



Analytics

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RE: Huh? Say again....

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There seems to be a disconnect between the condition of Delaware's economy and the focus of Delaware's political leaders.

In a recent article the Quartz Daily Brief used U.S. Bureau of Economic Analysis data on output (Gross State Product) to examine the pattern of recessions among states since the end of the Great Recession (2007-08). The definition of a recession is two consecutive quarters of decline in inflation-adjusted Gross State Product.

Surprisingly, about half the states experienced two recessions since 2010. Delaware was among the leaders having experienced six recessions since 2010, including five straight quarters of Gross Product decline in 2010-13.

Caesar Rodney Institute has previously reported that Delaware is creating jobs at barely half the rate of the national economy—and most of the new jobs are low-wage. Delaware per capita income has gone from 13% above the U.S. average to 3% below.

According to the Bureau of Census, inflation-adjusted median household income in Delaware went from \$70,220 in 2000 to \$58,046 in 2016. This was the largest decline among the states and translates to a 17% drop in purchasing power for the median household.

What has been the focus of Delaware's political leaders in the face of this economic struggle?

- Banning plastic bags from Delaware's grocery stores
- Grinding ideological axes with President Trump to block enforcement of our immigration laws
- Pressing ahead with a 70% increase in the minimum wage
- Raising electric rates with the promise of Green jobs
- Acting to allow Delaware counties and cities to impose a lodging tax
- Allowing the use of hand-held sparklers

Regardless of the merit of the many issues taken on by Delaware's politicians, one hopes that in the immediate future more serious attention will be given to promoting economic development.

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