



# County Economies: Under the Hood of National Economic Trends

August 2024 • National Association of Counties (NACo)

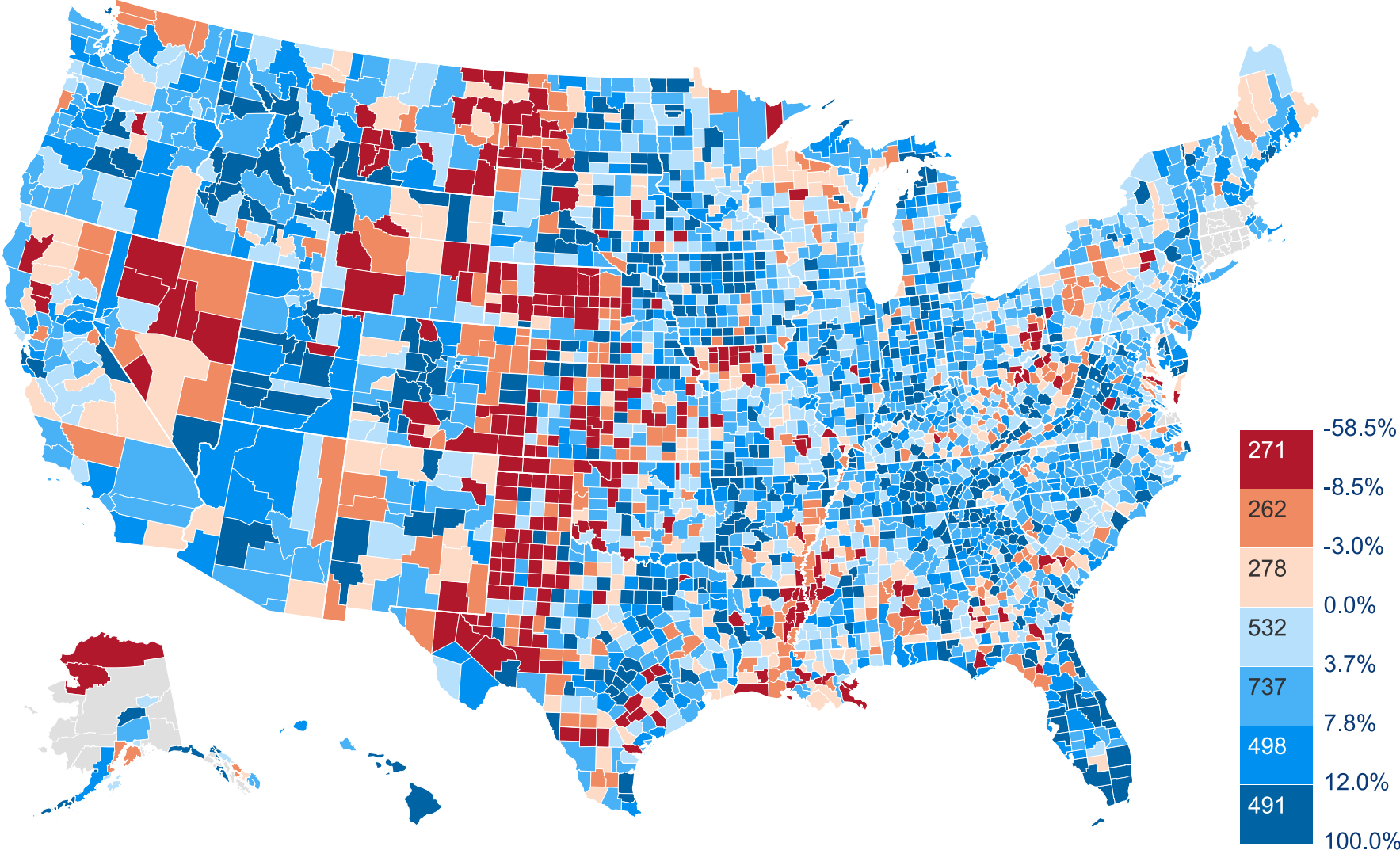
In 2023, our nation's gross domestic product (GDP) increased by 3.1 percent – a measure that exceeded the expectations of many forecasters.

Combined with low unemployment rates and slowing inflation, the economy is set up for continued growth and recovery.



