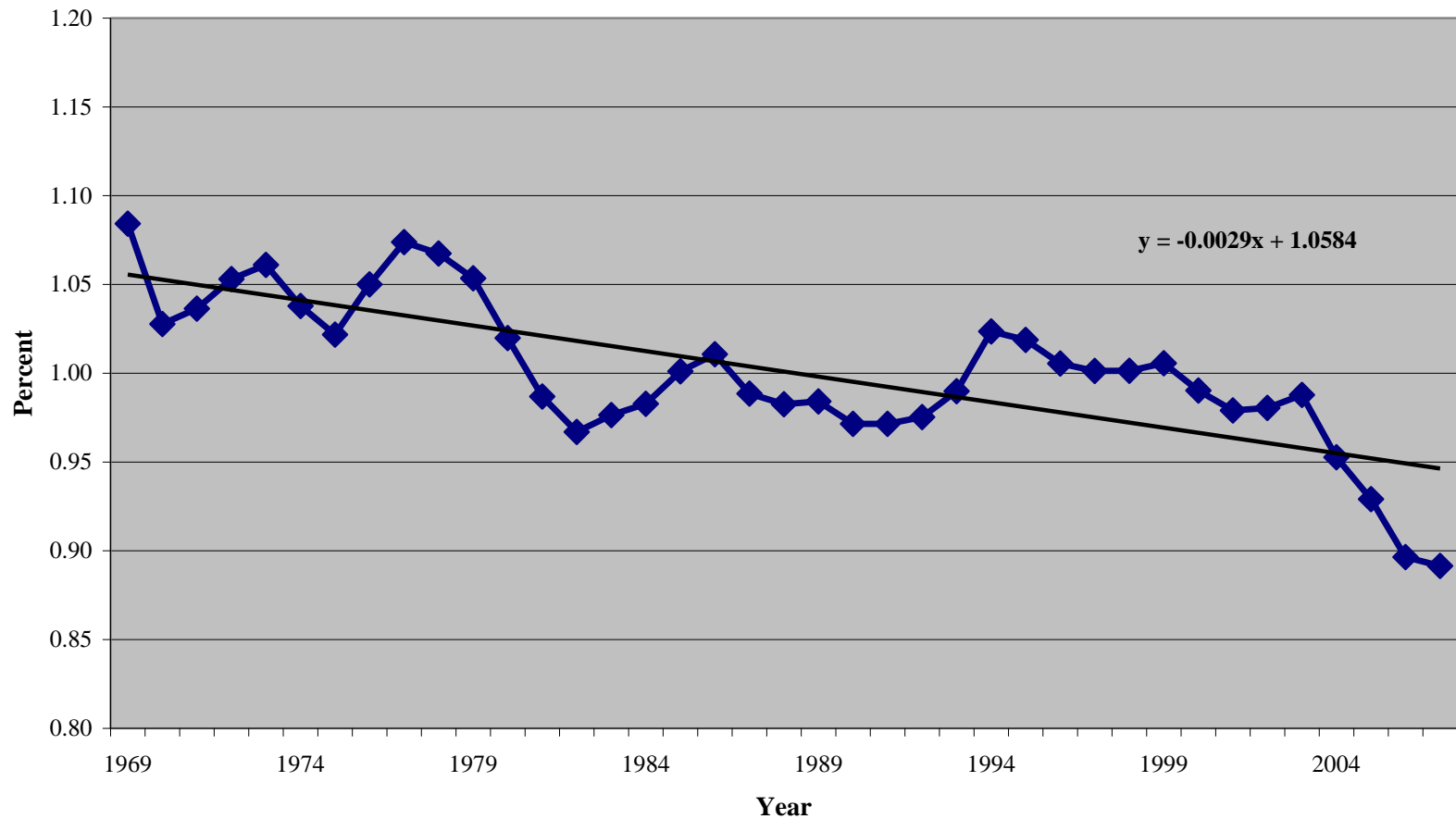


Unemployment Rates Vary Across Counties

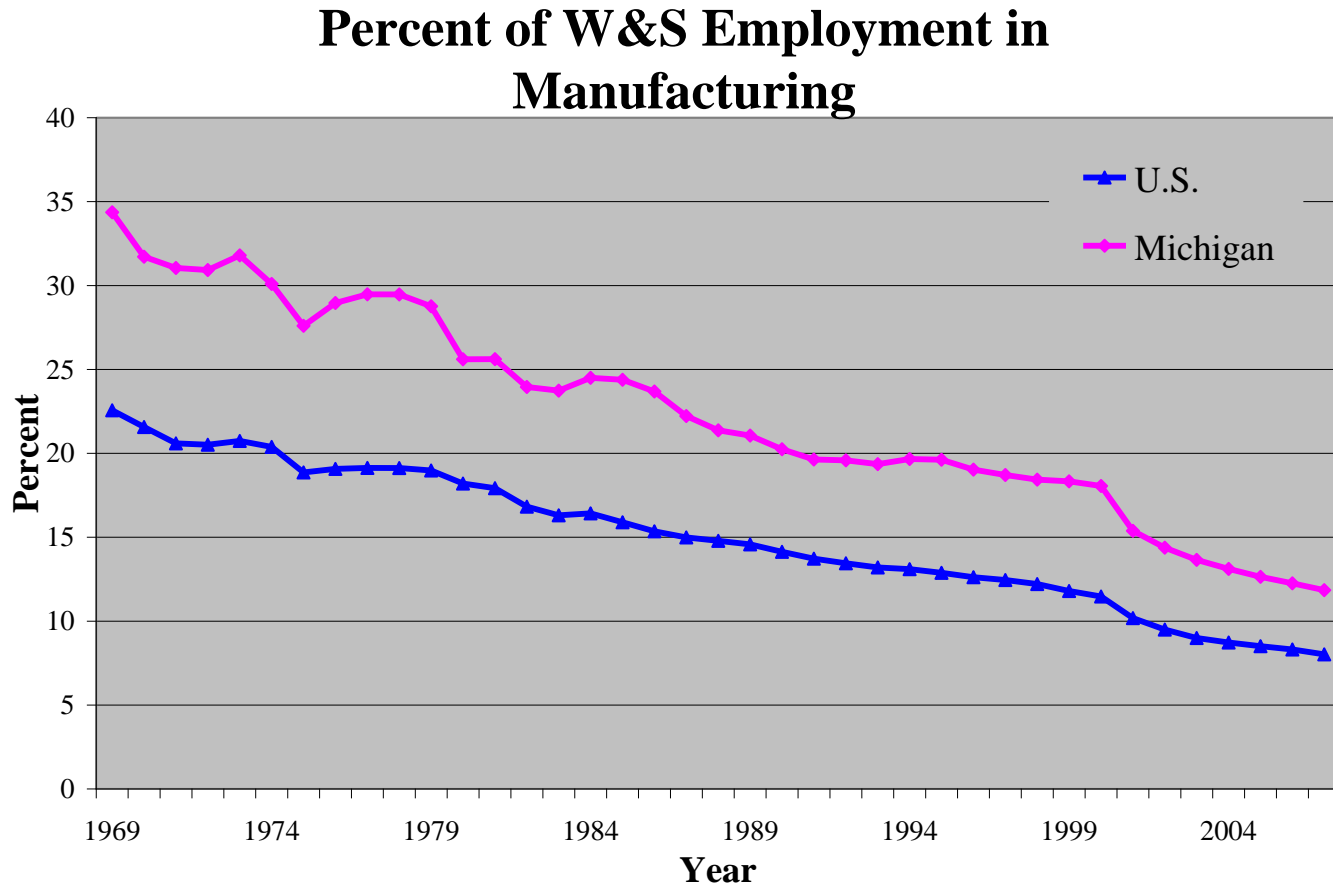


Michigan's Relative Income to the U.S. Declines by 0.3% per Year

