

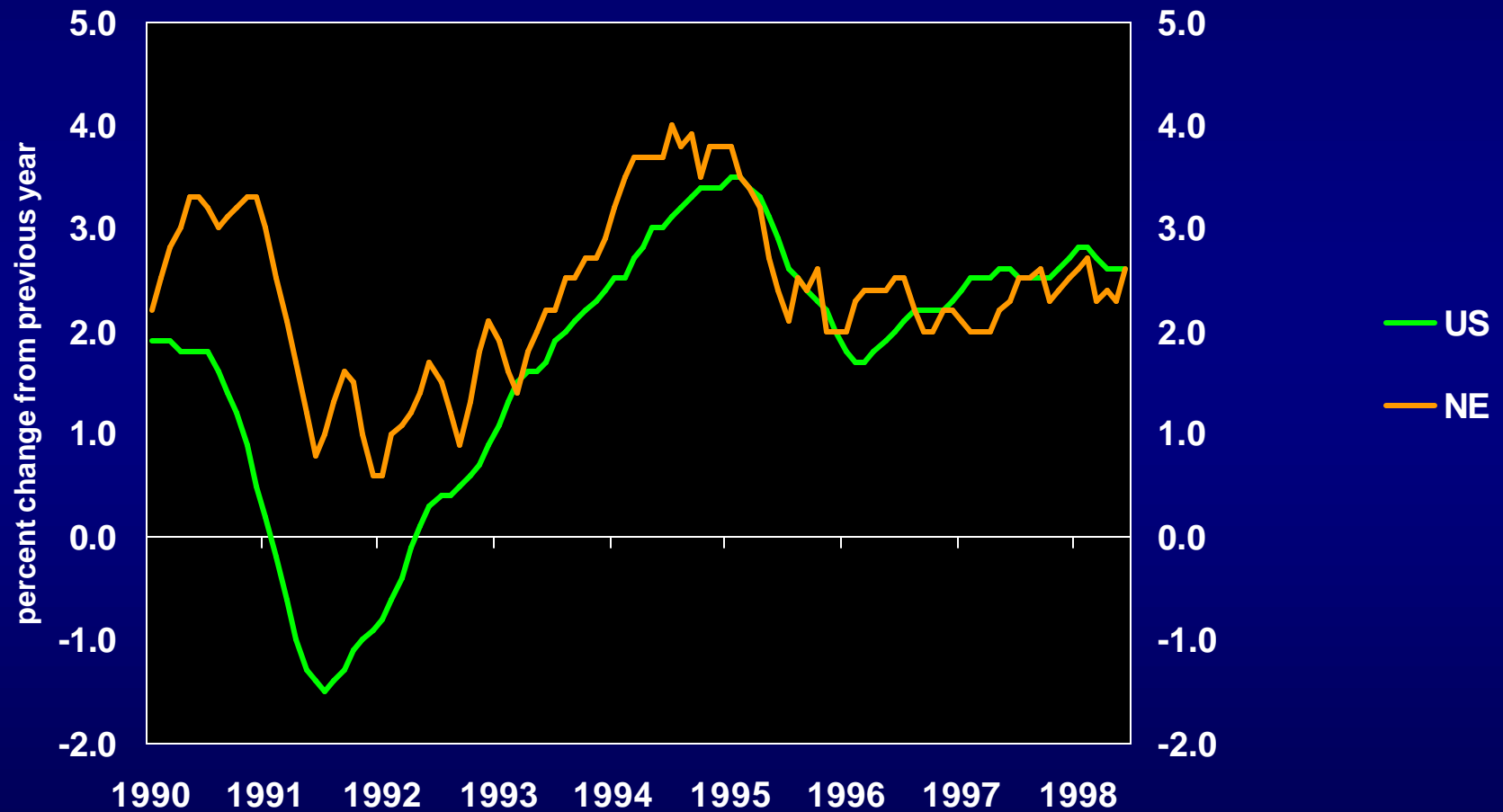
The Economy of Nebraska: Are the Good Times Over?