# ONE-THIRD OF COUNTIES KEPT PACE WITH THE NATIONAL GDP GROWTH RATE

Gross Domestic Product (GDP) 2020—2022 Percent Change



U.S. GDP GROWTH  
**7.8**  
PERCENT



Source: NACo Analysis of U.S. Department of Commerce, Bureau of Economic Analysis; Regional Accounts - Gross Domestic Product by County, 2023.

# GROWTH AND DECLINE: A CHANGING ENVIRONMENT AS GROWTH TRENDS SPLIT INTO THIRDS



*Population decline >0.5%:  
947 counties (31%)*

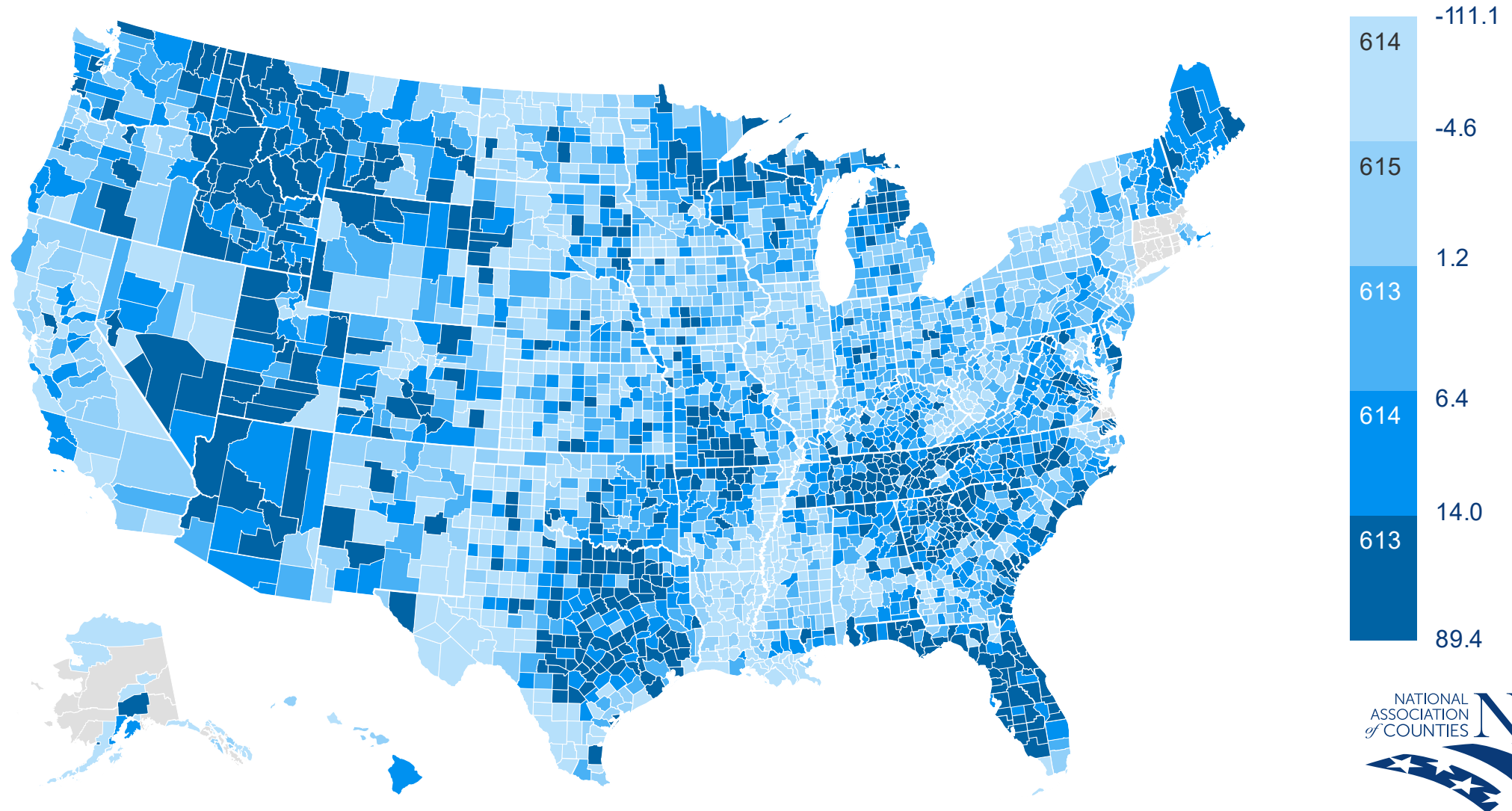
*Population stagnation:  
1,083 counties (35%)*