**Michigan Per-Capita Personal Income as a Percent of
U.S., 1969-2007**

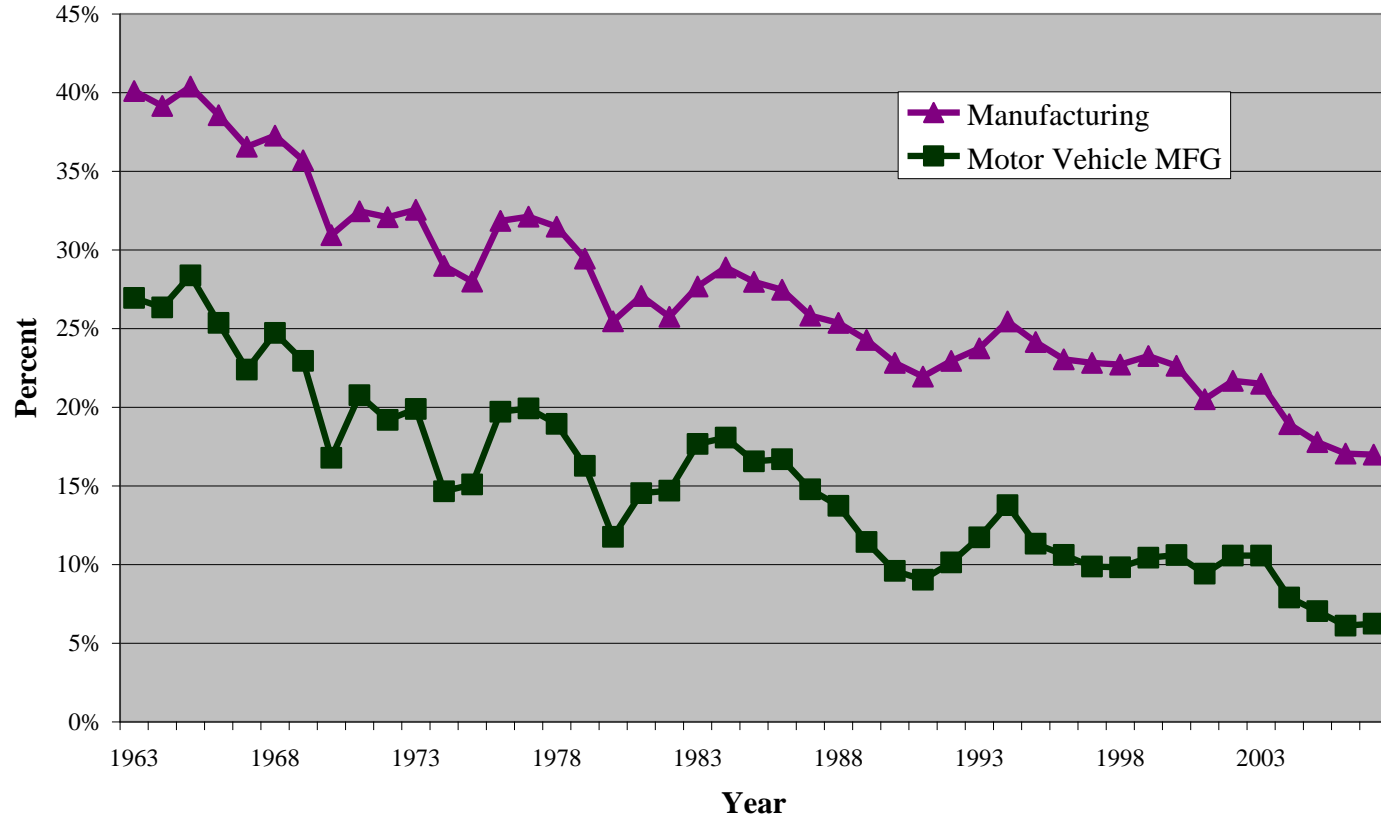


Michigan is Relatively Manufacturing Intensive



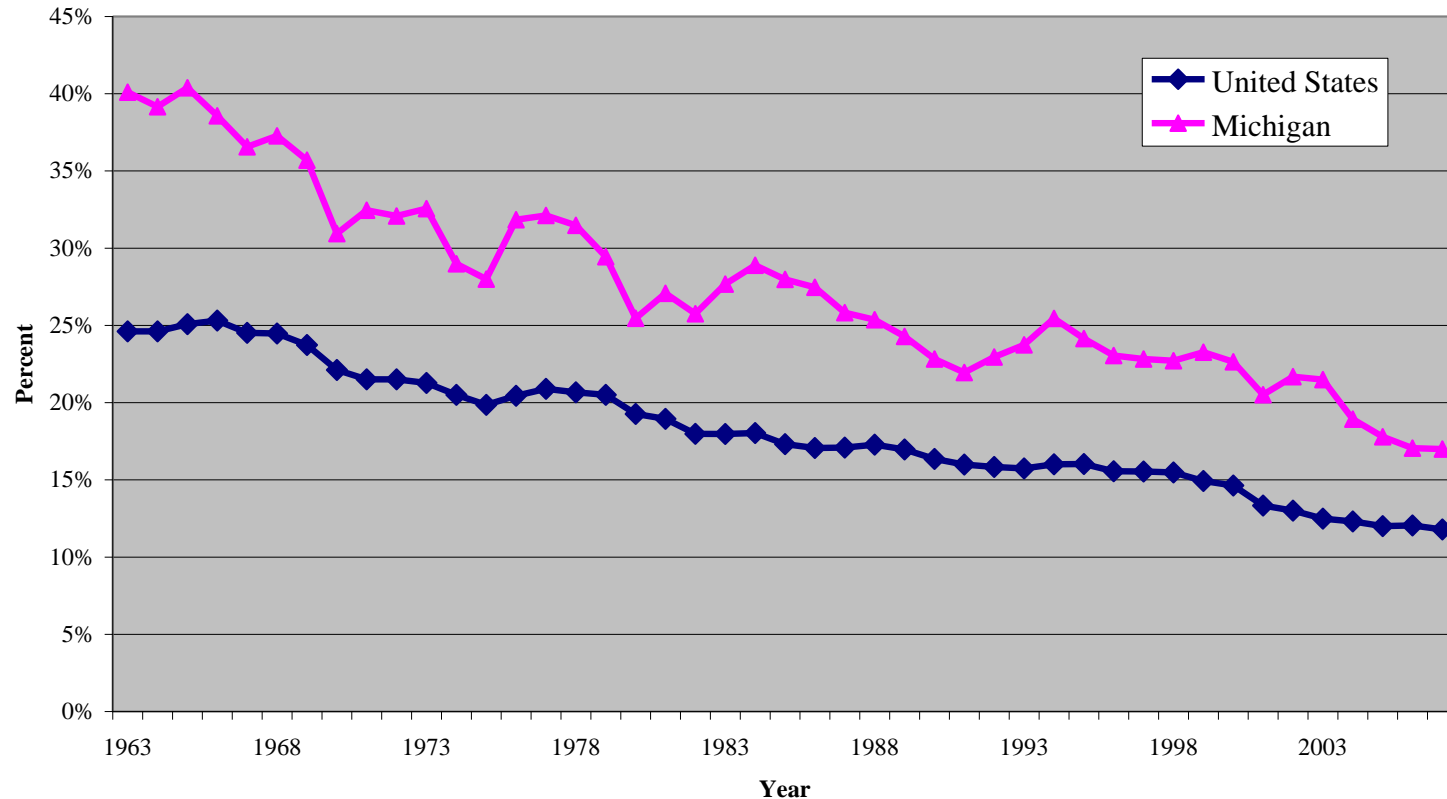
Michigan's Manufacturing Employment Moves in Lockstep With Motor Vehicle Manufacturing Employment

Manufacturing and Motor Vehicles as a Percent of Gross State Product for Michigan, 1963-2007