Ricardo C. Gazel

**Senior Economist
Federal Reserve Bank of Kansas City**

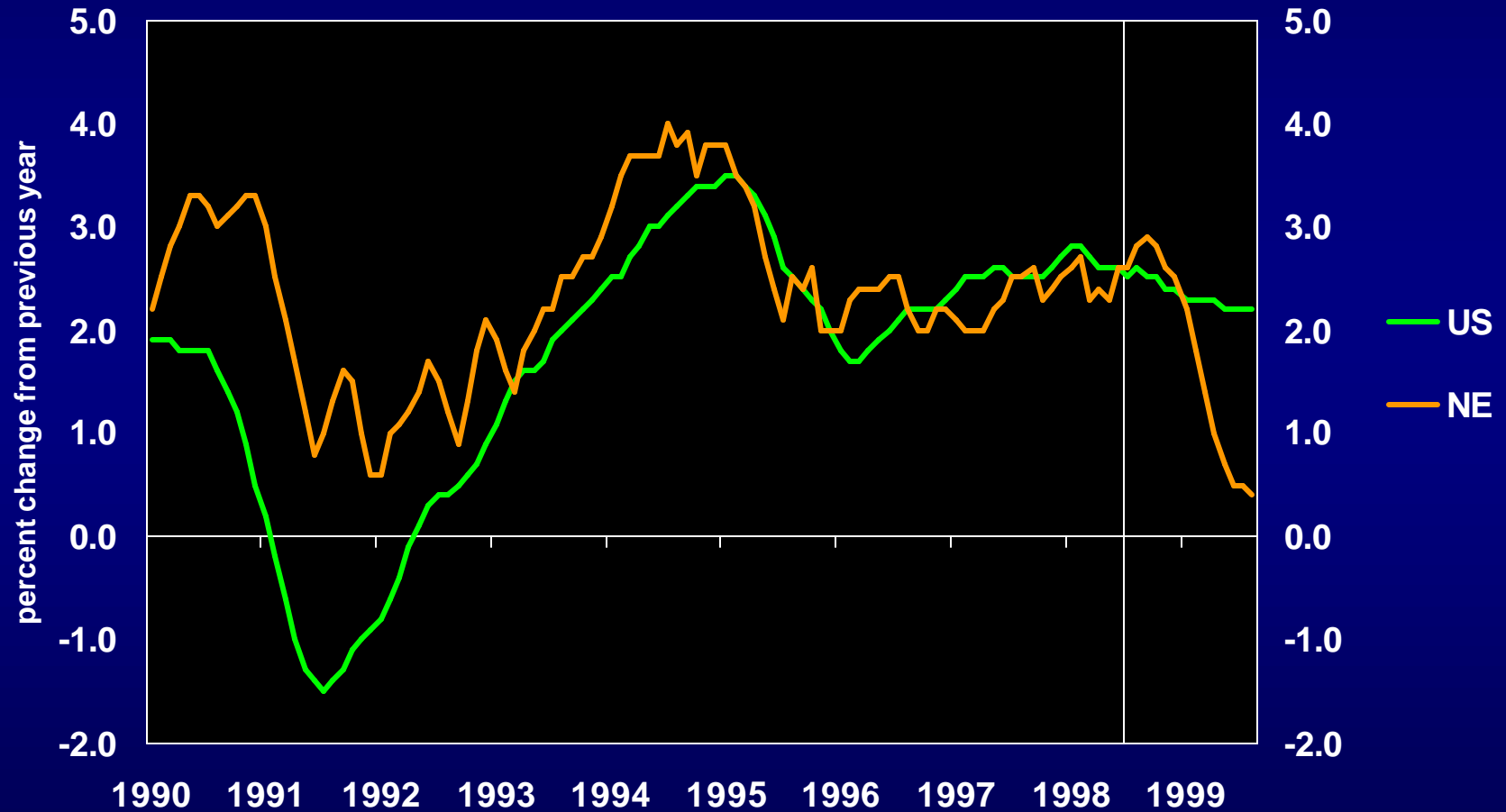
Total nonagricultural employment

Jan 1990 - June 1998



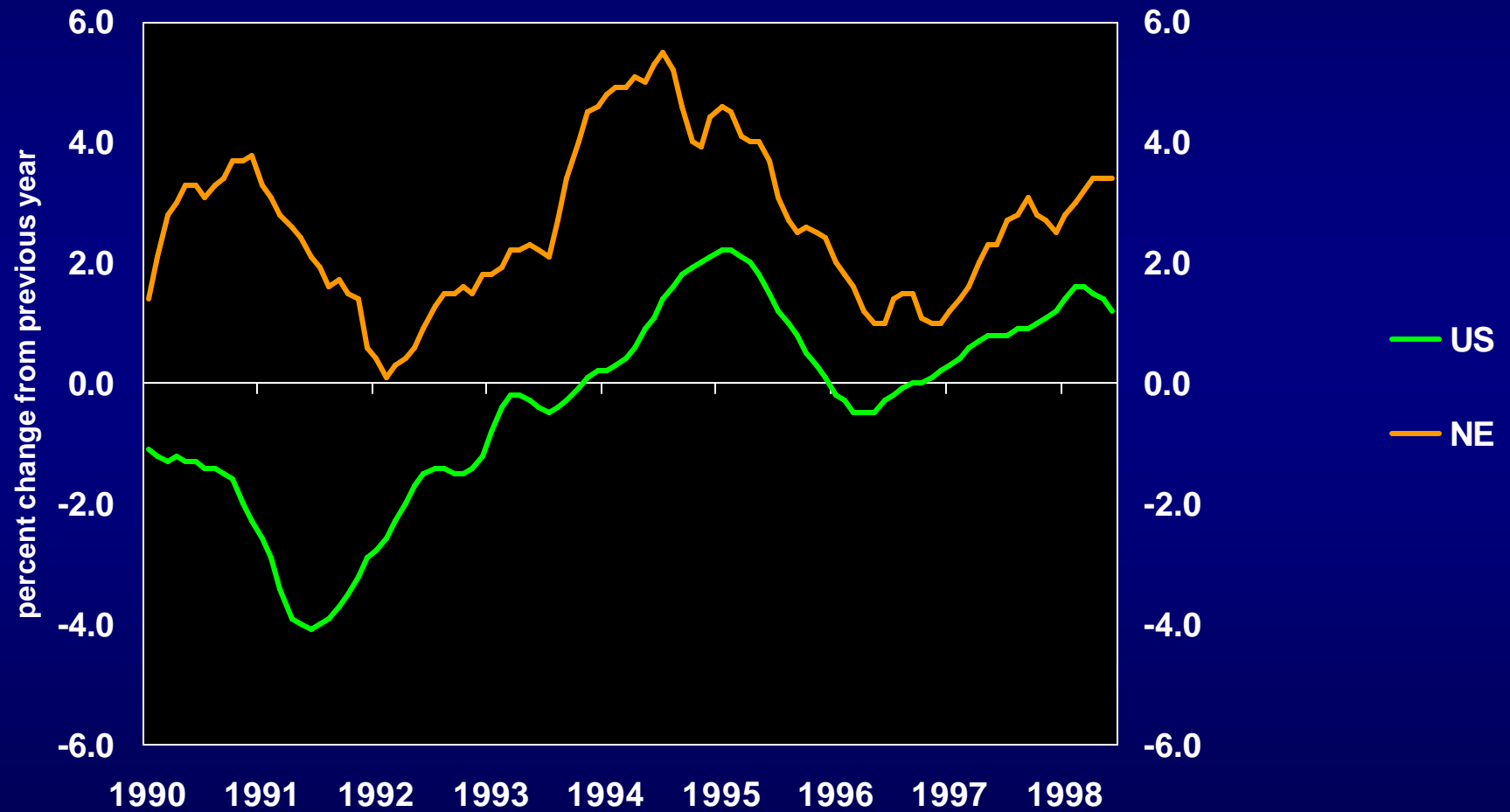
Total nonagricultural employment

Jan 1990 - Aug 1999



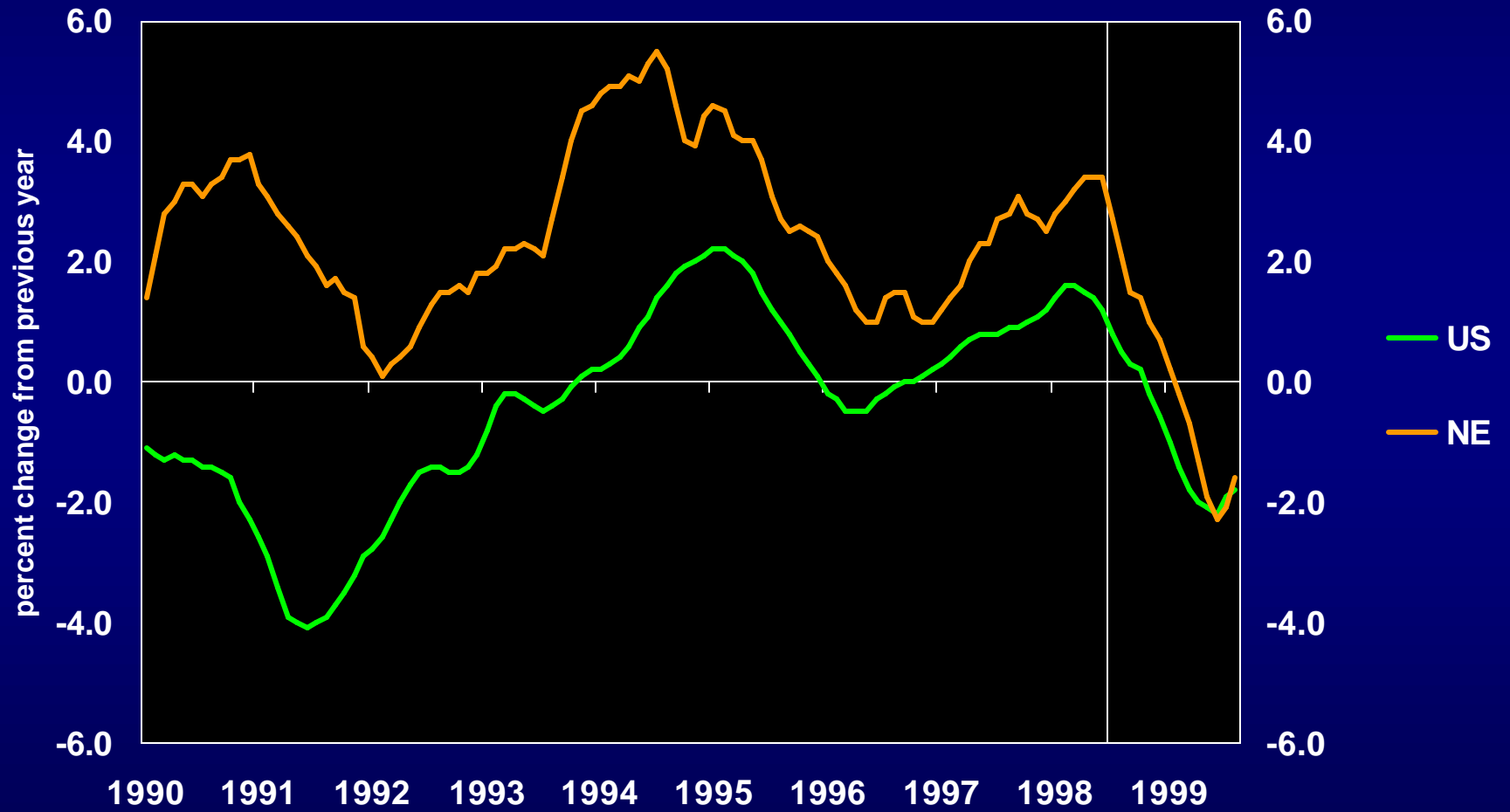
Manufacturing employment

Jan 1990 - June 1998



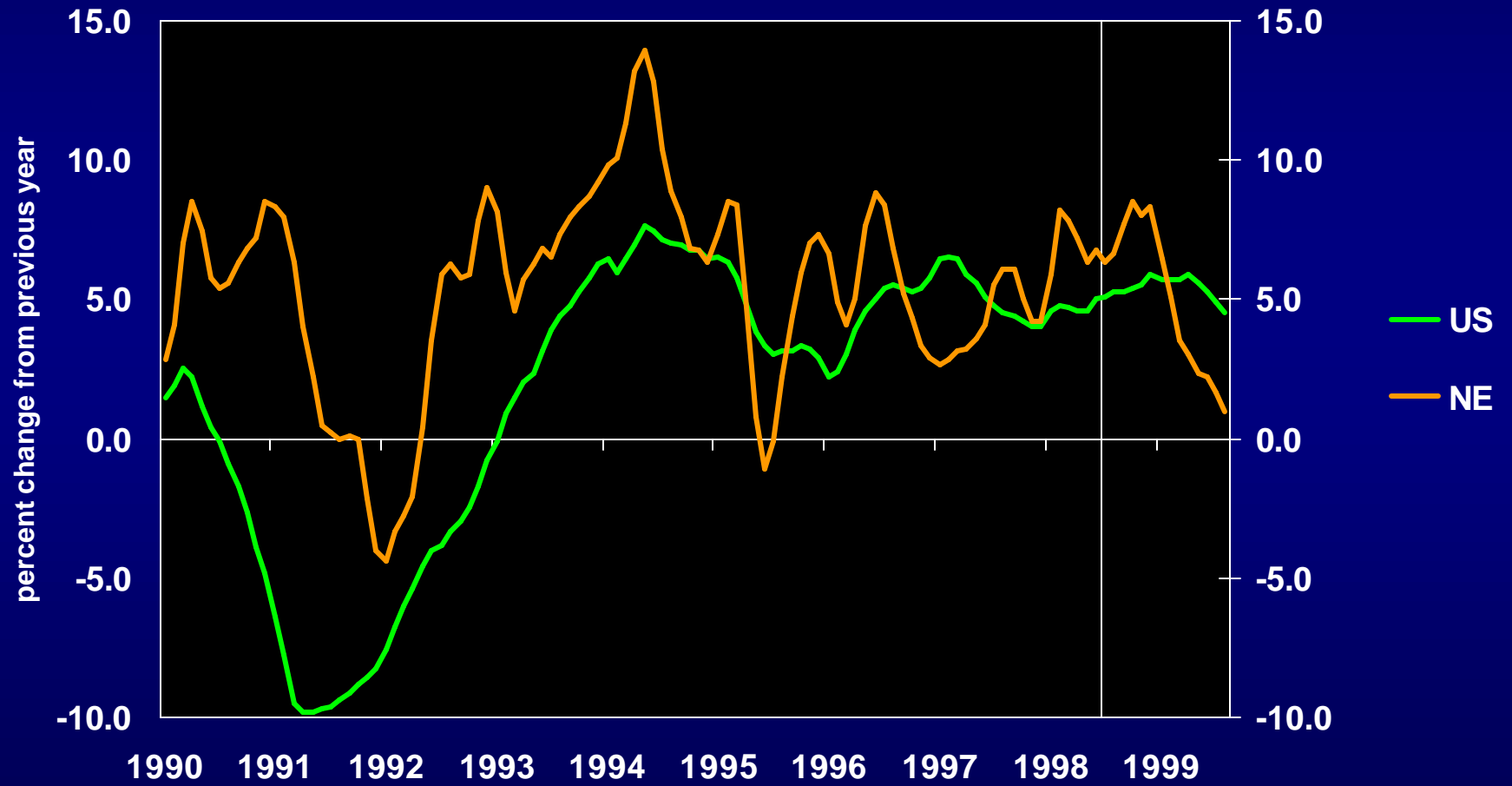