*Population growth >0.5%:  
1,039 counties (34%)*



# GROWTH AND DECLINE: A CHANGING ENVIRONMENT AS GROWTH TRENDS SPLIT INTO THIRDS

*Net Migration Rate 2022*



*Source: NACo Analysis of U.S. Census Bureau - Population Estimates Program (PEP) – 2022.*



# GROWTH AND DECLINE FACTORS

## Primary Factors Driving Growth



**Proximity to trade routes** is a top driver of business growth for 42 percent of counties



**Local cost of living** is a top driver of population growth for 39 percent of counties



**Public amenities**, community and culture is a key driver of population growth for 27 percent of counties



More than half (52 percent) of counties see their **justice and public safety systems** as contributing to economic stability and growth



Half (46 percent) of counties consider **broadband** an essential investment priority.



More than half (56 percent) of counties are effectively using their **local resources** for economic growth and sustainability

## Primary Factors Driving Decline



**Housing** availability and affordability is a top inhibitor of population and business growth for half of counties (52 percent and 49 percent, respectively)



Half of counties (46 percent) have seen negative economic impacts due to limited **physical and mental healthcare access**



Eighty-two (82) percent of county economies have negative impacts from **substance use disorders** in their community



In 45 percent of counties without enough working-age residents, county leaders report limited **youth workforce opportunities**; 44 percent of counties report inadequate youth development programs



Sixty-five (65) percent of counties report inadequate **access to childcare**.



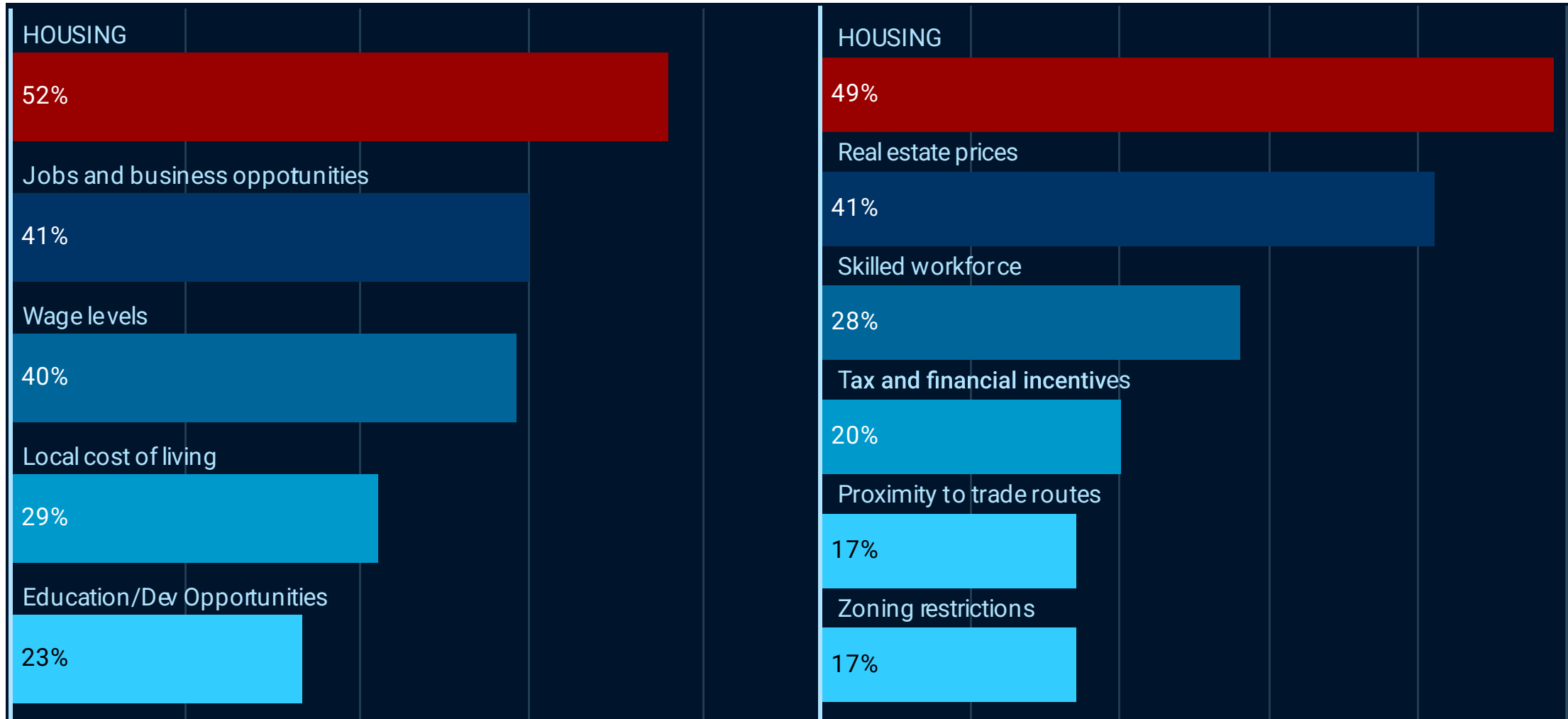
56 percent of counties have seen economic impacts from **natural disasters**

