

# ECONOMIC SNAPSHOT

## How much do national trends affect our local economy?

By several measures, the Dane County economy is healthy and growing. Over the past decade, Dane County added 53,000 jobs. The unemployment rate hovers around 3 percent. Retail sales per capita rank third in the state, behind only Door County and Sauk County (which includes part of the Wisconsin Dells area). Per-capita income ranks 32nd out of the 362 metropolitan areas in the United States. In 2005, almost \$800 million in net retail sales flowed into the county. Today, there are more jobs in Dane County than residents of the county to fill them.

What is driving the Dane County economy? Are

---

### National job growth vs. local, 1995-2005

*If Dane County mirrored national growth:*

 33,294 new jobs

*Dane County's actual job growth:*

 54,615 new jobs

businesses in the county simply benefiting from a booming national or state economy, or is the growth due to local economic conditions? **Shift Share Analysis** provides a mechanism to allocate growth or decline in local employment to three factors:

- Growth or decline due to the national economy.
- Change in employment resulting from the mix of industries in the local economy.
- Changes in employment due to the strengths and weaknesses of local industries.

Shift Share Analysis reveals that if the Dane County economy simply mirrored that national economy between 1995 and 2005, employment would have increased by approximately 33,294 jobs. The actual increase was 54,615. Therefore, the strength of the local economy provided an additional 21,321 more jobs than would be expected if the Dane County economy reflected the U.S. economy.

Part 1 of this month's series on Dane County's economy

Next week:  
Share and industry sectors

Economic Snapshot is a weekly feature provided by the Center for Community and Economic Development, University of Wisconsin Extension.

QUESTIONS: Contact Professor Bill Pinkovitz, Center for Community and Economic Development, University of Wisconsin-Extension at [bill.pinkovitz@uwex.edu](mailto:bill.pinkovitz@uwex.edu).

For more information about Shift Share Analysis, go to : <http://cecd.aers.psu.edu/pubs/Tool%204.pdf>

To easily calculate Shift Share for specific industries for any county in the U.S. go to: <http://www.georgiastats.uga.edu/sshare1.html>

 **UW**  
**Extension**