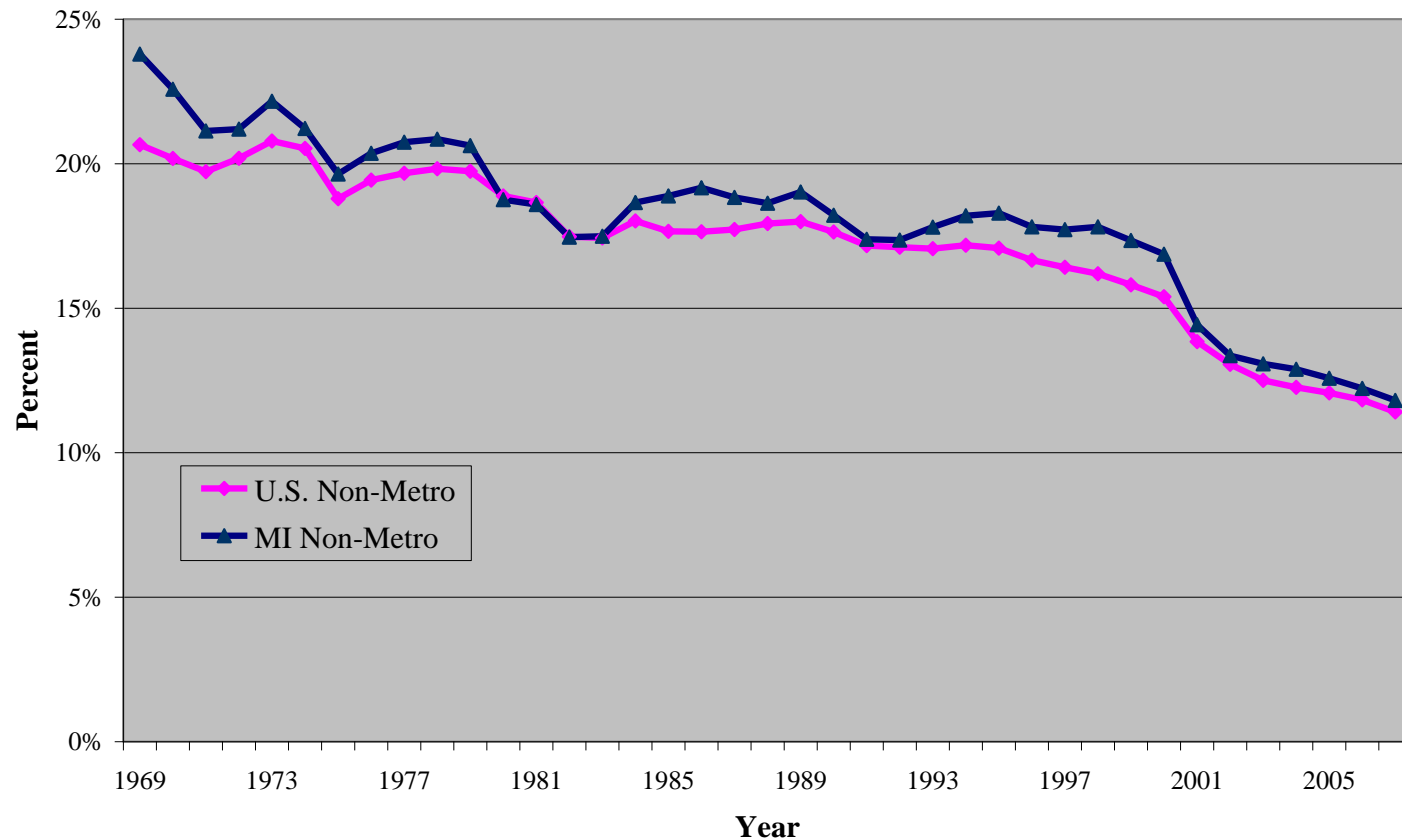
Despite Shedding 250 Thousand Manufacturing Jobs, Michigan is Relatively Dependent on Manufacturing

Manufacturing as a Percent of Domestic Product for Michigan and the United States 1963-2007



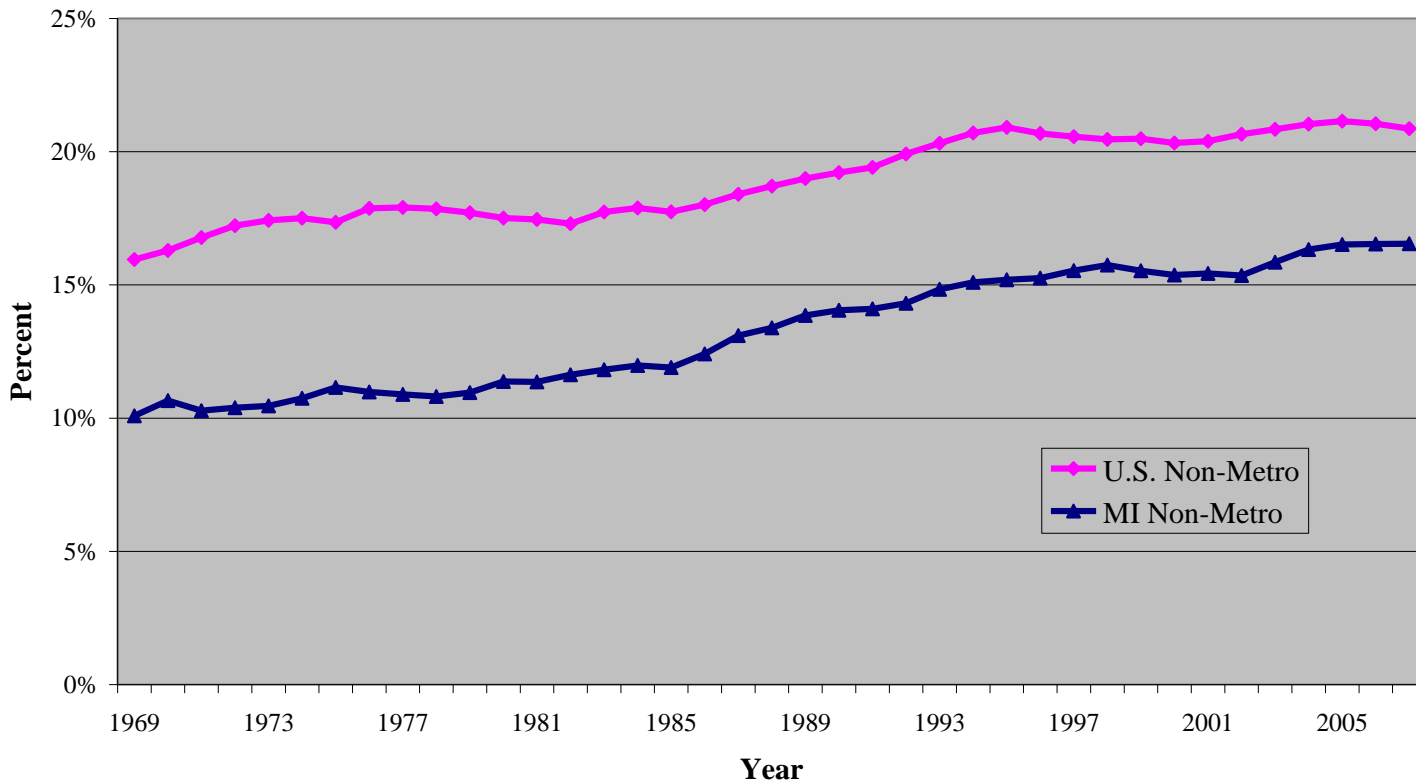
In Rural Counties, Michigan's Manufacturing Employment Resembles the U.S.