# HOUSING AFFORDABILITY IS THE TOP BARRIER TO POPULATION AND BUSINESS GROWTH; 82 PERCENT OF COUNTIES DO NOT BELIEVE THE HOUSING MARKET IS MEETING COMMUNITY NEEDS



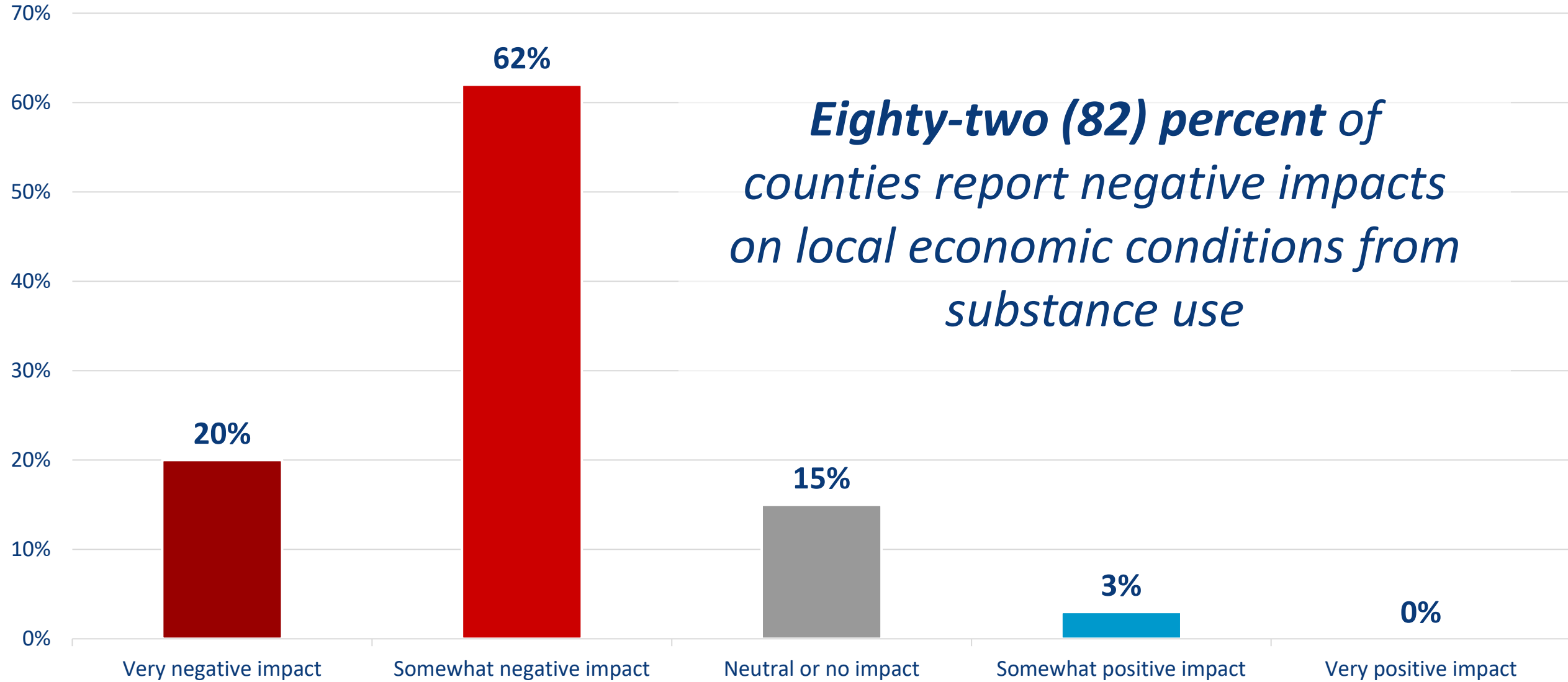
*Local Conditions Inhibiting Population Growth*