Manufacturing employment

Jan 1990 - Aug 1999



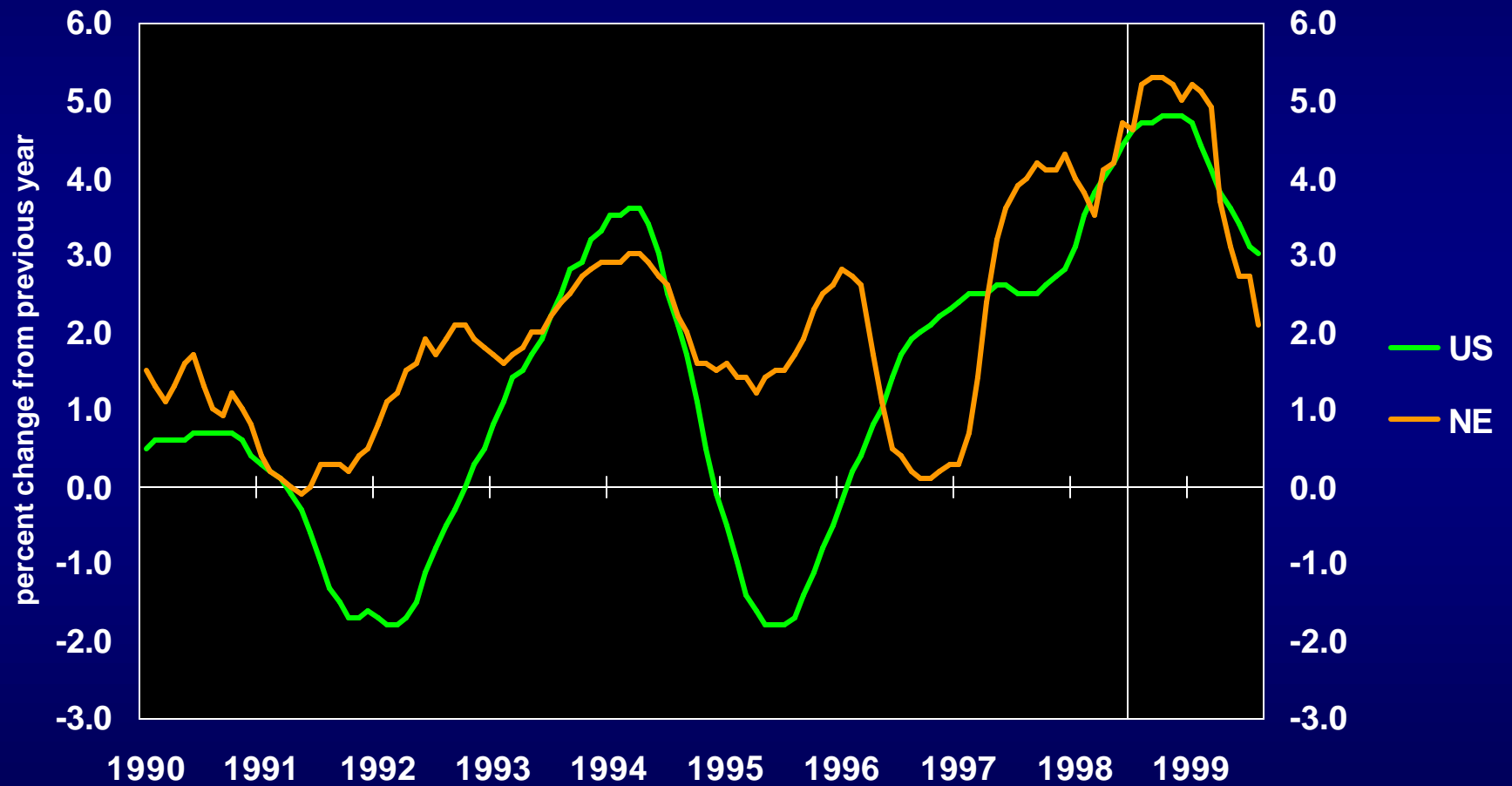
Construction employment

Jan 1990 - Aug 1999



FIRE* employment

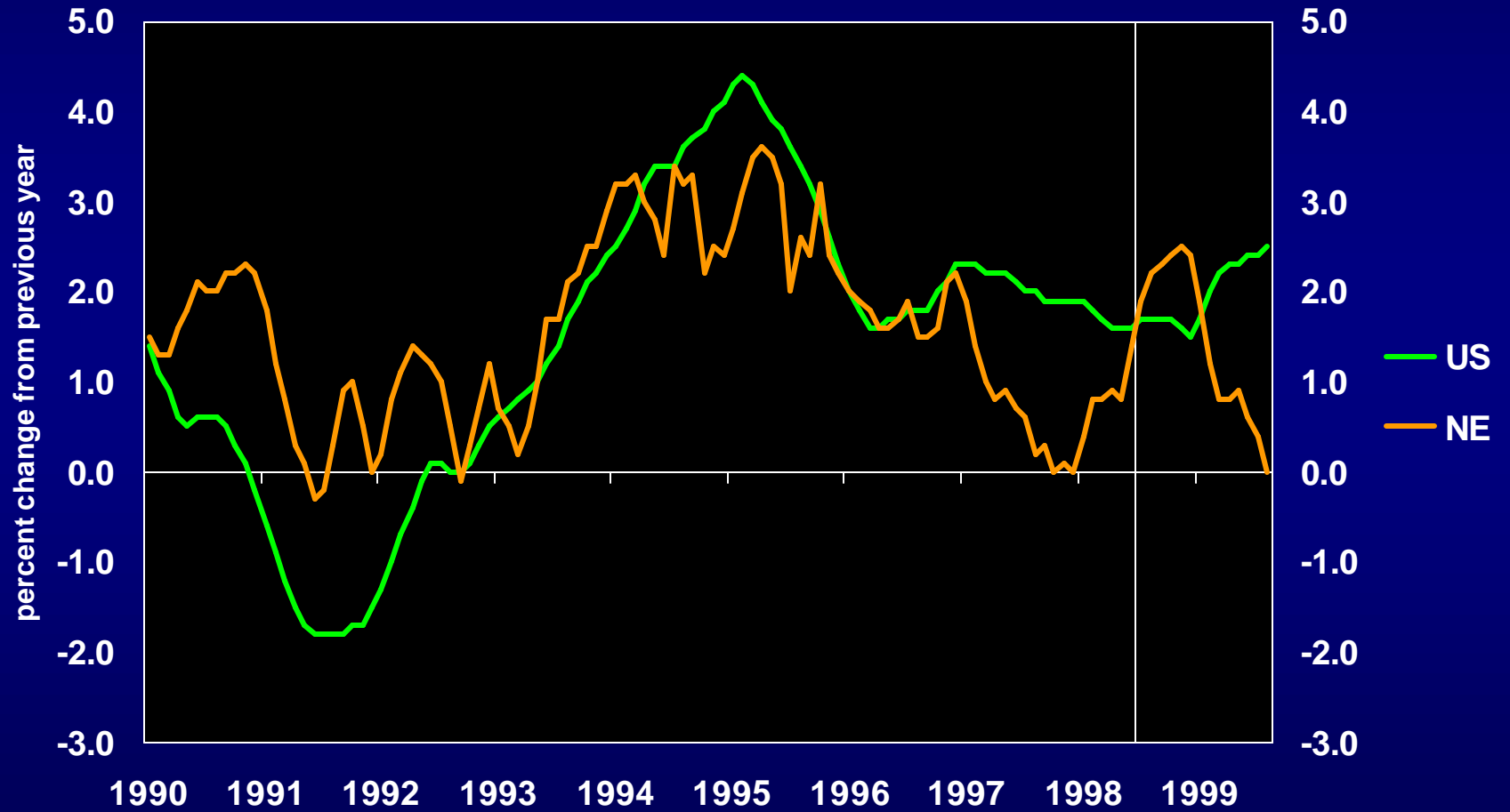
Jan 1990 - Aug 1999



*Finance, insurance, and real estate

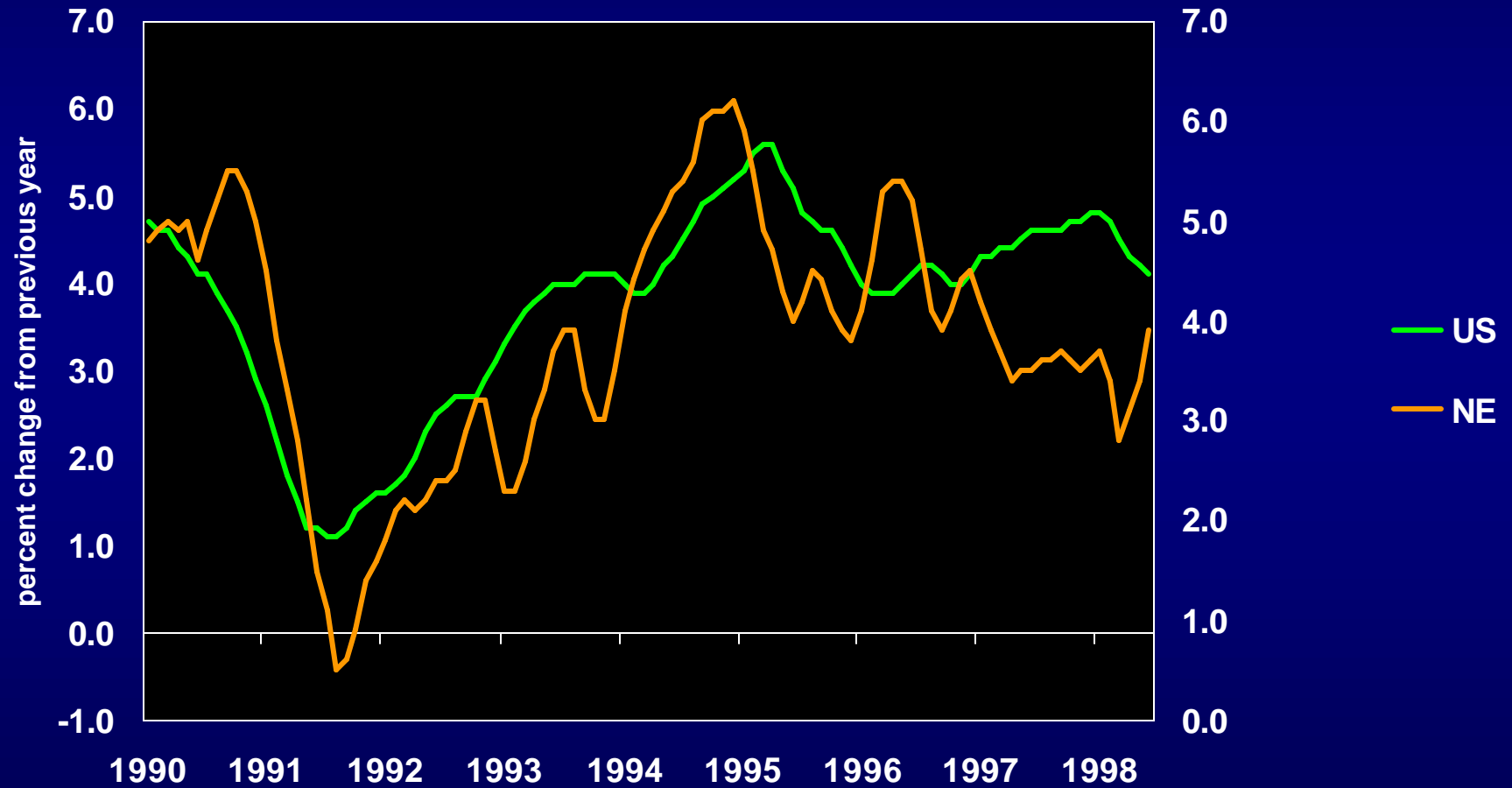
Wholesale and retail trade employment

Jan 1990 - Aug 1999



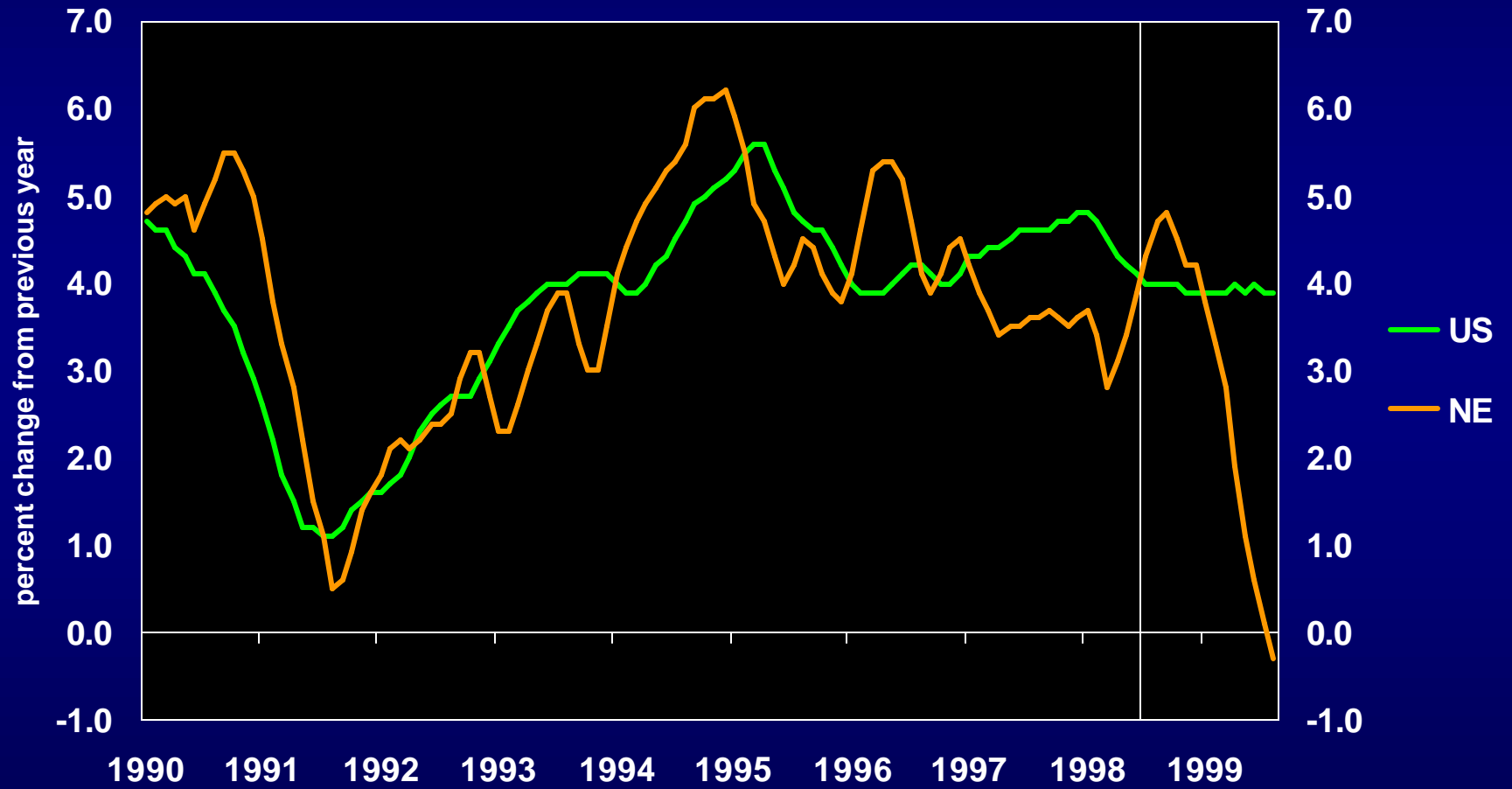
Services employment