Percent of Local Employment in Manufacturing for Rural Counties, 1969-2007



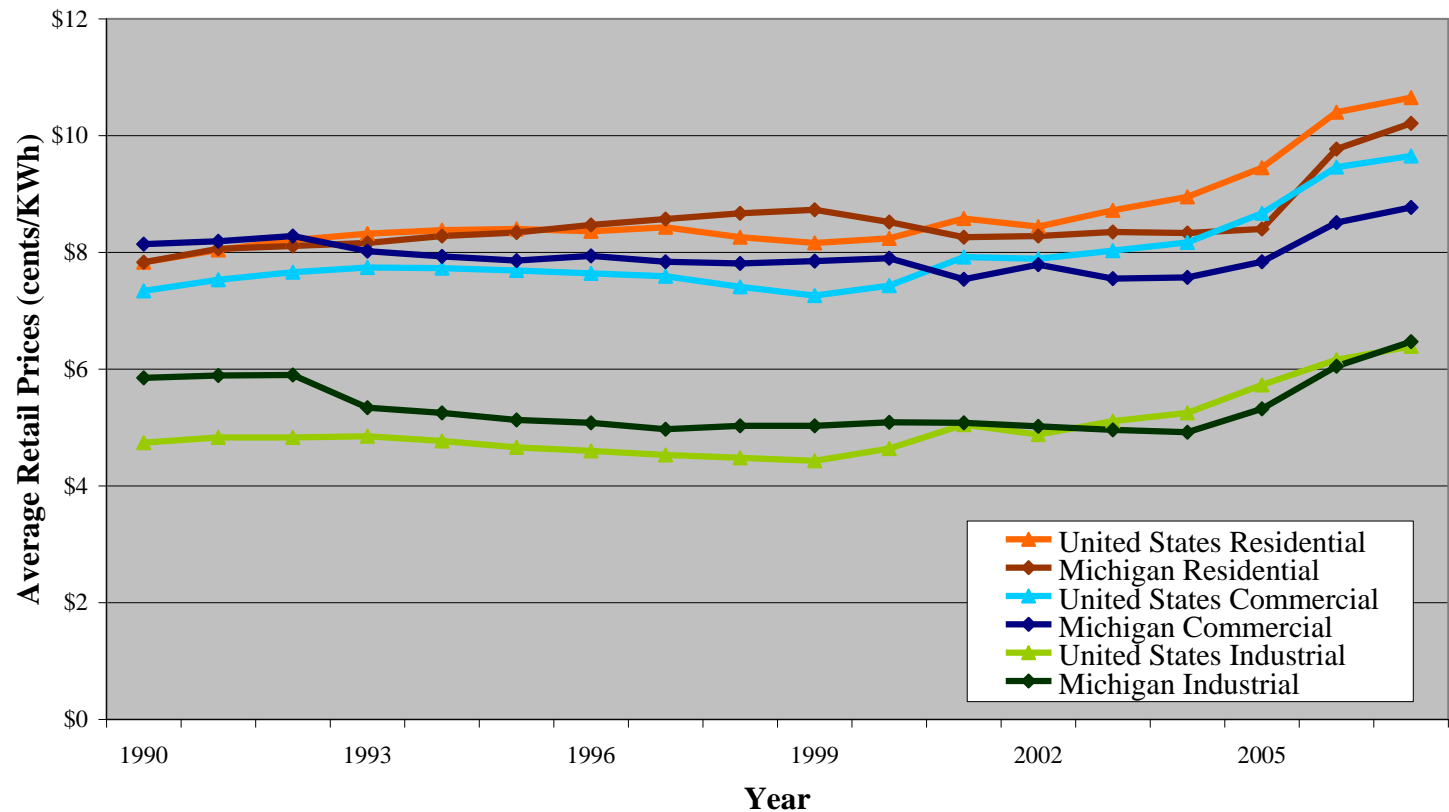
Manufacturing Employment is Shifting to Rural Counties

Percent of State or Federal Manufacturing Employment in Rural Counties



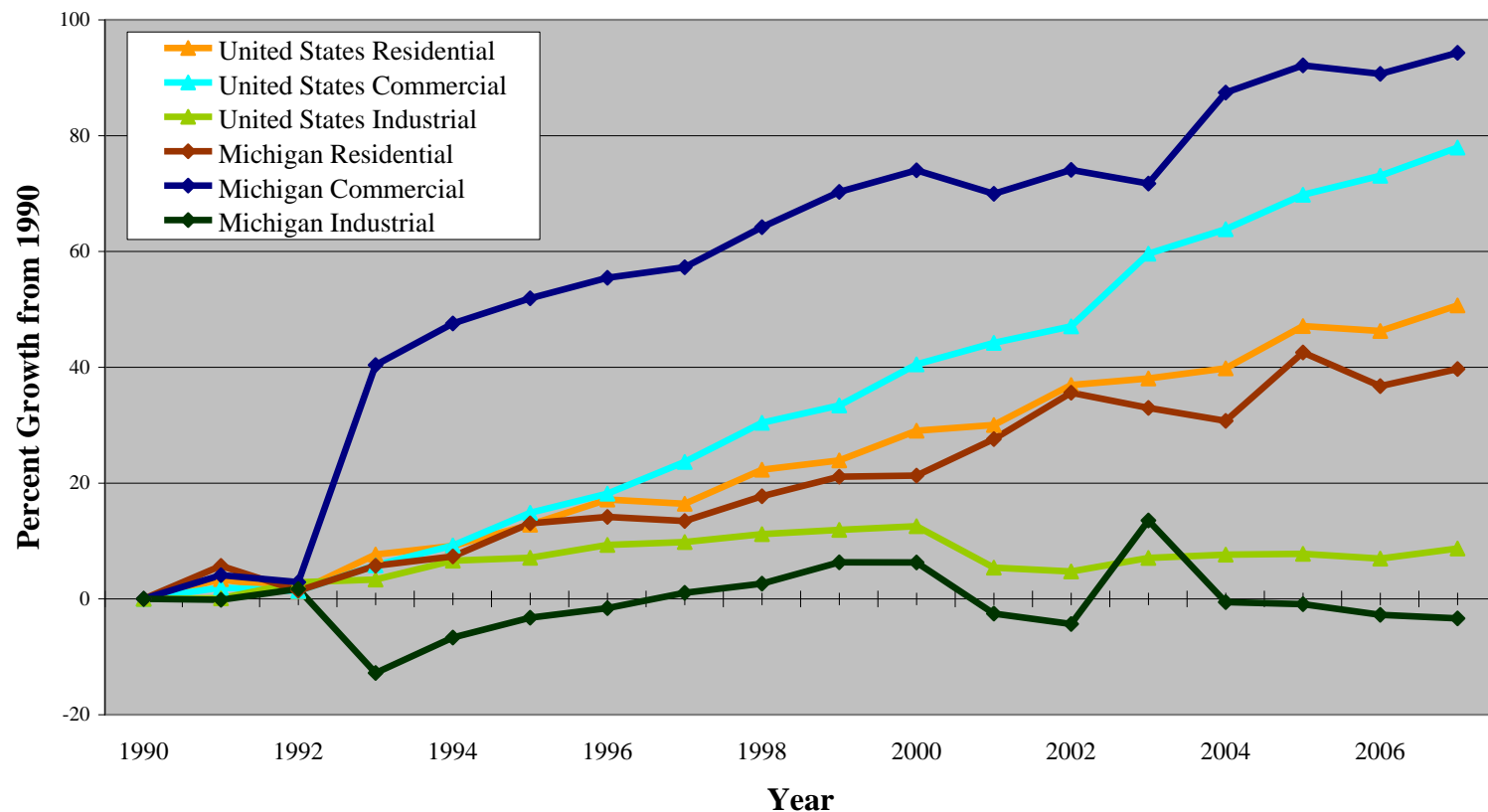
Michigan Electricity Prices are Consistent with U.S. Prices