*Local Conditions Inhibiting Business Growth*



Source: NACo survey of county officials' economic sentiments, 2024.

# HEALTH ACCESS, BEHAVIORAL HEALTH INCIDENCES AND THE OPIOID EPIDEMIC ARE DEVASTATING COMMUNITIES

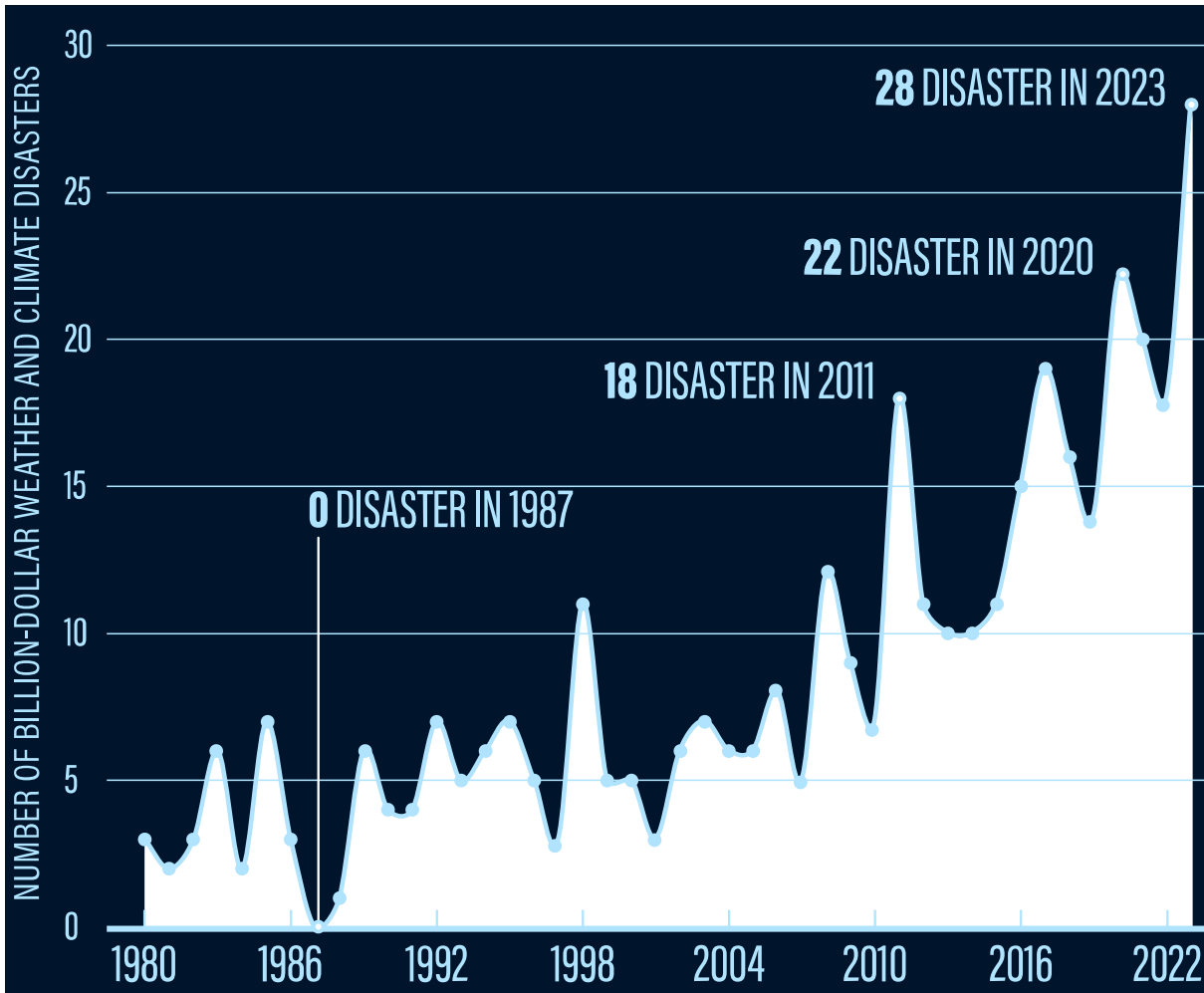


Source: NACo survey of county officials' economic sentiments, 2024.