Jan 1990 - June 1998



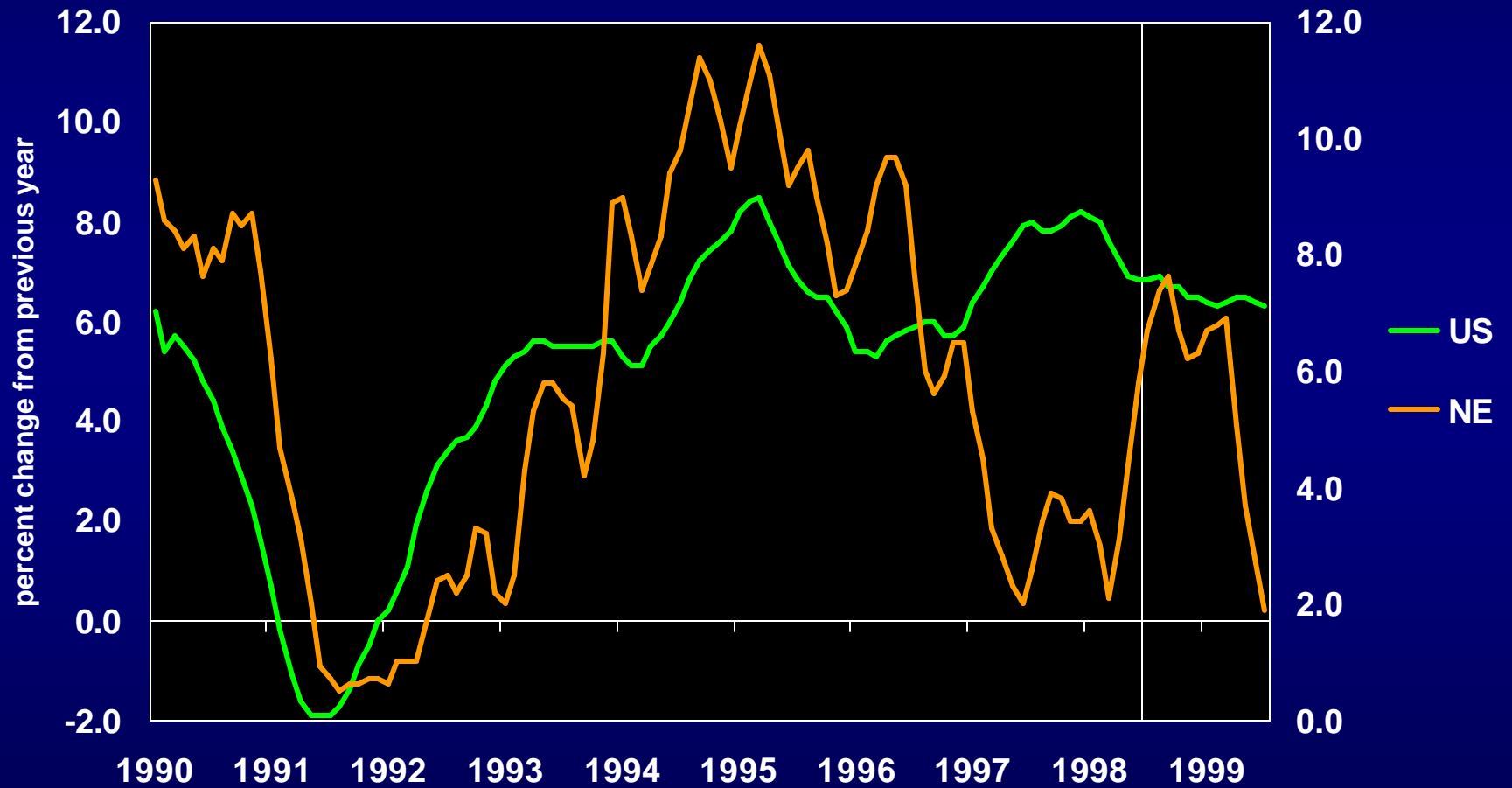
Services employment

Jan 1990 - Aug 1999



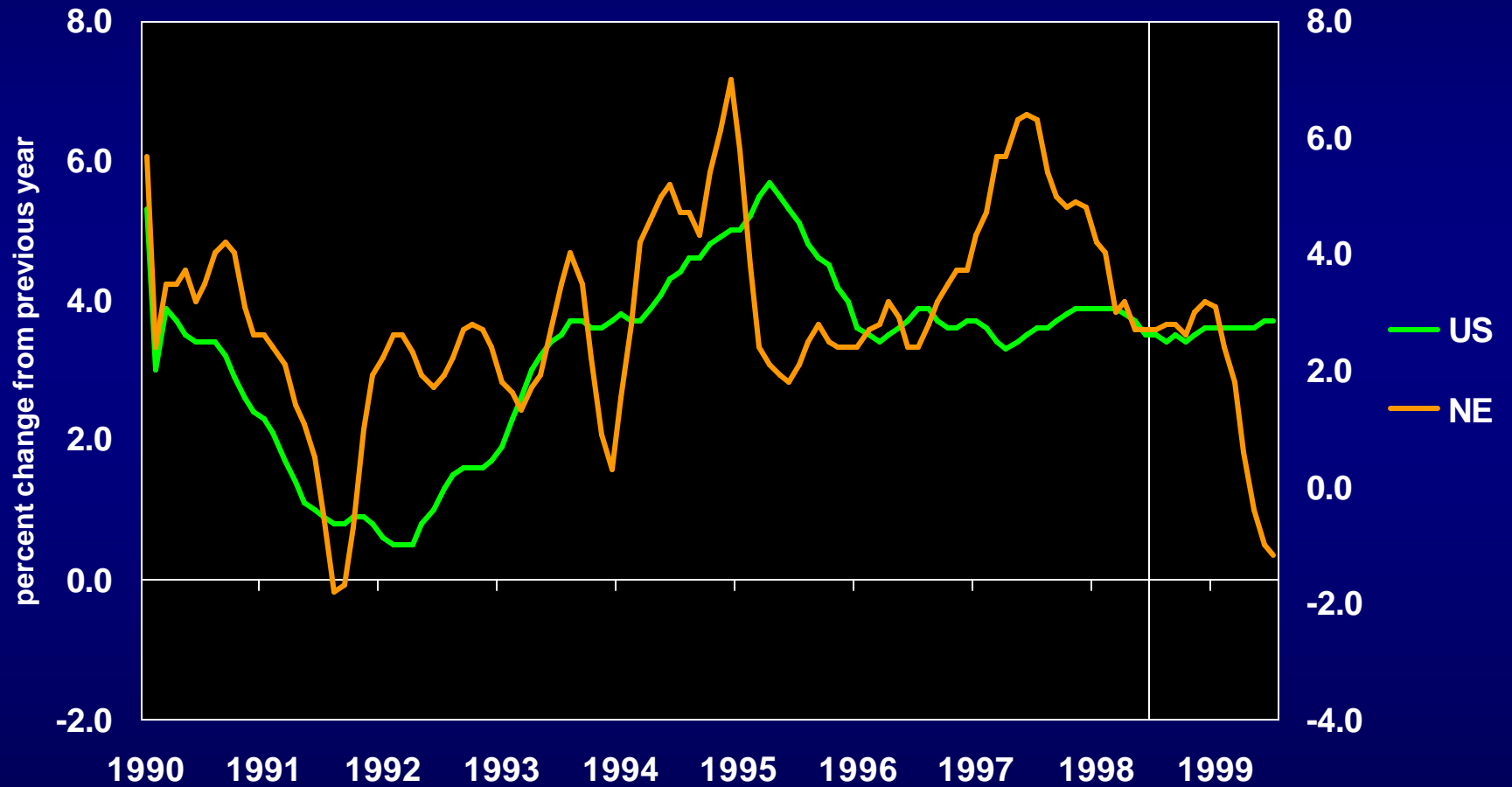
Producer services employment

Jan 1990 - July 1999



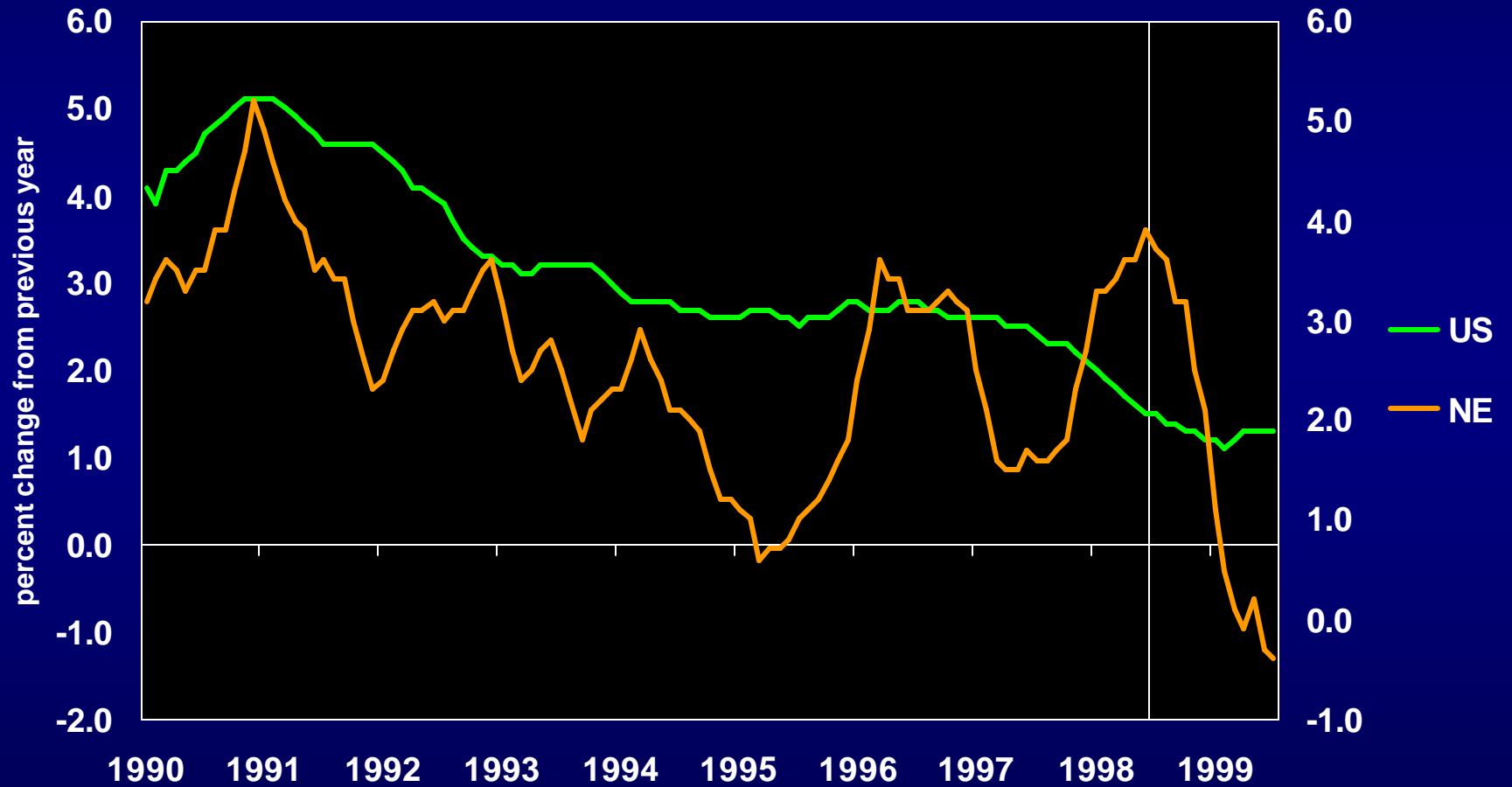
Consumer services employment

Jan 1990 - July 1999



Health care employment

Jan 1990 - July 1999

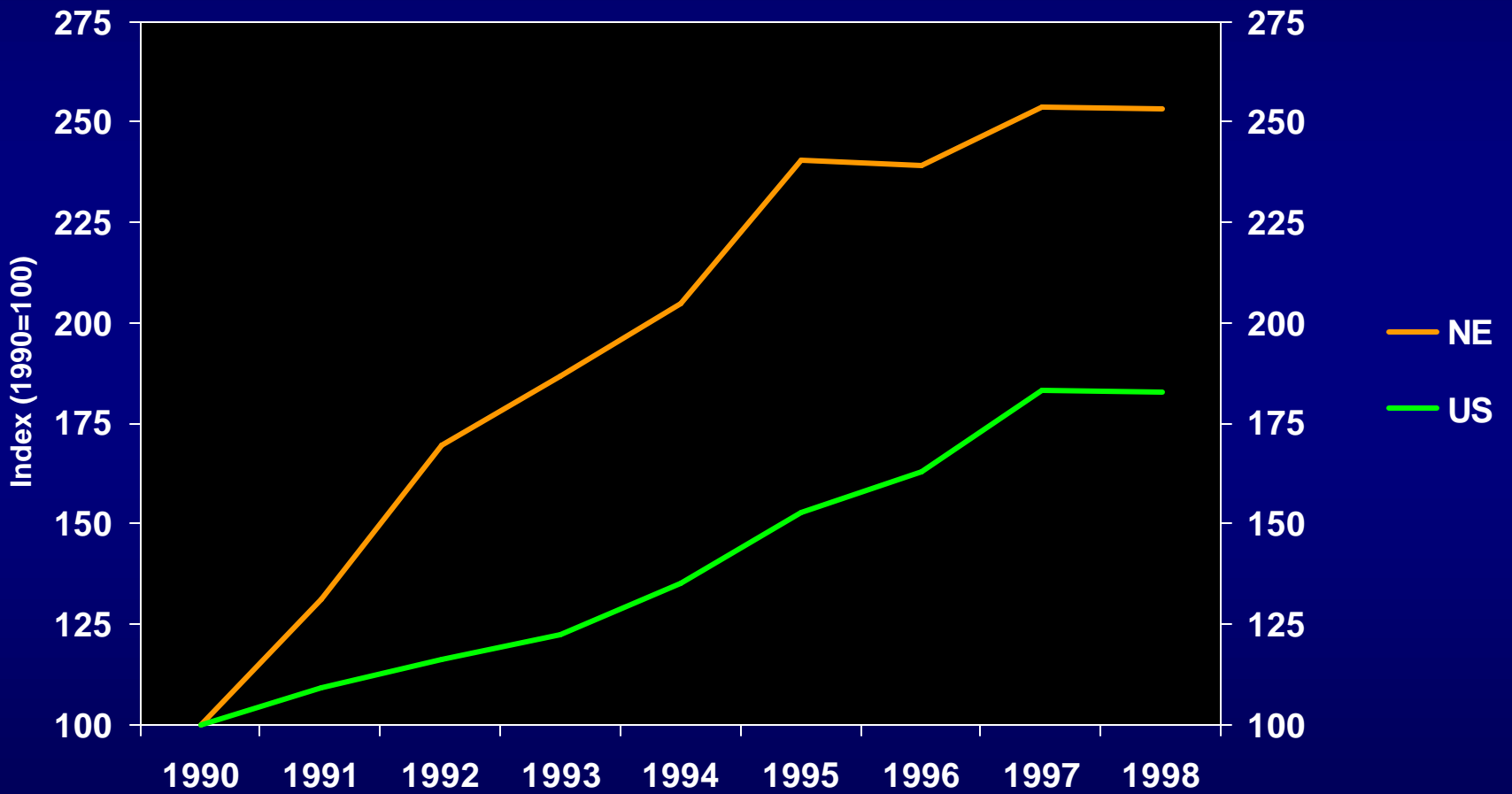


Supply or Demand?

