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ECONOMIC Synopses

Geographic Disparity in U.S. Output

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Gross domestic product (GDP) is probably the most familiar statistic that economists use to measure economic performance. Often it is cited at the national level, but output is not evenly distributed across the U.S. The Bureau of Economic Analysis (BEA) recently released data on county-level GDP, allowing us to investigate the geographic distribution of output at a finer level.

Total real GDP in the U.S. in 2018 was $18.6 trillion.[1] While there are more than 3,000 counties in the U.S., a mere 17 counties produced more than $113 billion in output each. Together, these 17 counties accounted for 25 percent of U.S. GDP in 2018. Los Angeles County in California produced the most in the U.S. at $711 billion, which is nearly double the output of Cook County in Illinois (which includes Chicago).

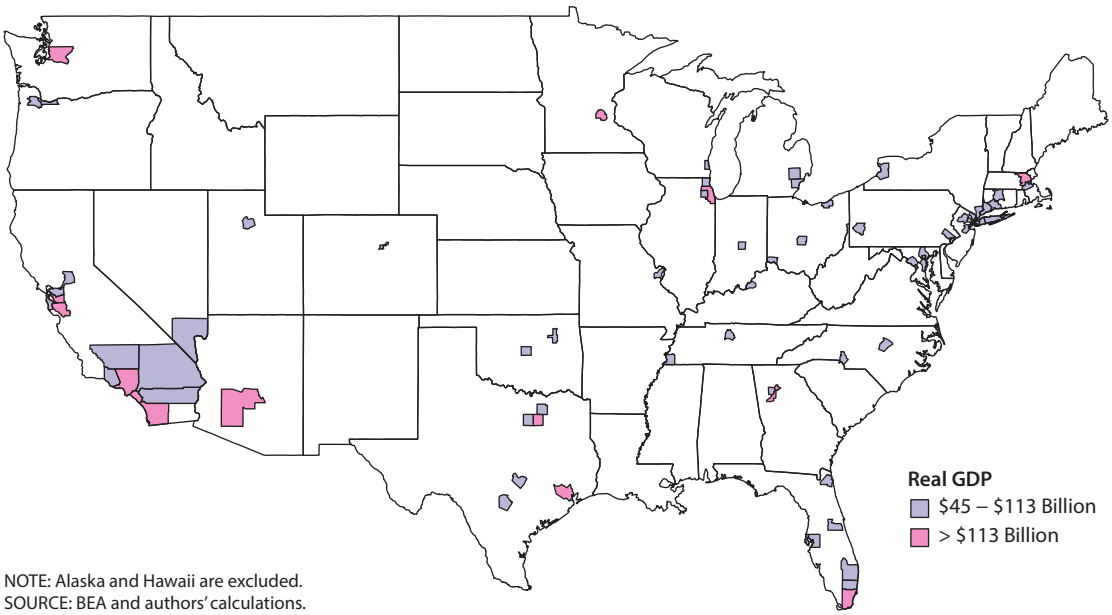
Indeed, just 81 counties (less than 3 percent of all counties) produce half of U.S. GDP. Figure 1 illustrates the counties that account for 50 percent of U.S. GDP. The counties colored in pink are the 17 counties noted above.

Figure 2 plots the 2018 GDP for the U.S., where each circle represents a county. The size of each circle indicates the amount of GDP produced by each county, so a bigger circle represents more output and a smaller circle represents less output. Also, to make relative output more transparent, we break counties into four colors where the sum of output for the counties in each color is approximately 25 percent of total GDP.

> A mere 81 of more than 3,000 counties produced half of total U.S. GDP in 2018.

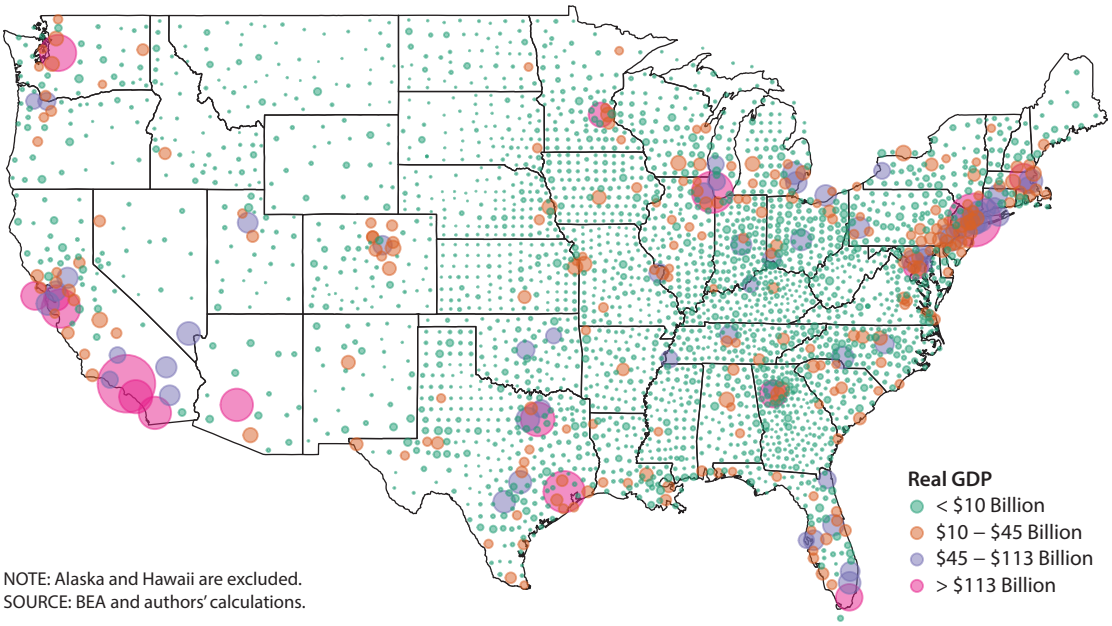
We see from Figure 2 that much of U.S. output is concentrated in the American northeast; we also see large clusters of output in California near the Bay Area and Los Angeles.

Figure 1
Top 81 U.S. Counties that Produced Half of Total 2018 Real U.S. GDP



NOTE: Alaska and Hawaii are excluded.
SOURCE: BEA and authors' calculations.

Figure 2
2018 Real GDP by County



NOTE: Alaska and Hawaii are excluded.
SOURCE: BEA and authors' calculations.

2018 Real GDP by County in the Eighth District

County	State	Real GDP (billions of $)
St. Louis	MO	71.64
Shelby	TN	57.63
Jefferson	KY	49.83
Pulaski	AR	27.21
Vanderburgh	IN	10.47

SOURCE: BEA and authors' calculations.

The table lists five counties in the Eighth District with major cities.[2] St. Louis County produces the highest output in the Eighth District but represents only 10 percent of Los Angeles County's output. In fact, the output of the entire Eighth District is approximately $644 billion, which is still less than Los Angeles County's output. To put this into perspective, Los Angeles County is only about 2 percent of the land mass of the Eighth District.

Output is highly correlated with population; that is, most of the workers in the U.S. live in just a few localities—counties with major cities—that produce most of the output. ■

Notes

[1] In chained 2012 dollars. All amounts henceforth are real.

[2] The Eighth Federal Reserve District, which includes the Federal Reserve Bank of St. Louis, comprises all of Arkansas and parts of Missouri, Illinois, Indiana, Kentucky, Mississippi, and Tennessee.

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