Summary Themes

• Nebraska’s economy appears well-positioned for steady growth over the next decade.
• However, notable disparities seem likely to persist.
  • Urban vs. Rural
  • Ag vs. non-Ag
  • High- vs. Low-Income
Population growth in Nebraska has been stable, but driven by gains in urban areas.
Employment has expanded steadily, but also primarily in Omaha and Lincoln.

Notes: Gray lines indicate employment growth in the other 49 states and the District of Columbia. Blue bars indicate NBER-defined recessions. Sources: BLS, Haver Analytics.
Service-based industries in urban areas have accounted for a large share of job growth.

**Nebraska Employment by Industry**

Note: Percentages denote the share of total statewide employment in 2019.
Sources: BLS, Haver Analytics.
The concentration of industries in Nebraska has shifted slightly over the past two decades.

Nebraska Industry Concentration (Relative to U.S.)

Note: Location quotients compare the share of industrial employment in Nebraska in a given industry to the share of industrial employment nationally in the same industry. A value of 1 means the share of a given industry is the same in Nebraska as it is nationally.

Sources: BLS, Haver Analytics, authors’ calculations.
Personal incomes have increased steadily, and at a rate similar to the nation...

Real Per Capita Personal Income by State

Note: Gray lines indicate real per capita personal income in the other 49 states and the District of Columbia. Blue shading indicates NBER-defined recessions. Sources: BEA, Haver Analytics.
... but disparities have intensified somewhat alongside national trends.

Real Household Income

Sources: Census Bureau ACS 1-year sample Public Use Microdata, IPUMS-USA, authors’ calculations.
Home prices have continued to rise, accelerating in recent years.

Median Home Prices by State

Index, Q1 1999 = 100

United States

District of Columbia

Nebraska

Note: Gray lines indicate home price in the other 49 states and the District of Columbia; North Dakota not shown as no data is available prior to 2004. Blue shading indicates NBER-defined recessions.

Sources: Census Bureau, BEA, Haver Analytics.
The strength and stability of Nebraska’s economy has supported returns in banking.

Banking Return on Assets

Net Income/Assets, 4 quarter moving average

Sources: FFIEC, Federal Reserve Board.
Despite the recent slowdown, agriculture in Nebraska has expanded sharply since the 1990s.

Agriculture GDP

Note: Agricultural GDP also includes forestry, fishing, and hunting.
Sources: BEA, Haver Analytics.
However, reduced agricultural commodity prices continue to weigh on farm profits.

Agricultural Commodity Prices

Sources: Wall Street Journal, Haver Analytics.
Ongoing demand for food and ag exports has fueled Nebraska’s manufacturing sector.

Manufacturing Exports

Sources: Wiser Trade, Census Bureau, Haver Analytics.
Manufacturing output has increased despite a more recent slowdown.

Manufacturing GDP

Sources: BEA, Haver Analytics.
A sharp increase in demand from Mexico has supported Nebraska’s export-based industries.

Nebraska’s Top Export Partners

<table>
<thead>
<tr>
<th>Country</th>
<th>1999</th>
<th>2009</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mexico</td>
<td>1.2</td>
<td>1.0</td>
<td>1.4</td>
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<tr>
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<td>0.6</td>
<td>1.2</td>
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<tr>
<td>Japan</td>
<td>0.4</td>
<td>0.2</td>
<td>0.6</td>
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<tr>
<td>South Korea</td>
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<td>0.1</td>
<td>0.2</td>
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<tr>
<td>Netherlands</td>
<td>0.1</td>
<td>0.1</td>
<td>0.2</td>
</tr>
</tbody>
</table>

Sources: Wiser Trade, Census Bureau, Haver Analytics.
Concluding Remarks

• Nebraska seems to have listened to John Wooden:
  – “All of life is peaks and valleys. Don’t let the peaks get too high and the valleys too low.”

• Steady growth, amid some disparities, will likely characterize the next decade.