On the **demand** side:

**Manufacturing
and the Farm Economy**

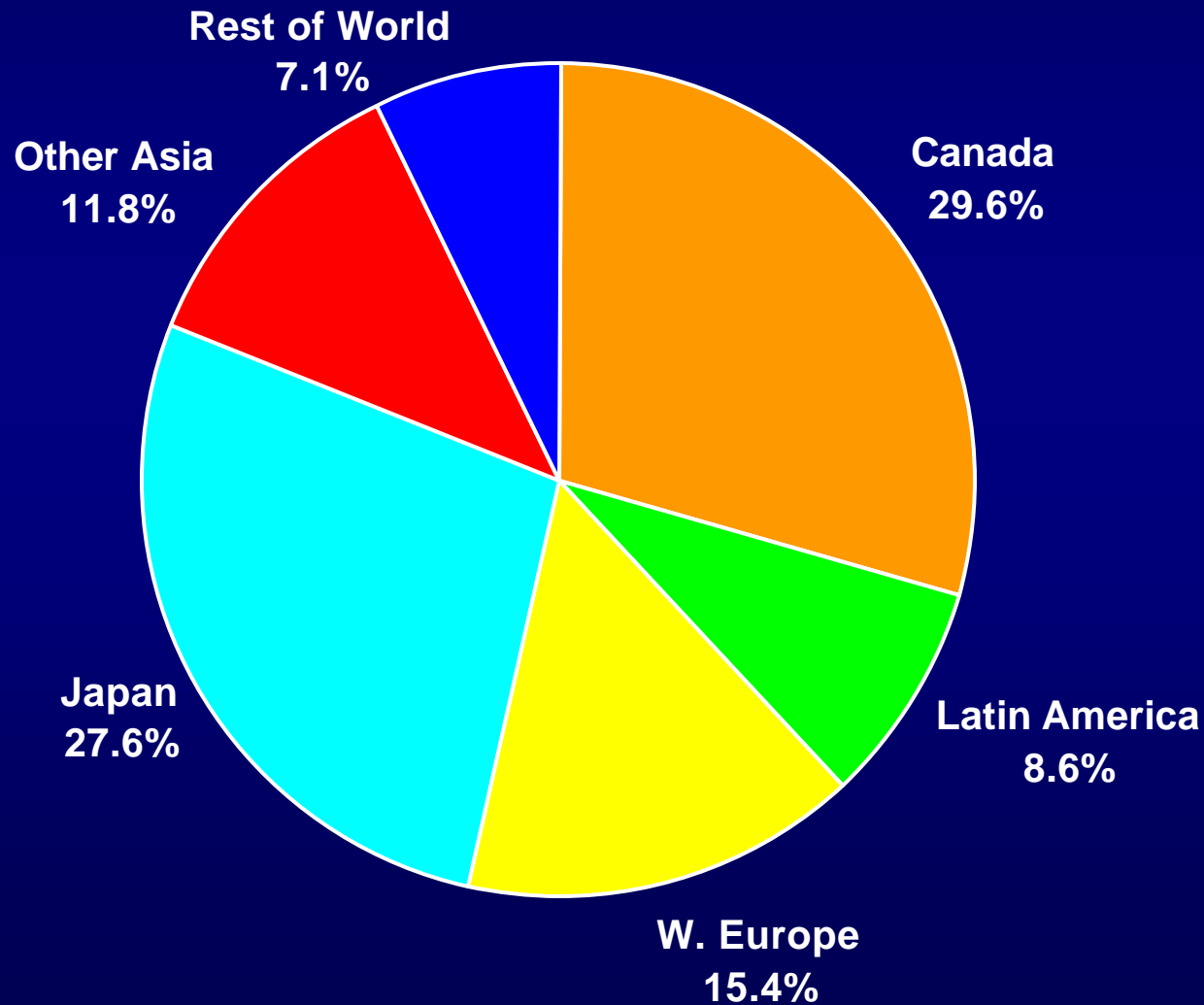
Manufacturing exports



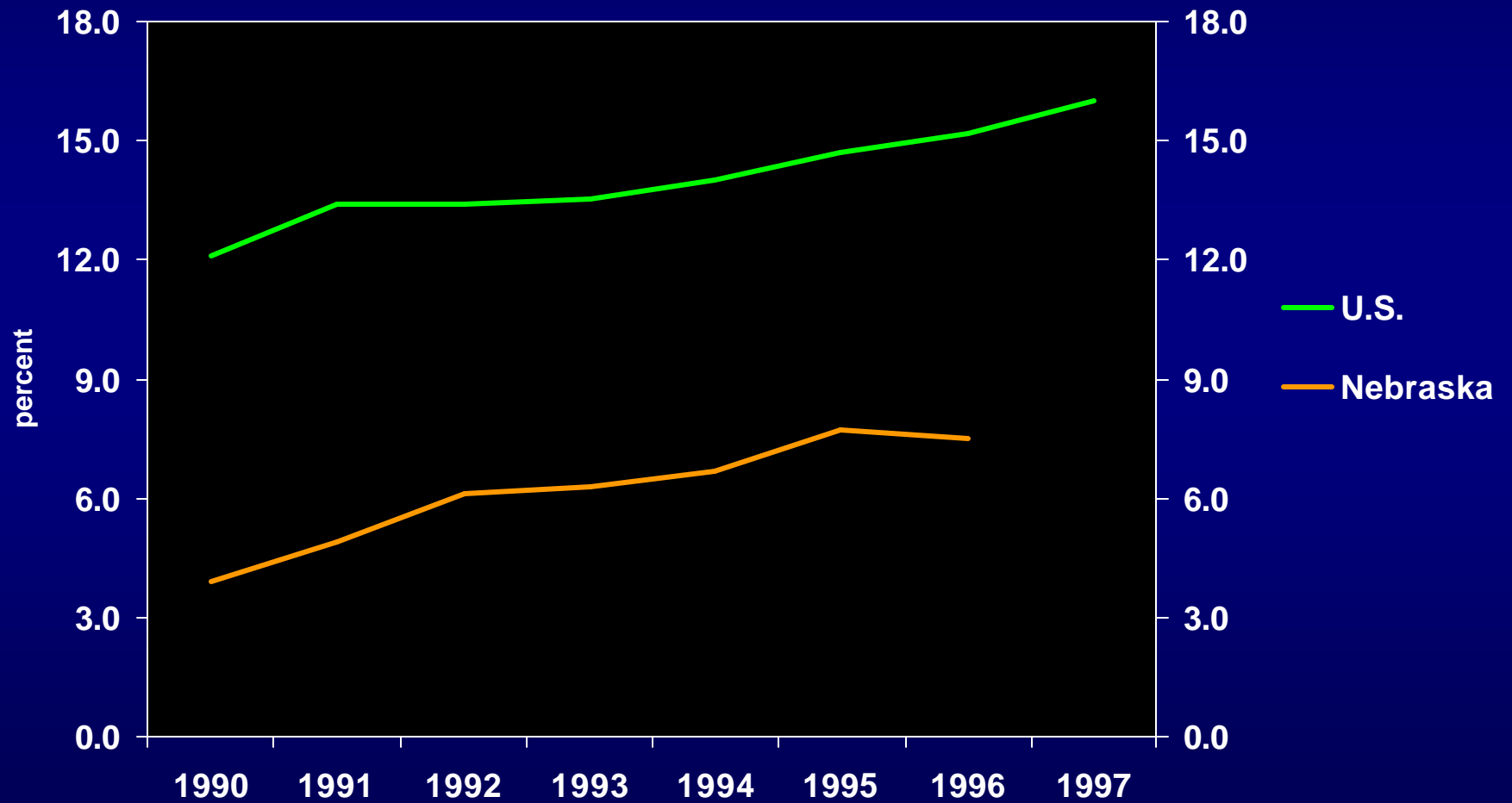
Recent Nebraska manufacturing exports



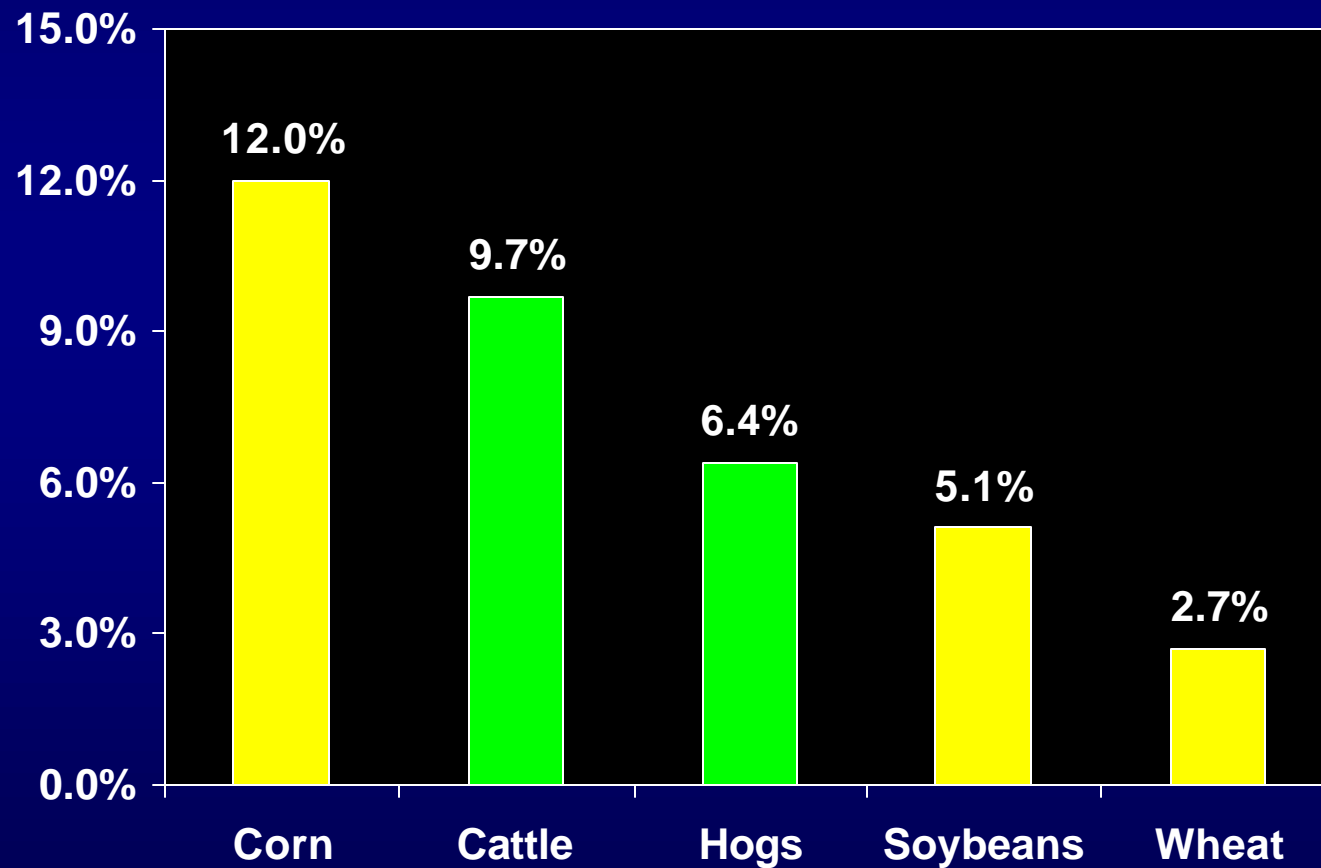
Destination of Nebraska manufacturing exports, 1998