# DISASTER FREQUENCY IS RISING, HYPERLOCALIZED AND HAS HARMFUL ECONOMIC EFFECTS

*Weather and climate billion-dollar disasters increased significantly from 1980-2023*



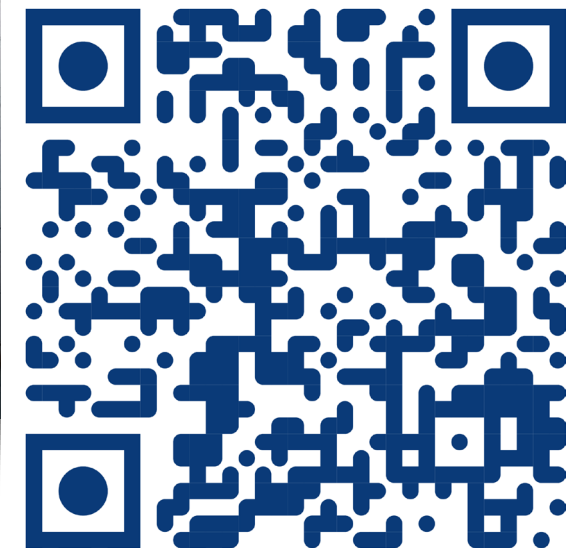
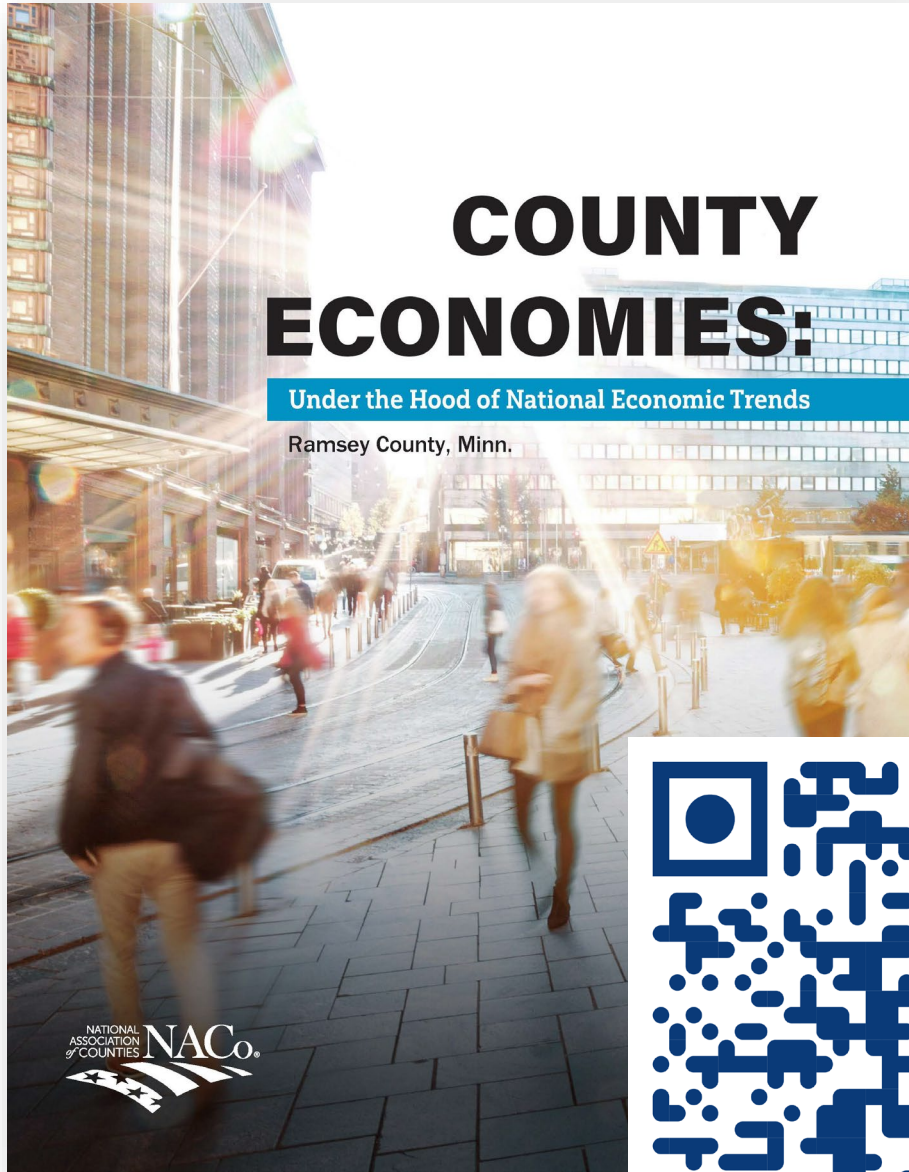
- In 2023, **28 separate billion-dollar disasters** resulted in approximately **\$92.9 billion** in damages.
- Natural disasters can have a devastating impact on both the environment and local economies causing an increase in people leaving the affected areas, a drop in home prices and higher rates of poverty.
- Most counties (83 percent) consider their communities **prepared to respond to a disaster** to some extent; and over half report local economic effects.



