

4-30-2019

Slow Job Growth and Economic Structure in Cuyahoga County, Ohio

Robert Gleeson
r.gleeson@csuohio.edu

How does access to this work benefit you? Let us know!

Follow this and additional works at: https://engagedscholarship.csuohio.edu/urban_facpub

Part of the [Urban Studies and Planning Commons](#)

Repository Citation

Gleeson, Robert, "Slow Job Growth and Economic Structure in Cuyahoga County, Ohio" (2019). *Urban Publications*. 0 1 2 3 1604.
https://engagedscholarship.csuohio.edu/urban_facpub/1604

This Report is brought to you for free and open access by the Maxine Goodman Levin College of Urban Affairs at EngagedScholarship@CSU. It has been accepted for inclusion in Urban Publications by an authorized administrator of EngagedScholarship@CSU. For more information, please contact library.es@csuohio.edu.



Focus on Facts

Maxine Goodman Levin College of Urban Affairs – Cleveland State University

May 2019, No. 1.

Slow Job Growth and Economic Structure in Cuyahoga County, Ohio

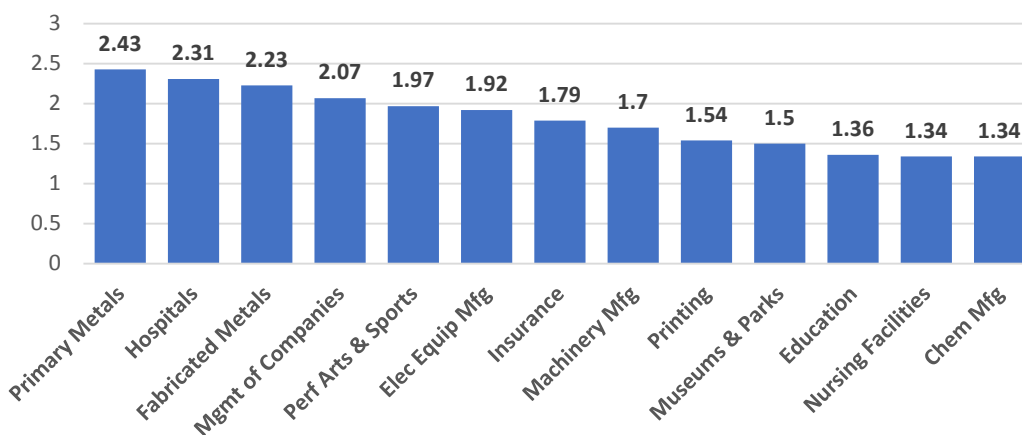
Robert E. Gleeson, Ph.D.

Professor, Albert A. Levin Chair of Urban Studies and Public Service, & Associate Dean