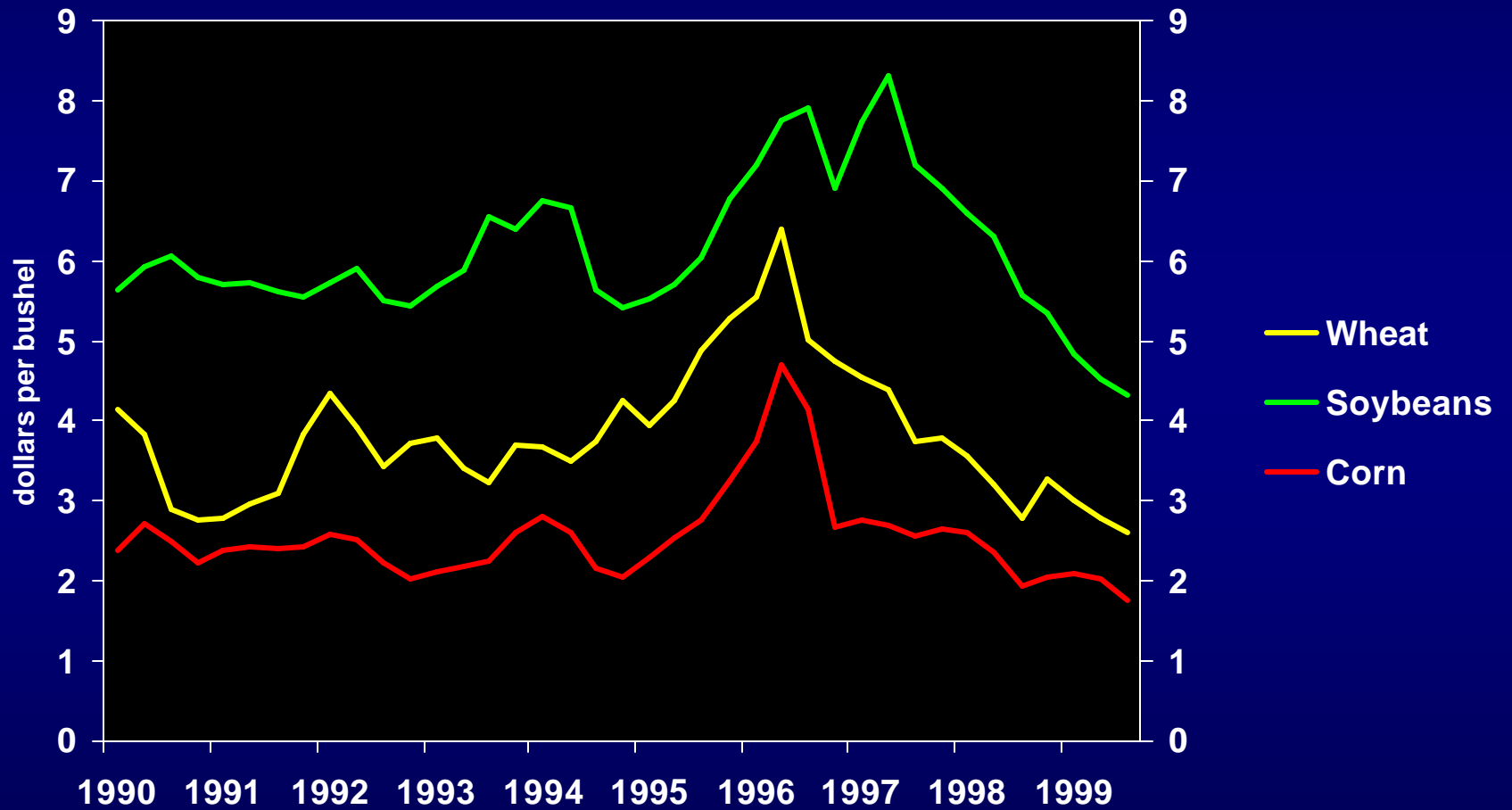
Share of manufacturing output that is exported



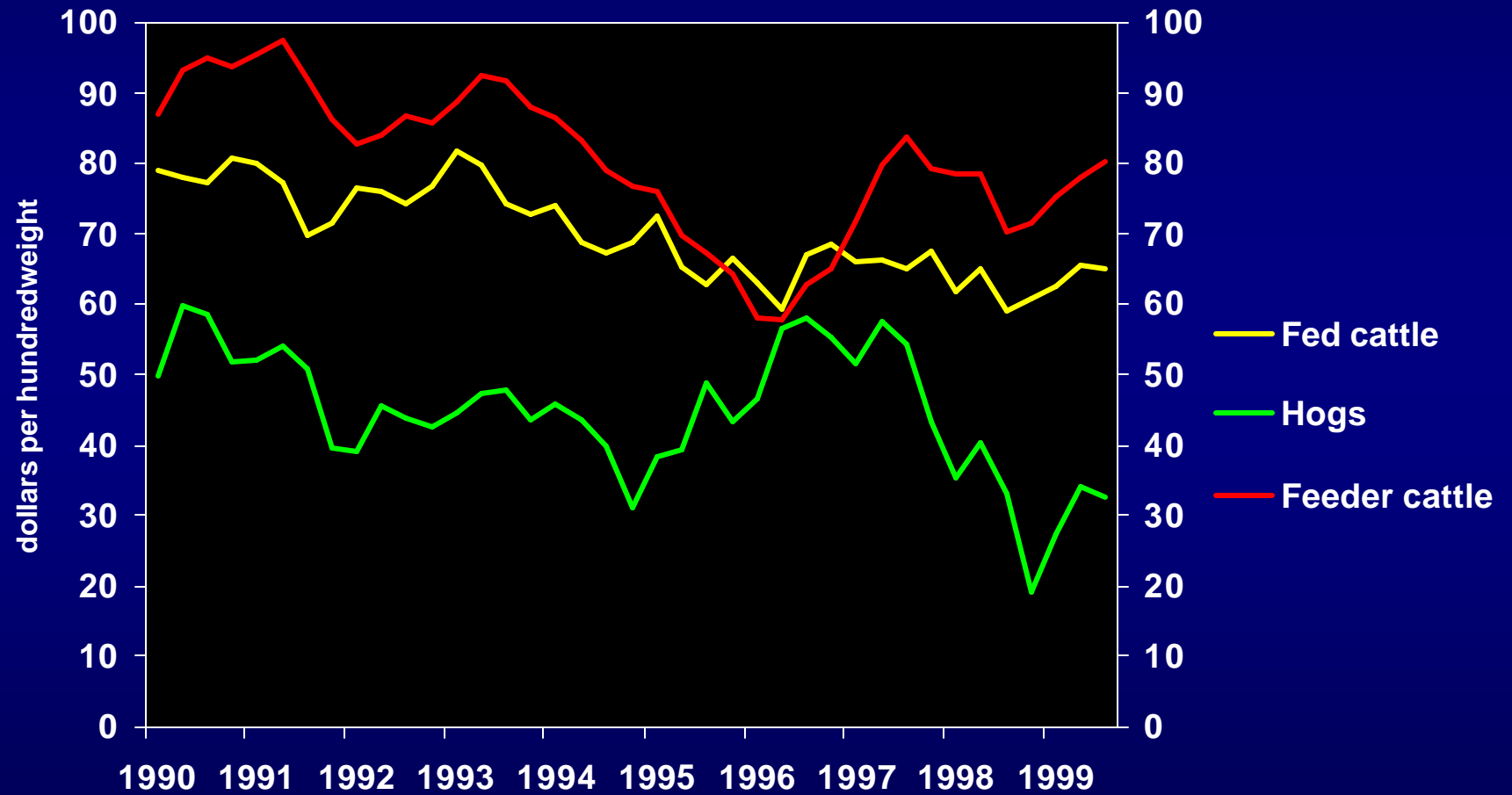
Nebraska's share of U.S. agricultural production, 1997



