

## Oregon Enjoys Strong Economic Growth

### *The State of Working Oregon*

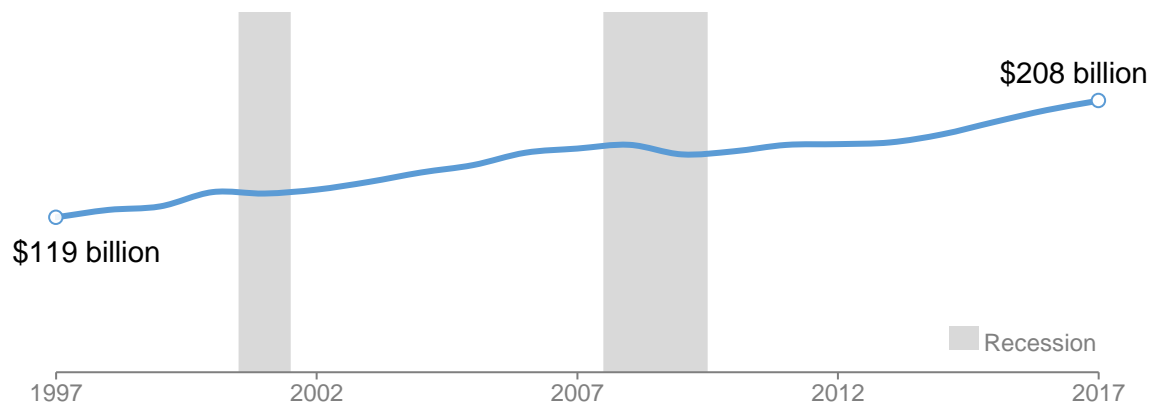
By Daniel Hauser and Juan Carlos Ordóñez

By several measures, Oregon's economy is strong. Oregon ranks sixth among all states in terms of economic growth since 2001, its share of the national economy has grown over the past two decades, and its workers are rapidly becoming more productive. In short, Oregon's economy remains a top performer.

The benefits of this economic growth, however, have bypassed many Oregonians. For instance, income inequality continues to widen, work is often not enough to pull a family out of poverty, and the cost of housing strains the budgets of many families.<sup>1</sup> Oregon's economy is not lacking in growth — it is lacking in shared prosperity.

### Oregon's economy: two decades of solid growth

Oregon gross state product from 1997-2017 in constant 2012 dollars



Source: OCPP analysis of Bureau of Economic Analysis data.

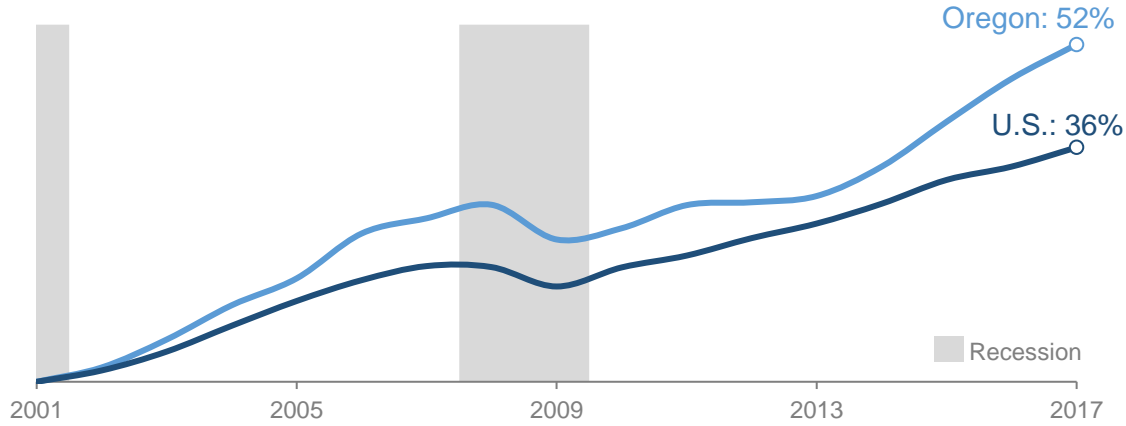
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Oregon's economy has performed exceptionally since 1997, the start of the most recent official data set on state economic growth. Oregon's inflation-adjusted gross state product (GSP) grew from \$119 billion in 1997 to \$208 billion in 2017.<sup>2</sup> Despite two recessions, including the Great Recession, Oregon's economy expanded by about 75 percent over the past two decades.

