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The Performance of the Buffalo Economy Since the Great Recession

Jaison R. Abel

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The Performance of the Buffalo Economy Since the Great Recession

Abstract
In August 2017, The Worker Institute convened high level leaders over the course of two days, around a discussion of Buffalo, NY Since the Great Recession. With presentations, panels, and a visit to the UAW Local 774, participants gained a deeper understanding of the economic restructuring that followed the Great Recession and where this large metropolitan area stands today. Here, you will find links to the resources that were presented during this two day convening.

Keywords
Buffalo, Economic Development, High Road Economic Development, Presentation, Other, PDF

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PROGRAM

DAY 1, AUGUST 14, Cornell in Buffalo

Welcome, Arthur Wheaton, The Worker Institute, Cornell University  
09AM-09.10AM

Introduction: The Contours of Economic Development in the Rust Belt since the Great Recession 
Evren Dincer, Uludağ University  
09.10AM-09.30AM

Session I  
Main Trends and Issues of Economic Development in Buffalo  
09.30AM-12PM

The Performance of the Buffalo Economy Since the Great Recession  
Jaison Abel, Federal Reserve Bank of New York

Healing Buffalo’s Economy: The Buffalo Billion and Priorities for Economic Development  
John Slenker, New York State Department of Labor

General Trends in the Labor Market  
Cesar Cabrera, New York State Department of Labor

Labor Market and Challenges for Workforce Development  
Heather Gresham, Executive Director, Buffalo and Erie County Workforce Investment Board

Labor’s Role in Economic Development and Organizing  
Richard Lipsitz Jr., Western New York Area Labor Federation

Economic Development from a Social Justice Perspective  
Franchelle C. Hart, Open Buffalo

Lunch Break: 12PM-1PM

Session II  
Placing Buffalo in its Geographical and Economic Context:  
Buffalo as part of New York State and the Rust Belt  
1PM-2.45PM

The Role of New York City in the Economy of New York State  
James Parrott, Center for New York City Affairs at The New School

Buffalo’s Economic Relations with Albany  
Bruce Fisher, SUNY Buffalo State

The Role of Community Organizations in Buffalo’s Economic Revitalization in a Comparative Perspective  
Ronald Applegate, Cornell University

Buffalo’s Economic Development Compared: Buffalo as Part of the Rust Belt  
Evren Dincer, Uludağ University

Coffee Break, 2.45PM-3.00PM
Session III
Sectors in Perspective I
3PM-5PM

Buffalo’s Housing Market since the Great Recession
Sam Magavern, Partnership for the Public Good

Buffalo’s Agricultural Economy since the Great Recession
Diane Held, Cornell University Cooperative Extension

The Finance Sector in Buffalo since the Great Recession
Gary Keith, M&T Bank

Buffalo-Niagara Medical Corridor Experiment: Perspectives on a Project for Economic Revitalization
David Scott, Buffalo Niagara Medical Campus (TBC)

The Energy Sector, Community Development and Sustainability in Buffalo since the Great Recession
Rahwa Ghirmatzion, PUSH Buffalo

Concluding Remarks and Reflections on Day One
Rosemary Batt, Cornell University

DAY 2, AUGUST 15, UAW Local 774
Session IV, 09AM-12PM
Sectors in Perspective II
Manufacturing and the Auto Industry

A Historical Review of the Auto Industry in the U.S. and Western New York
Art Wheaton, The Worker Institute at Cornell University

Recent Trends in Auto Manufacturing in Western New York
Ian Greer, Cornell University

Canadian Auto Industry since the Great Recession: A Look at Buffalo from the other side of the Border
Mathieu Dupuis, School of Industrial Relations, University of Montreal

The Reindustrialization of the U.S.: Tonawanda Powertrain since the Great Recession
Evren Dincer, Uludağ University

Auto Manufacturing in Buffalo since the Great Recession: A Managerial Perspective
Steve Finch, Plant Manager, GM Tonawanda Powertrain

Labor Management Relations and Restructuring in Manufacturing since the Great Recession: A Union Perspective
Wenceslao Valentin III, President, UAW Local 774

For more information please contact:
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Art Wheaton, email: acw18@cornell.edu, call or text (716) 777-0303
The Performance of the Buffalo Economy Since the Great Recession
Jaison R. Abel, Research Officer

Buffalo Since the Great Recession: A Workshop on Economic Restructuring in the Rust Belt Cornell ILR School; Buffalo, NY; August 14, 2017

The views expressed here are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.
Overview

- The Buffalo economy performed relatively well through the Great Recession, outperforming many of its upstate peers and its own historical experience.

- Though growth has been slow since the Great Recession, the Buffalo economy has gained back all of the jobs that were lost and is now into its eighth year of expansion.

- During the current cycle, the Buffalo economy has benefited from a less volatile industry structure, more stable housing markets, and healthier household finances.
Regional Employment Trends

Total Employment, Seasonally Adjusted

Source: U.S. Bureau of Labor Statistics and Moody’s Economy.com; data are early benchmarked by FRBNY staff.
Sectors Driving Buffalo Job Growth

Annual Change 2010 to 2016


<table>
<thead>
<tr>
<th>Sector</th>
<th>Annual Change 2010-2016</th>
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<tbody>
<tr>
<td>Leisure &amp; Hospitality</td>
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<td>Healthcare &amp; Education</td>
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<td>Financial Activities</td>
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<td>Trade</td>
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<td>Construction</td>
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<td>Transportation</td>
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<td>Professional &amp; Business</td>
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<tr>
<td>Information</td>
<td>-748</td>
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<tr>
<td>Government</td>
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</tr>
</tbody>
</table>

Comparison to Previous Recessions

Total Employment Indexed to Local Employment Peak

Index (Start of Downturn = 100)

U.S.

Buffalo

Upstate Manufacturing Trends
Indexes of Manufacturing Employment, Seasonally Adjusted

Changing Structure of the Buffalo Economy

Shares of Total Employment

- **Health Services & Education**: 17% in 1990, 13% in 2000, 9% in 2016
- **Professional & Business Services**: 9% in 1990, 13% in 2000, 17% in 2016
- **Manufacturing**: 17% in 1990, 13% in 2000, 9% in 2016

The Geography of the Housing Bust

Change in Home Prices, March 2006 – April 2009

Source: CoreLogic Home Price Index (including distressed sales).
Regional Home Price Trends
CoreLogic Single-Family Home Price Index, Seasonally Adjusted

Source: CoreLogic Home Price Index (including distressed sales); Aggregation and seasonal adjustment by FRBNY staff.
Regional Household Debt

Total Household Debt Balance Per Capita, 2017 Constant Dollars

Thousands

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