Grain prices

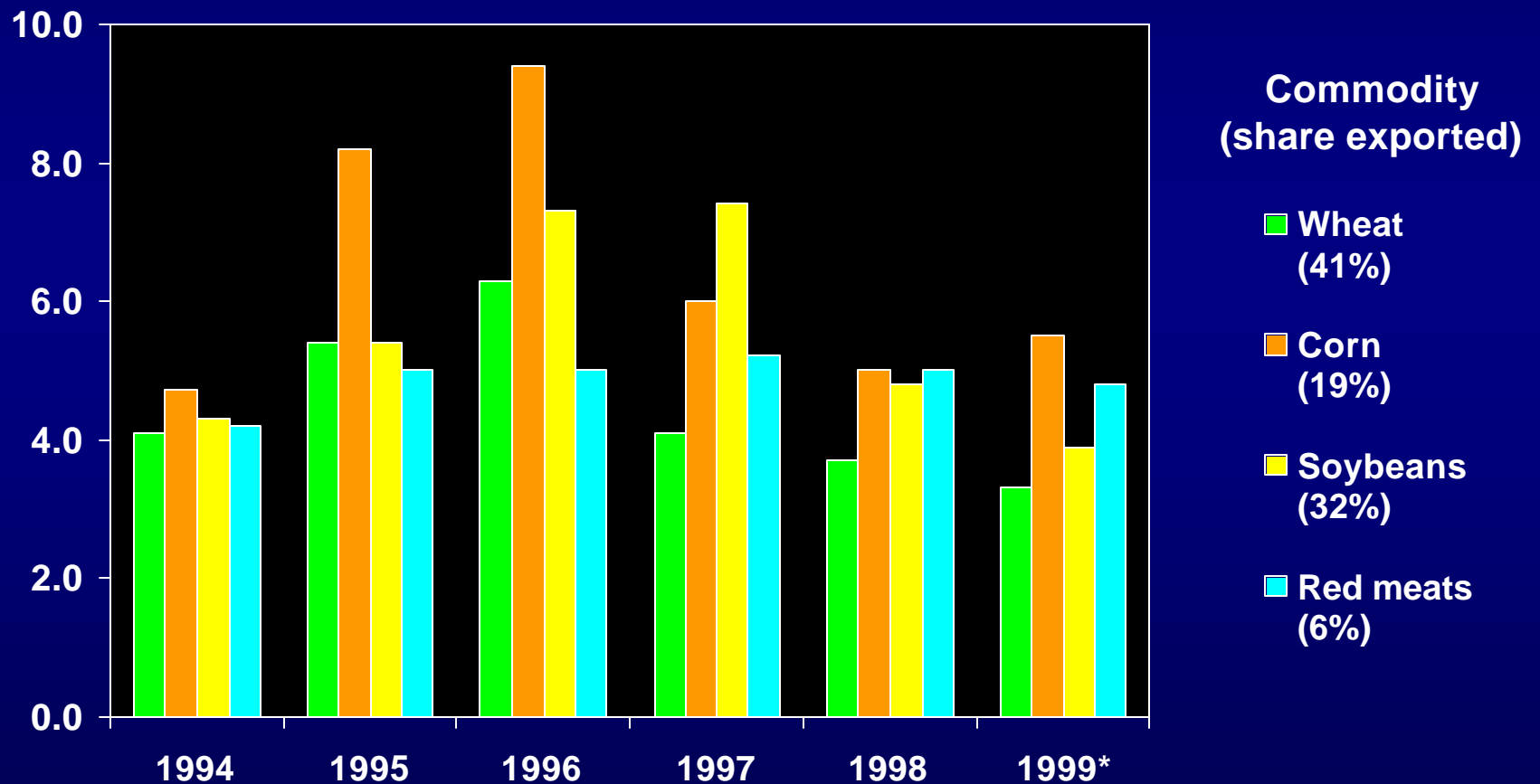


Livestock prices



U.S. agricultural exports

Billion dollars



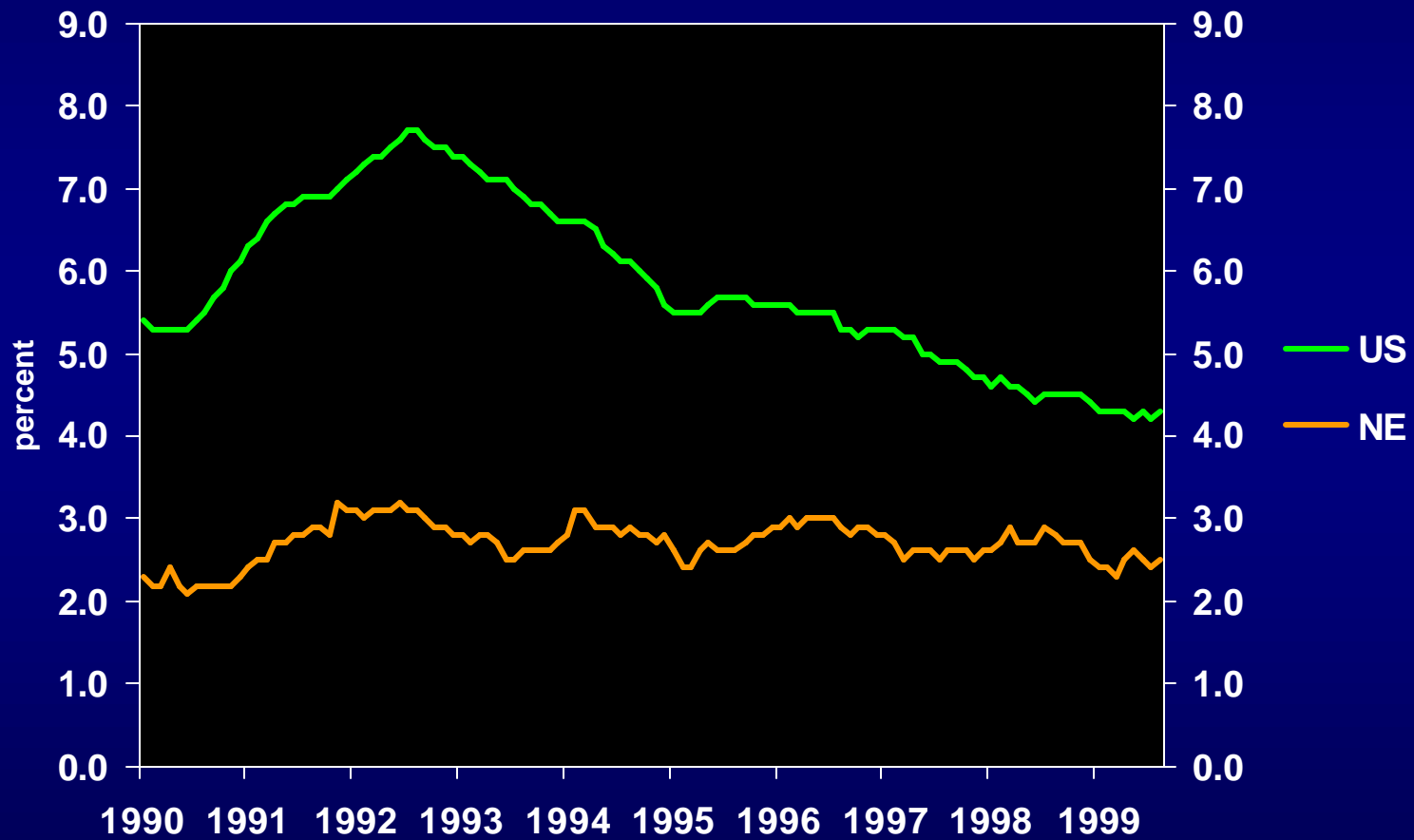
* first half 1999 annualized

Supply or Demand?

On the **supply** side:

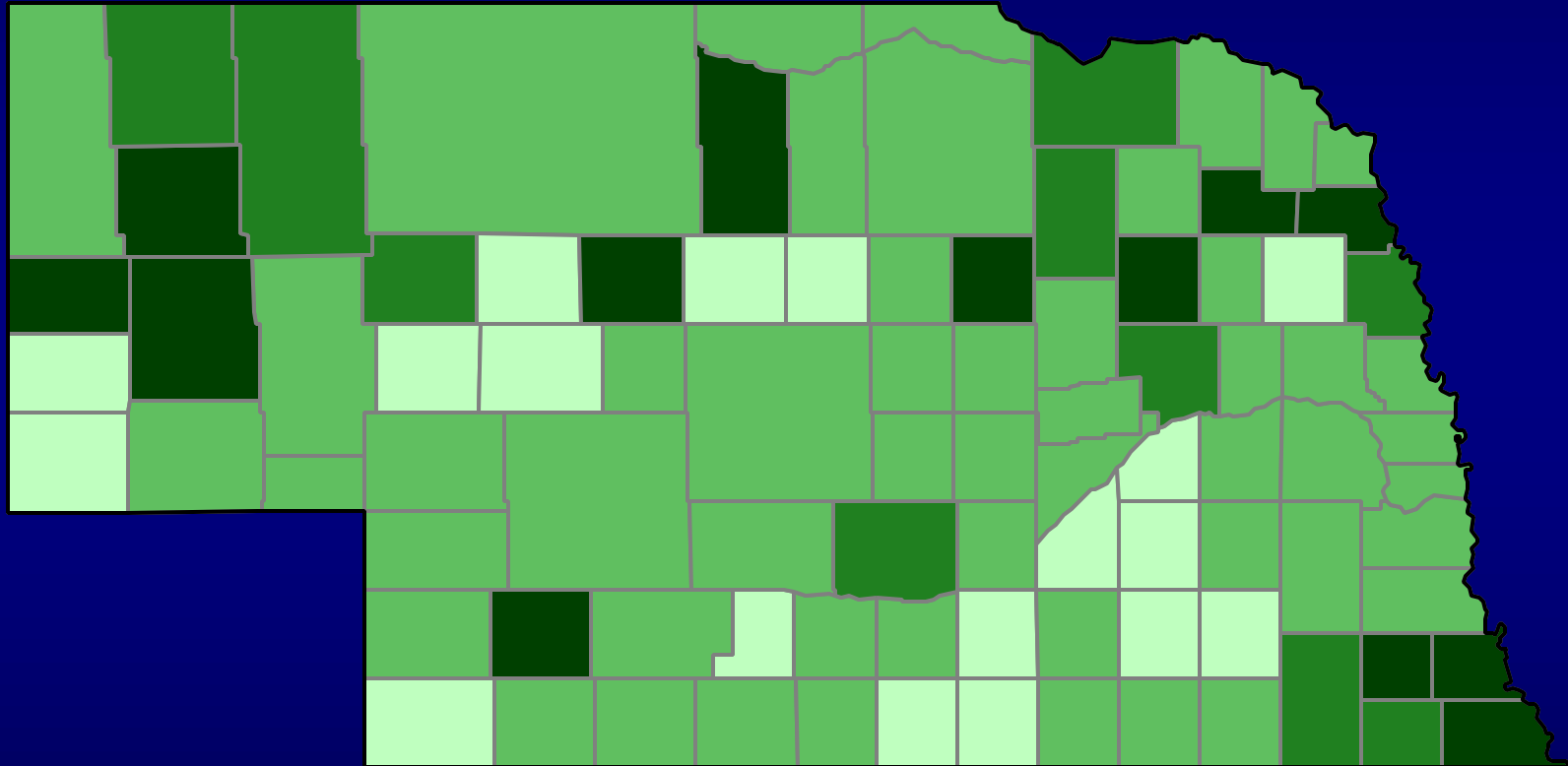
The Lack of Workers

Unemployment rates



Nebraska unemployment rates by county

June 1999



Under 2%

2-3%

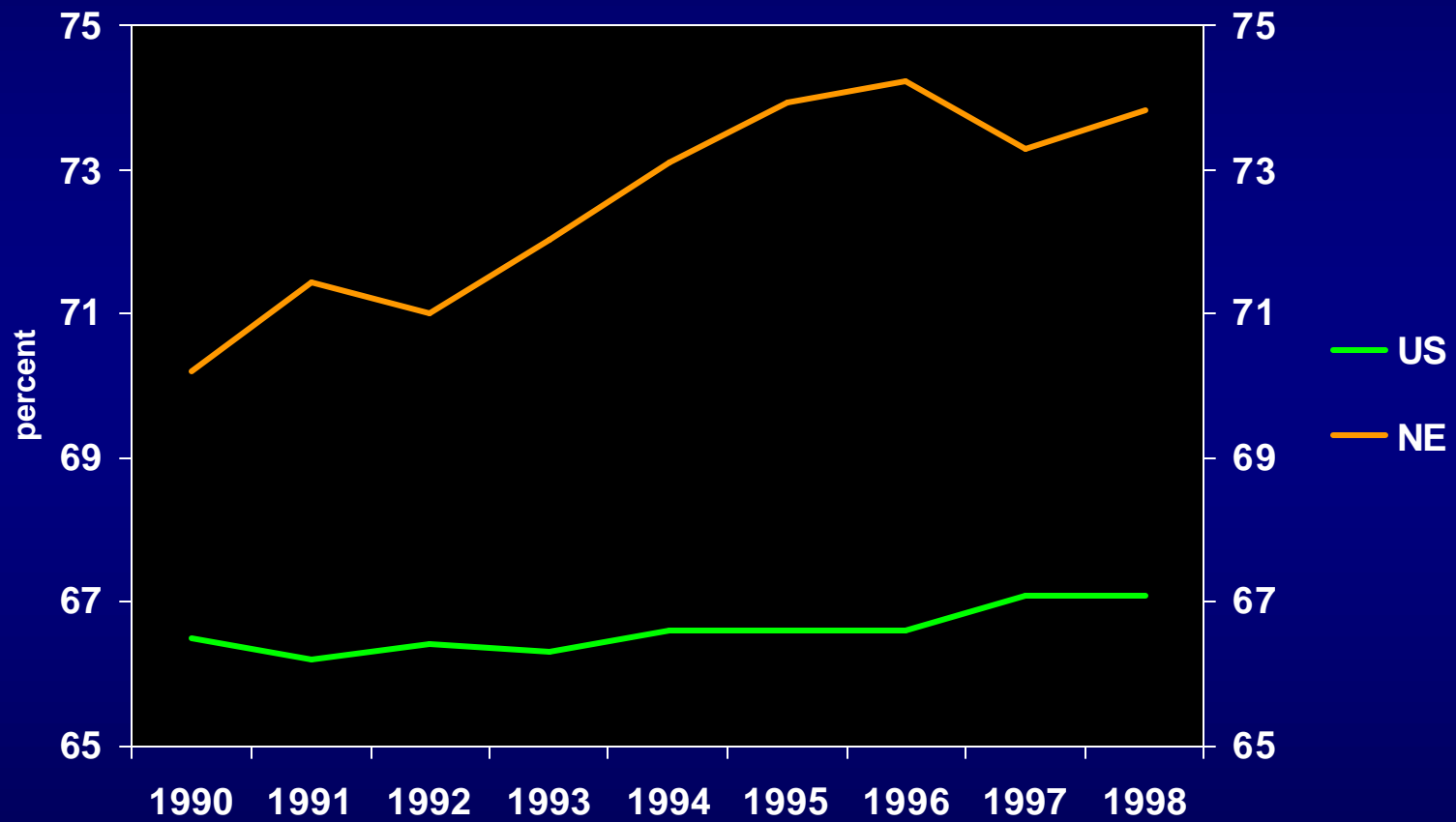
3-4%

Over 4%

Labor market data for 1998

| | <u>United States</u> | <u>Nebraska</u> |
|--|----------------------|------------------|
| Total Population | 270.6 million | 1,663,000 |
| Minus: | | |
| Under 16 & institutional pop. | 65.2 million | 422,000 |
| Economic Population | 205.4 million | 1,241,000 |
| Minus: | | |
| Full-time students, homemakers, retirees, discouraged workers, etc. | 67.6 million | 324,560 |
| Labor Force | 137.8 million | 916,440 |
| Participation Rate | 67.1% | 73.8% |
| Employment | 131.6 million | 891,710 |