***The State of Working Oregon*** series examines Oregon's economy from the perspective of working families. Learn more at [www.ocpp.org/swo](http://www.ocpp.org/swo)

**Oregon's economic growth outpaces national rate**

2001-2017 percent change in GDP and Oregon GSP in constant 2012 dollars



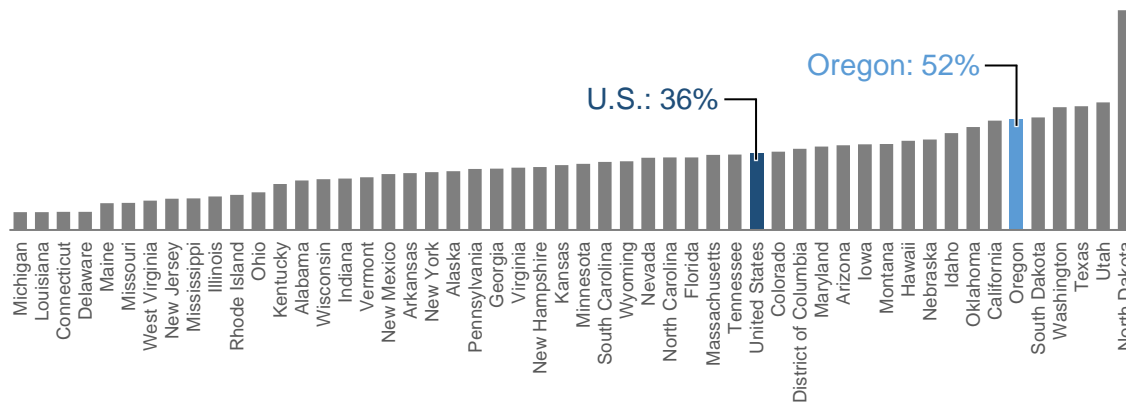
Source: OCPP analysis of Bureau of Economic Analysis data.

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Since 2001, the official end of the recession preceding the Great Recession, Oregon's economic growth has outperformed that of the national economy. From 2001 to 2017, the U.S. economy grew by about 36 percent. The Oregon economy grew by 52 percent during that time.

**Oregon's economic growth is one of the nation's highest**

2001-17 percent change in GSP by state



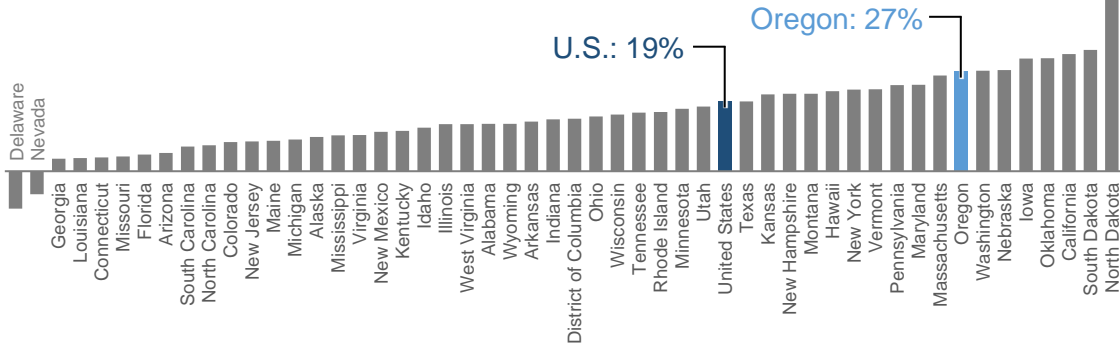
Source: OCPP analysis of Bureau of Economic Analysis data.