r.gleeson@csuohio.edu

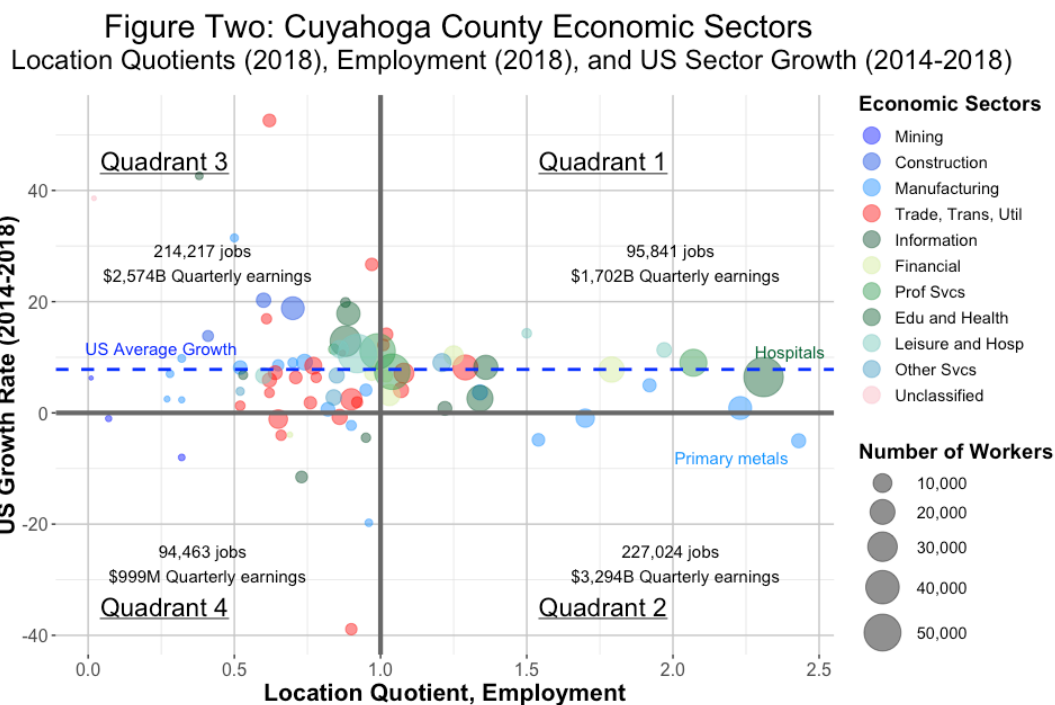
- In July 2019 the current U.S. economic expansion will become ten years old, plus one month. This will make it the longest U.S. economic expansion since the end of World War Two.
- For counties like Cuyahoga, the prolonged national economic expansion has created favorable conditions for economic renewal after decades of painful decline and restructuring.
- State and local economic development strategies in Cuyahoga County have helped many companies and workers in traditional sectors re-establish national and/or global competitiveness.
- An important measure of competitiveness is the “employment location quotient” or ELQ. If a county has an ELQ of 1.0 in an economic sector, that means its proportion of national employment in that sector equals the average of all other counties. ELQs above 1.0 reveal higher than average sector employment. ELQs below 1.0 reveal lower than average employment.
- Figure One shows all economic sectors in Cuyahoga County that have ELQs above 1.33 in 2018.¹ Focused economic development initiatives have maintained the competitiveness of these sectors related to manufacturing, health care, corporate headquarters, insurance, and others.

Figure One
Highly Competitive Economic Sectors
Cuyahoga County, 2018
(Employment Location Quotients Above 1.33)



¹ U.S. Dept, of Commerce, Bureau of Labor Statistics, June 2018. Previous years in Figure Two also use June data.

- Yet despite considerable success in traditional sectors, state and local initiatives have not yet achieved two critically important economic development goals for Cuyahoga County residents:
 - Restore Growth to U.S. Averages: the rates of job growth and population growth in Cuyahoga County continue to lag U.S. and regional averages.
 - Improve Social Equity: too many individuals and families in Cuyahoga County, especially African-Americans, struggle to escape poverty within City neighborhoods and inner-ring suburbs.
- Figure Two plots the LEQs for all sectors in Cuyahoga County’s economy in 2018 against the rate of U.S. job growth in each sector over the last four years of U.S. economic expansion (2014-2018). The U.S. average rate of job growth in those four years (7.8 percent) is used to define the four Quadrants.



- Figure Two reveals that the current structure of Cuyahoga County’s economy makes it very difficult to achieve U.S. national rates of job growth, even after ten years of expansion. The County’s economy has high shares of low-growth sectors and low shares of high growth sectors.
 - The County’s most competitive economic sectors (LQEs above 1.3) are sectors that have low rates of job growth on a national basis (see Quadrants 1 and 2).
 - Many sectors of the County’s economy have low LQEs (below 1.0) even though those sectors have high rates job growth nationally (Quadrant 3, especially those above the dotted line).
- Figure Two suggests that unless new state and local economic development initiatives improve Cuyahoga County’s competitiveness in sectors that have high national rates of job growth (i.e. by shifting sectors from Quadrant 3 to Quadrant 1), the County’s rate of job growth, and likely population growth, will continue to lag behind U.S. national averages, despite the positive context of the longest period of U.S. economic expansion since the end of World War Two.