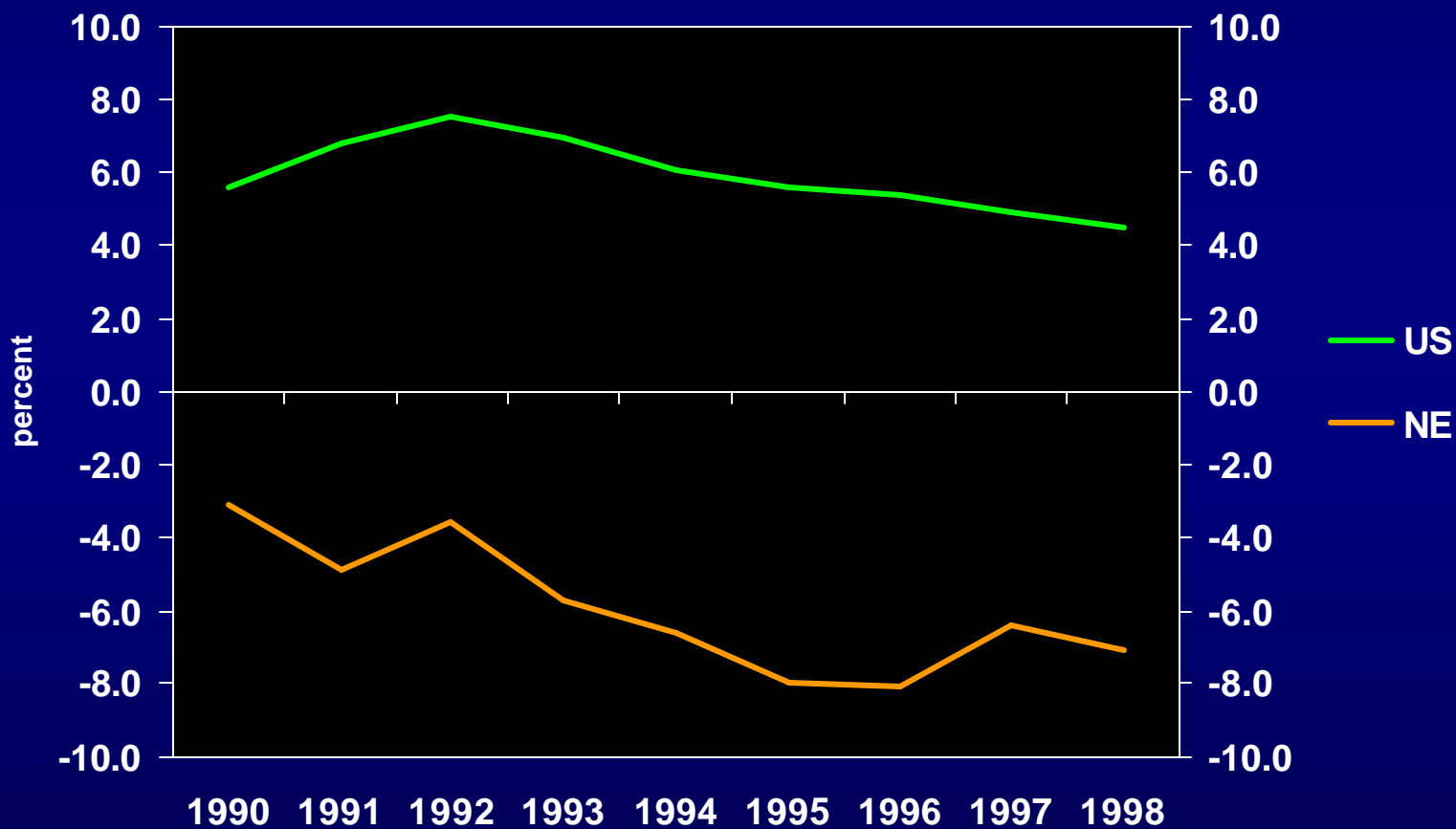
Labor force participation rates



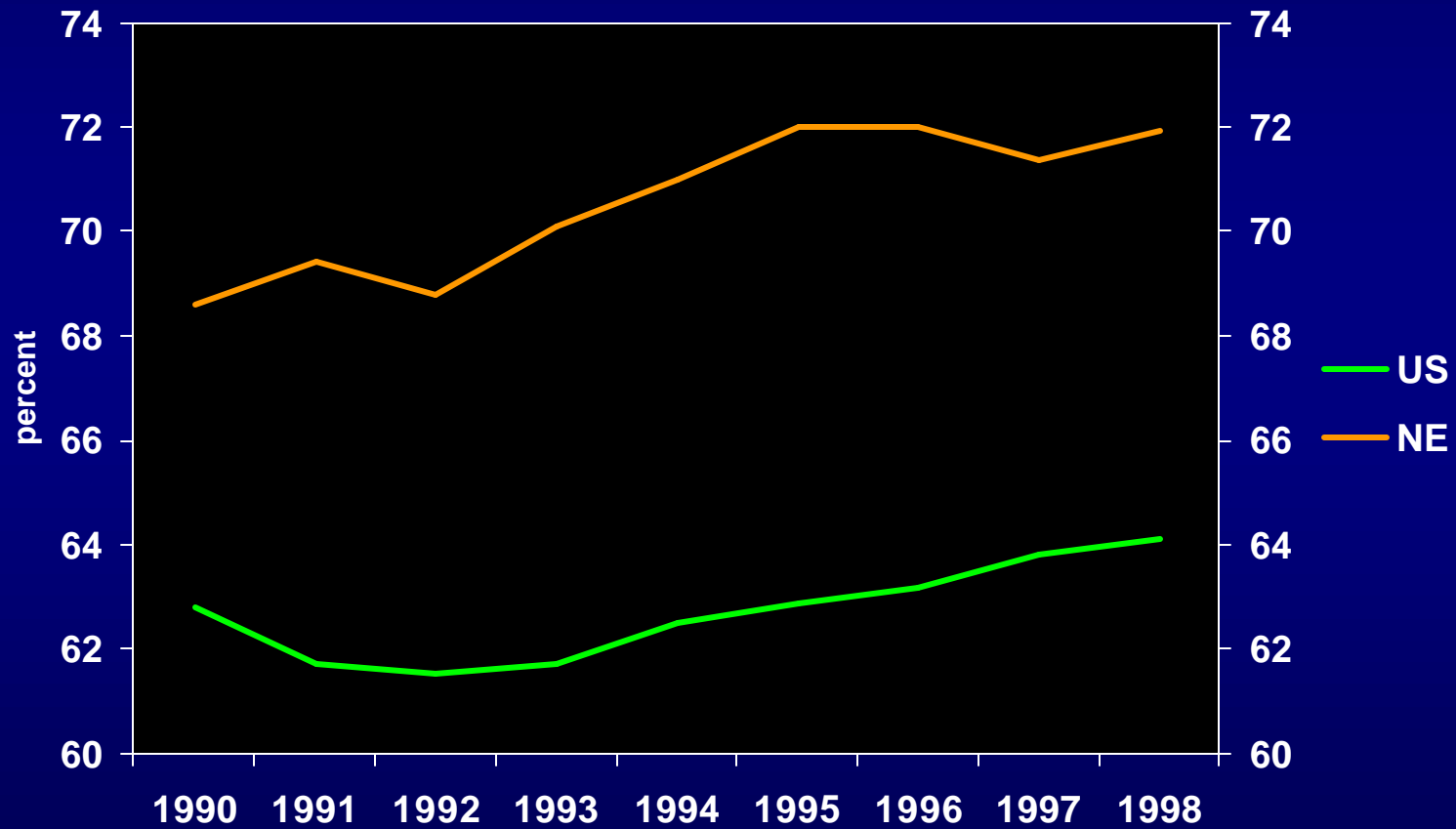
Adjusted labor market data for 1998

| | <u>Nebraska</u> | <u>NE w/ US part. rate</u> |
|--|------------------|----------------------------|
| Total Population | 1,663,000 | 1,663,000 |
| Minus: | | |
| Under 16 & institutional pop. | 422,000 | 442,000 |
| Economic Population | 1,241,000 | 1,241,000 |
| Minus: | | |
| Full-time students, homemakers, retirees, discouraged workers, etc. | 324,560 | 408,290 |
| Labor Force | 916,440 | 832,710 |
| Participation Rate | 73.8% | 67.1% |
| Employment | 891,710 | 891,710 |

Unemployment rates with U.S. participation rate

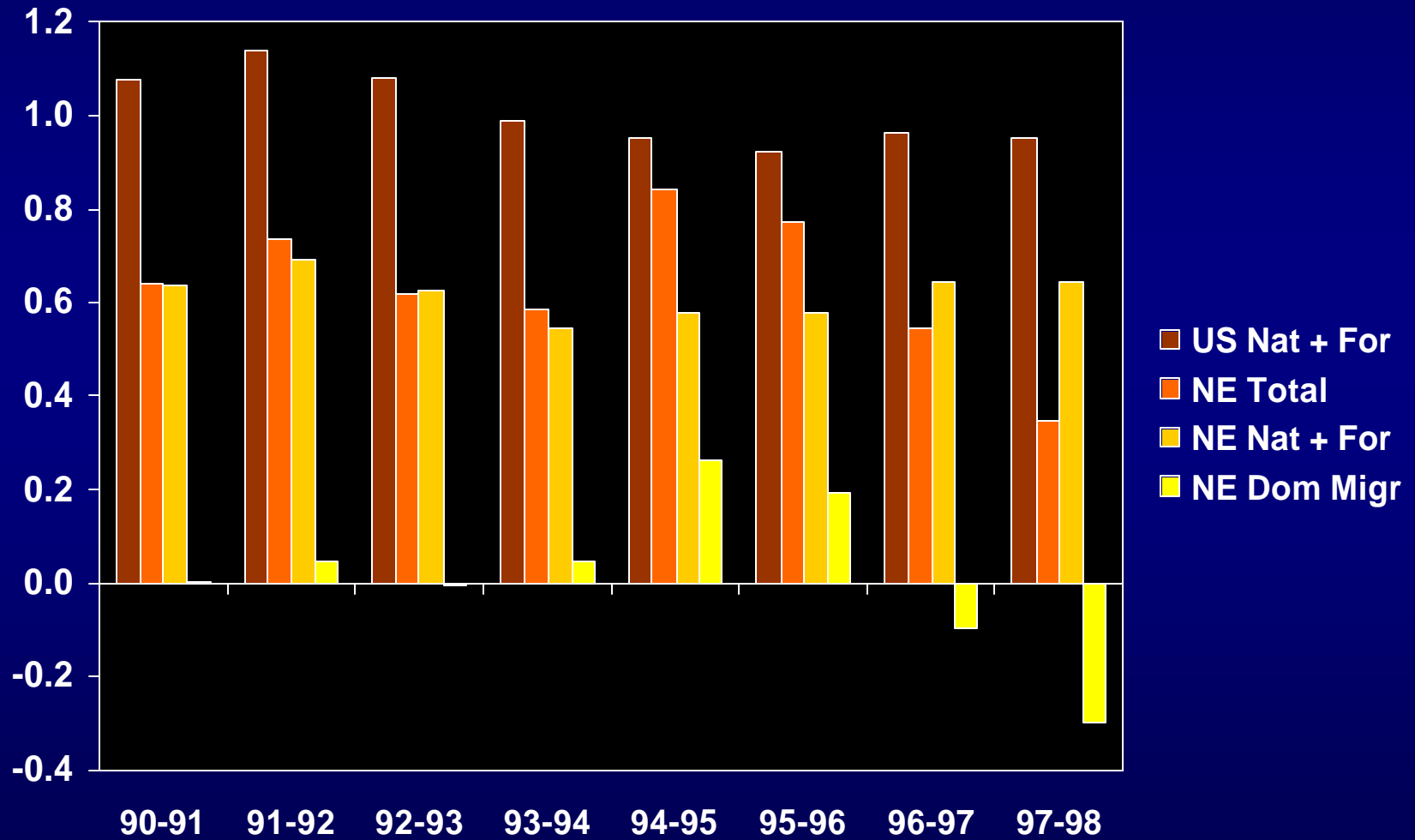


Employment as a share of economic population



Nebraska population growth by components

Percent



Nebraska net domestic migration by area