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Oregon's economic growth is particularly strong relative to other states. From 2001 to 2017, Oregon ranked sixth among all states and the District of Columbia in terms of economic growth.

## Oregon's growth is strong on a per person basis

2001-17 percent change in per capita GDP in constant 2012 dollars by state



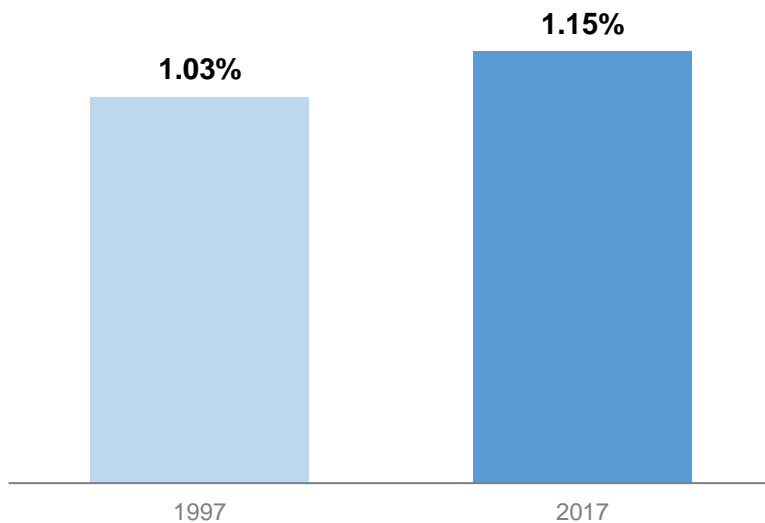
Source: OCPP analysis of Bureau of Economic Analysis data.

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It is important to consider changes in population when measuring a state's economic growth, and Oregon's economy looks solid from that perspective as well. From 2001 to 2017, the national economy grew by about 19 percent on a per capita basis. Over that same time period, the Oregon economy expanded by about 27 percent, ranking it eighth among all states and the District of Columbia.

## Oregon's share of national economy grows

Oregon share of U.S. gross domestic product by year



Source: OCPP analysis of Bureau of Economic Analysis data.

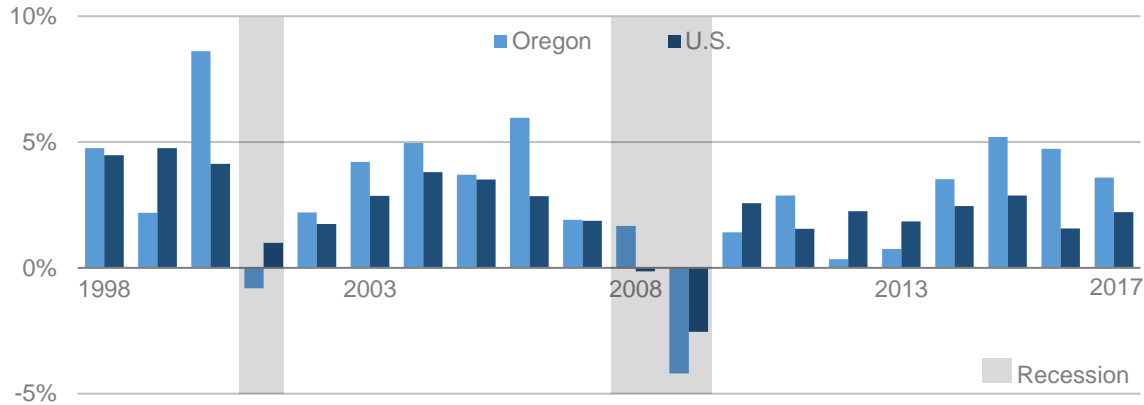
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As Oregon's economy has grown, so too has its importance to the national economy. In 1997, Oregon's GSP represented 1.03 percent of the U.S.'s gross domestic product (GDP). By 2017, Oregon's share of the country's GDP had grown to 1.15 percent, an increase of about 12 percent.