**Michigan and United States Electricity Rates by Use,
1990-2007**

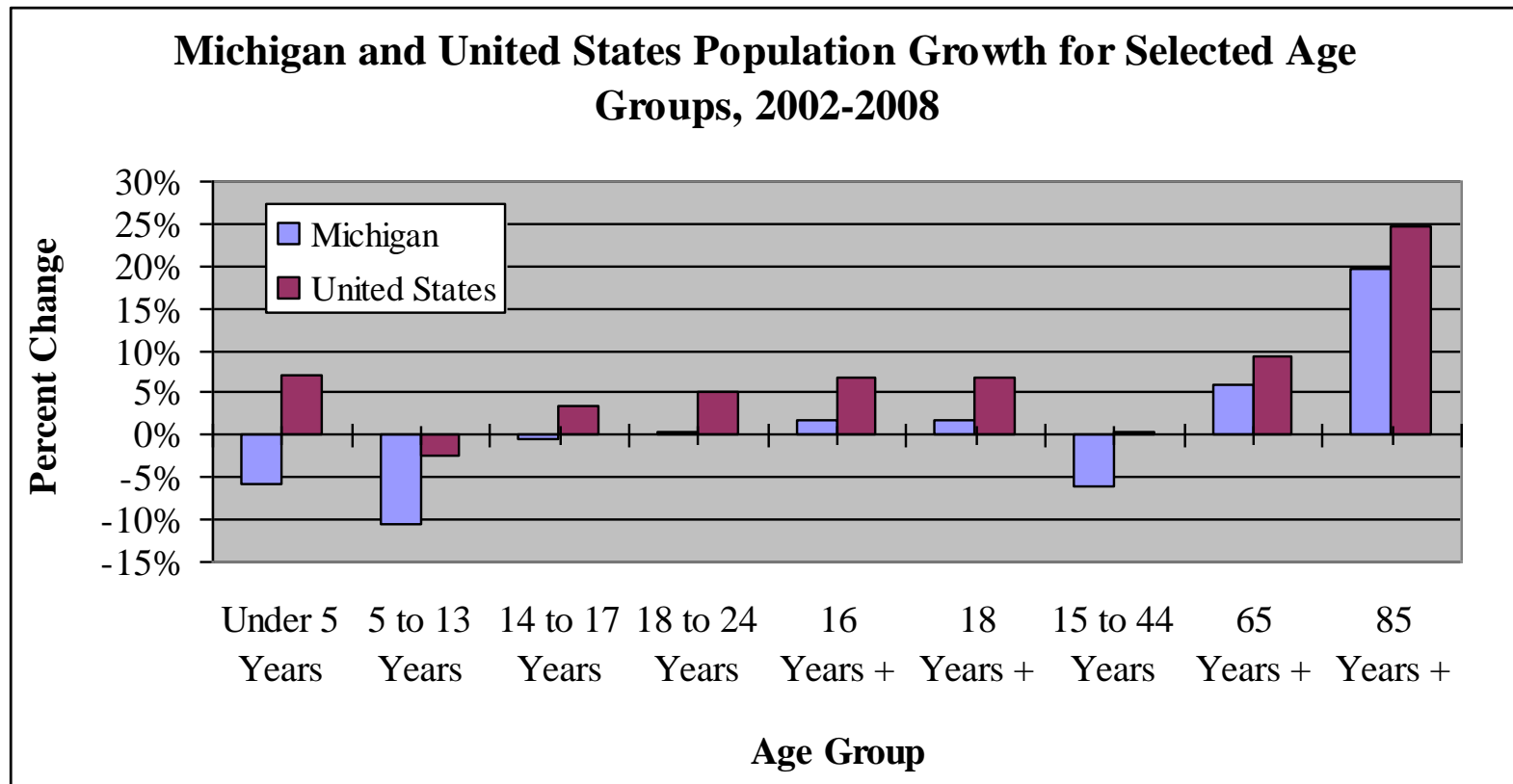


Michigan Industrial Use Reflects Accelerated Declines in MFG Activity Relative to the Nation