# KEY TAKEAWAYS

- ✓ **Population:** One third of counties had substantial population growth, while one third experienced decline.
- ✓ **GDP:** One third of counties kept pace with the national rate; one quarter experienced decline.
- ✓ **Migration:** Populations shifted to less dense areas with a lower cost of living, though not all areas benefited.
- ✓ **Industry:** Manufacturing and health care are key labor market drivers for counties.
- ✓ **Housing:** Housing availability and affordability is a top inhibitor of growth.
- ✓ **Youth:** Youth development programs are critical opportunities; nearly half report inadequate systems.
- ✓ **Childcare:** Access to childcare poses a substantial opportunity: 65 percent of counties report challenges.
- ✓ **Health:** Half of counties have negative economic impacts due to healthcare access. Eighty-two (82) percent have negative impacts from substance use.
- ✓ **Broadband:** Expanding broadband is a top investment priority: almost half have inadequate infrastructure.
- ✓ **Disasters:** Over half (56 percent) of counties had natural disasters impact their local economies.





- Demographic overview
- Housing units
- Household income
- Gross Domestic Product (GDP)
- Labor force trends
- Employment by industry
- Poverty and community health
- Educational statistics
- Natural disasters

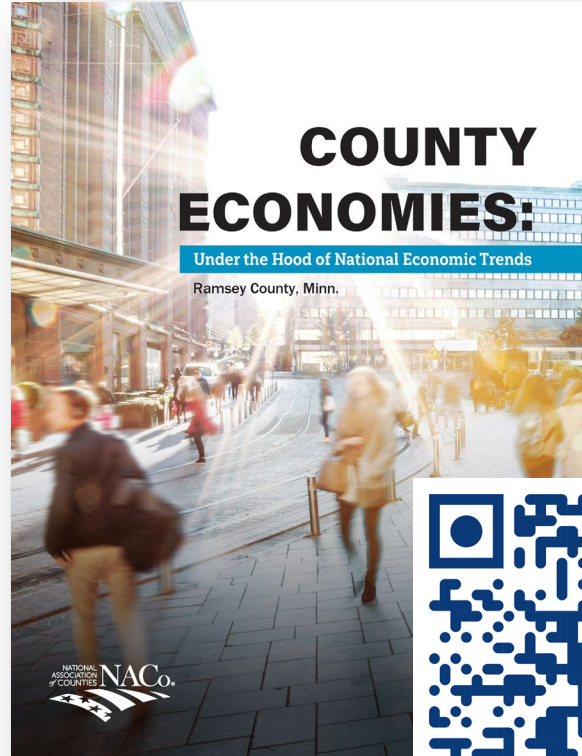


## County Economies 2024: Under the Hood of National Economic Trends



## County Economies Profiles

[NACo.org/EconomicProfiles](https://NACo.org/EconomicProfiles)



## Questions?

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