### Oregon economy performs well during periods of growth

1997-2017 annual GSP growth and GDP growth in constant 2012 dollars



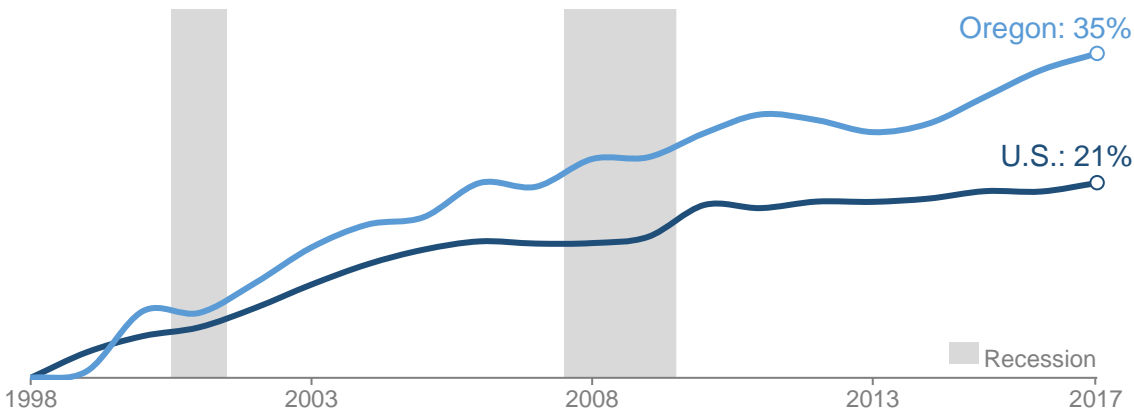
Source: OCPP analysis of Bureau of Economic Analysis data.

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Oregon's economy typically outperforms the national economy during periods of economic growth. For example, Oregon's economy has grown faster than the national average in 13 of the past 20 years on record.

### Oregon worker productivity rising faster than national average

1998-2017 percent change in economic output per worker in constant 2012 dollars



Source: OCPP analysis of Bureau of Economic Analysis data.

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Oregon workers are quickly becoming more productive. Between 2001 and 2017, Oregon productivity – the state's economic output per worker – increased by about 35 percent. National productivity increased by about 21 percent over that same time period.

## **Conclusion**

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Oregon's economy is not lacking in growth — it is lacking in shared prosperity. As one of the states with the strongest economies in the world's richest nation, the resources exist for all Oregonians to prosper.

## **Endnotes**

<sup>1</sup> Daniel Hauser and Juan Carlos Ordóñez, *Oregon's Ultra-Rich Continue to Pull Away*, Oregon Center for Public Policy, March 6, 2019; Janet Bauer, *Poverty Despite Work Is the Rule, Not the Exception*, Oregon Center for Public Policy, February 14, 2019, available at <https://www.ocpp.org/2019/02/14/working-poor-oregon/>; One in Three Oregon Families Struggle to Afford Housing, Oregon Center for Public Policy, March 15, 2018, available at <https://www.ocpp.org/2018/03/15/20180315-cost-burdened-housing/>.

<sup>2</sup> Unless otherwise noted, all figures in this fact sheet are OCPP analysis of Bureau of Economic Analysis data accessed on January 30, 2019.

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The Center is a part of the State Priorities Partnership ([www.statepriorities.org](http://www.statepriorities.org)) and the Economic Analysis and Research Network ([www.earncentral.org](http://www.earncentral.org)).

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