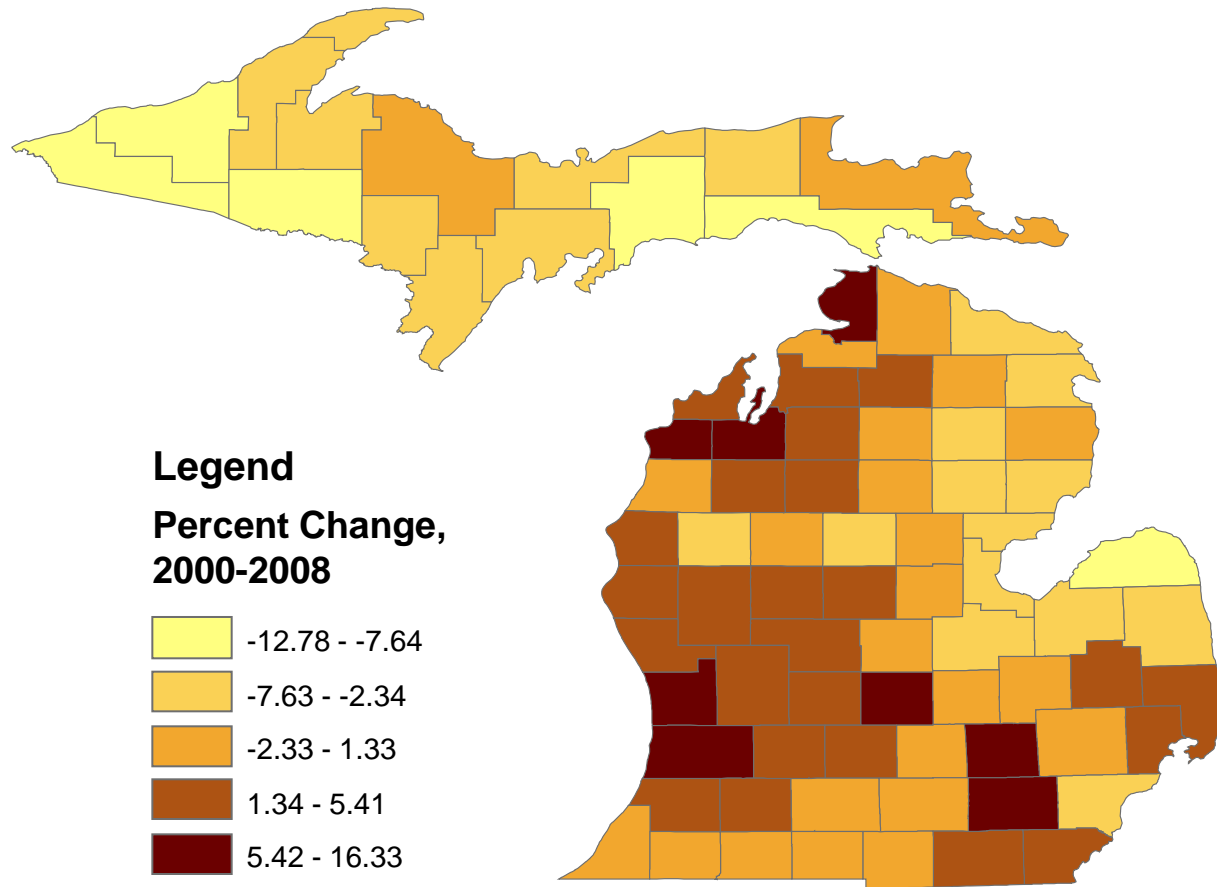
Growth in Retail Sales of Electricity in Michigan and United States by Use, 1990-2007



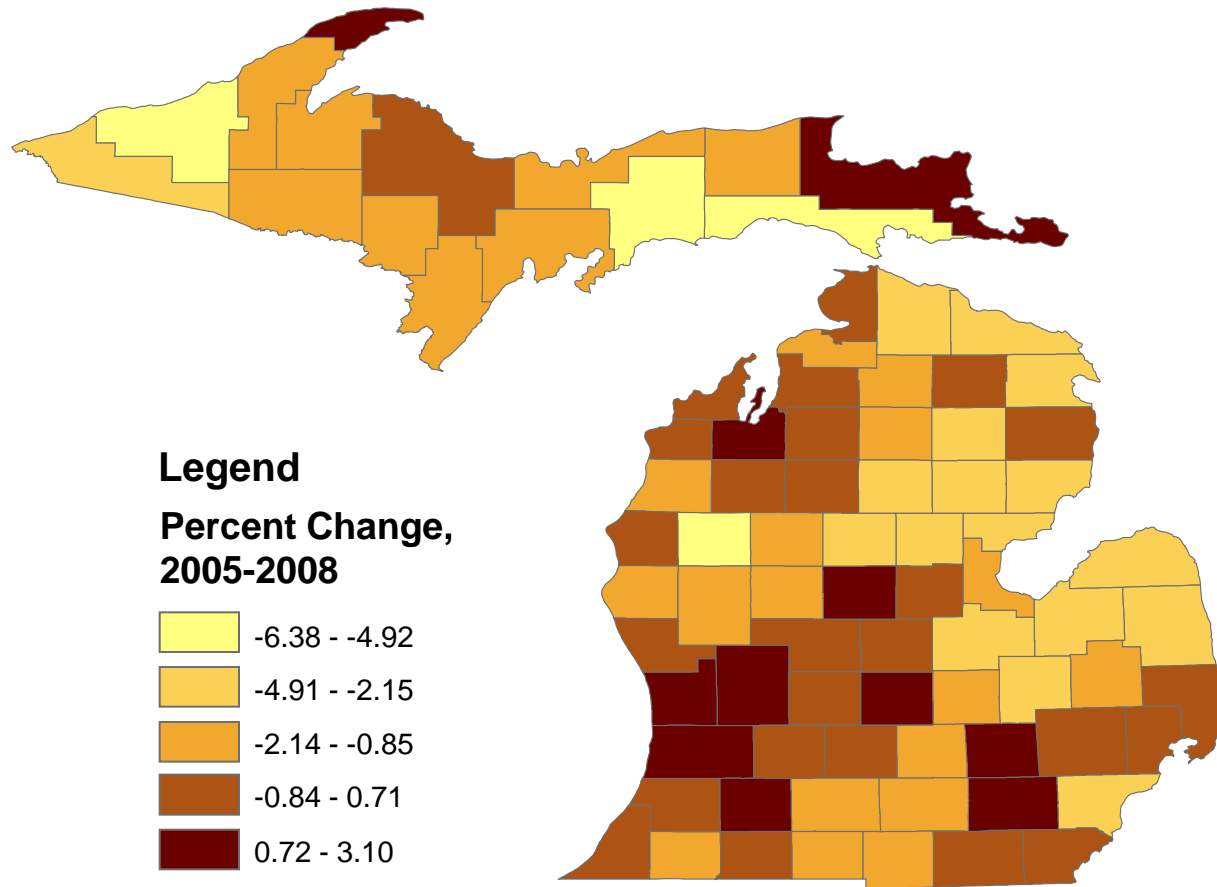
Michigan is Missing Population Growth in Key Age Groups



