

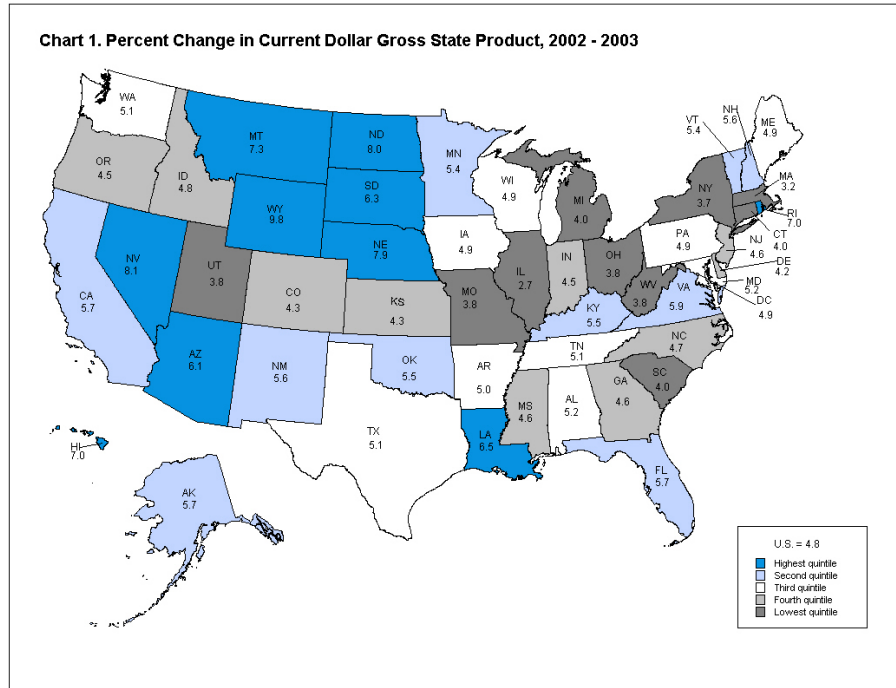


WEDNESDAY, December 15, 2004

**COMPREHENSIVE REVISION OF GROSS STATE PRODUCT (GSP), 1977-2002
AND ACCELERATED GSP ESTIMATES FOR 2003**

On December 15, 2004, the Bureau of Economic Analysis (BEA) released new and revised estimates of gross state product (GSP), the most comprehensive measure of the overall economic activity of each state. The estimates included prototype accelerated GSP estimates for 2003 and estimates for 1998-2002 available for the first time according to the North American Industry Classification System (NAICS).¹

- In 2003, GSP growth accelerated in 38 states and was positive in all states. Most states in the highest growth quintile for 2003 are states that specialize in farming and/or mining.



- For 1999-2003, the fastest growing states—those in the top growth quintile in 2003—were also generally the faster growing states throughout the period, and the slowest growing states—those in the bottom growth quintile in 2003—were generally the slow growing states throughout the period.
- In 2002, all states except Louisiana and New York had positive real GSP growth. States in the highest growth quintile had strong growth in services-providing industries.
- High-tech manufacturing, in particular, computer and electronic product manufacturing, was one of the largest contributors to growth in Idaho, Arizona, Minnesota, and New Mexico for 2001-2002.
- The industries with the largest revisions are insurance and banking, where BEA improved the measurement of output for this comprehensive revision. Revisions to these industries are relatively large in certain states.

¹ Revised estimates for 1977-1997 according to the Standard Industrial Classification (SIC) system also are provided.

BEA's data—including GDP, personal income, the balance of payments, foreign direct investment, the input-output accounts, and economic data for states and industries—are available on its Web site: <www.bea.gov>.

NOTE: GSP is measured as the sum of the factor incomes earned and the costs incurred in production. Because GSP measures only domestic production, it includes adjustments for overseas activity that cannot be assigned to states (and GDP does not). For years prior to 1998, GSP and GDP also differ by the amount of the statistical discrepancy. Accelerated estimates of GSP for 2004, along with revised NAICS-based estimates for 2001-2003, will be released on June 23, 2005.