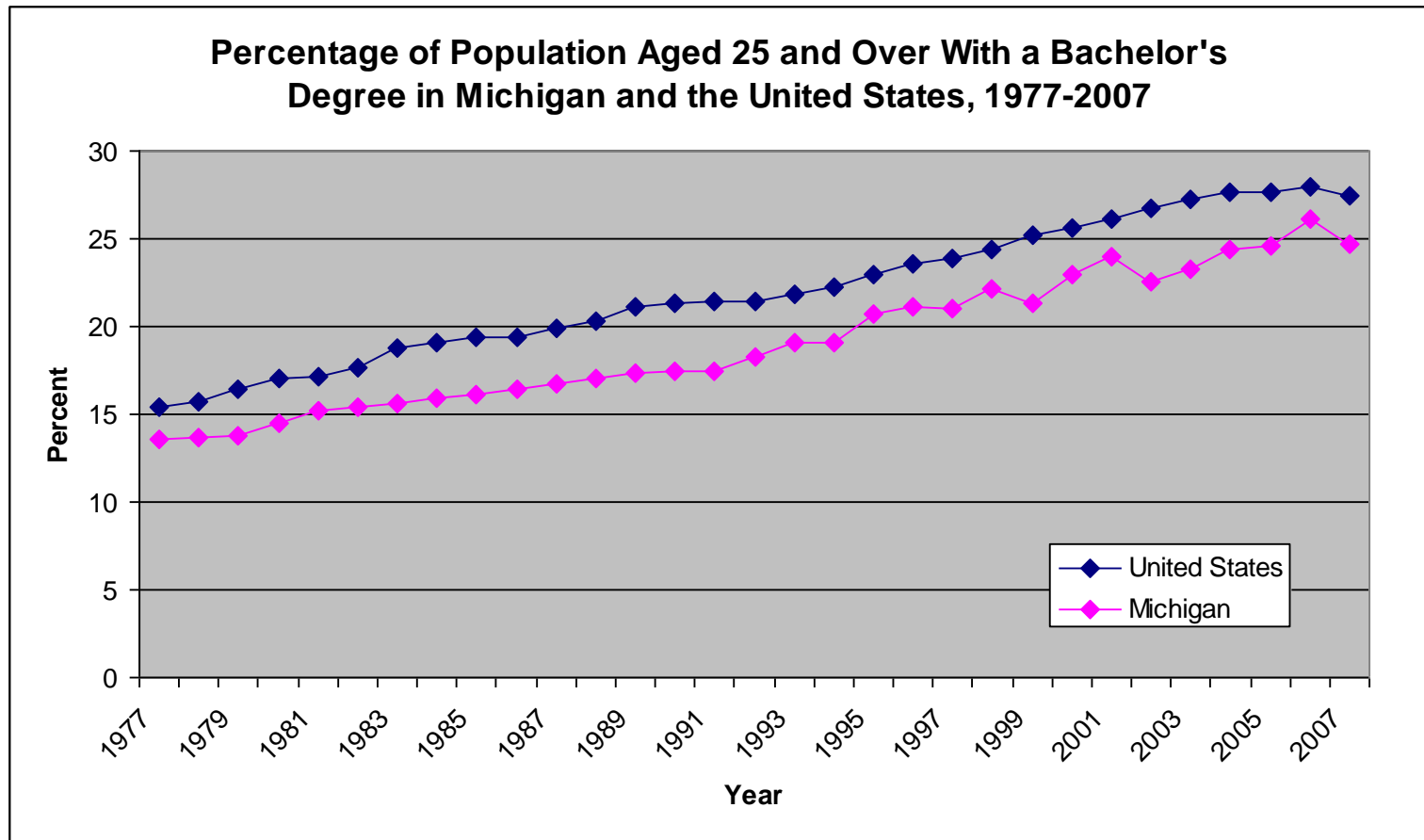
Not All Counties Are Experiencing Population Declines



Not All Counties Are Experiencing Population Declines



Michigan's Educational Attainment Lags the Nation



What Does this Mean for the Michigan Economy?

- Michigan will not likely share in the same recovery of the nation.
- Michigan's population education attainment hinders progress in the Global Economy.
- The continued decline in the dollar may temporarily prop Michigan's manufacturing sector, but the long-term U.S. and Michigan trend is away from manufacturing.
- The auto sector is likely to experience further declines or anemic growth in the foreseeable future.

- PowerPoint presentation can be downloaded at,
www.cea.msu.edu
- For further information, contact



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