



Chronicling 100 Years of the U.S. Economy

May 2021

Volume 101, Number 5

Innovation Leads to More Granular Gross Domestic Product Data

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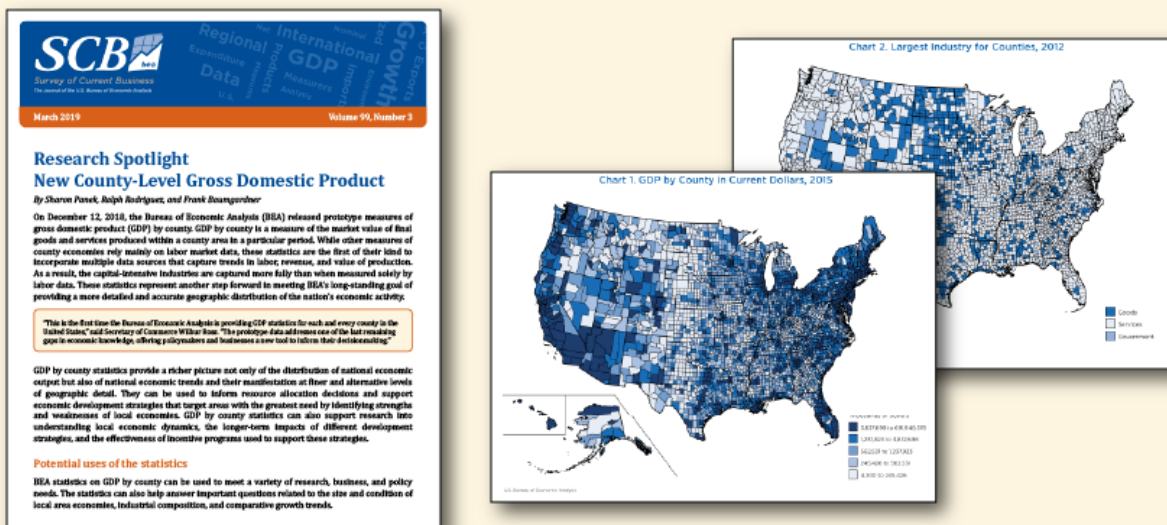
In December 2018, in response to demand for more detailed economic data on U.S. counties, the Bureau of Economic Analysis (BEA) released prototype gross domestic product (GDP) by county data. Prior to this release, the only county-level statistics produced by BEA were personal income and its components. Official statistics of GDP by county, covering the nation's 3,113 counties and county equivalents, were released a year later, in December 2019.

As stated in a *Survey of Current Business* article¹ on GDP by county:

“Previous substate GDP statistics released by BEA relied solely on county earnings data—the sum of compensation of employees and proprietors' income—from BEA county personal income estimates to geographically distribute state GDP.

Earnings-based GDP estimates capture the labor portion of production well, but their reliability decreases when estimating capital-intensive industries. The GDP by county prototype statistics were the first of their kind to incorporate additional data sources that capture trends in capital, business receipts, and value of production along with BEA county earnings data. Therefore, they provided a more complete image of capital-intensive industries.

Building upon the prototype statistics, the new official GDP by county statistics incorporate new and additional source data and improved methodology. The official statistics also significantly extend the time series and the industry detail.”



Cover and images from the March 2019 Survey article, "Research Spotlight: New County-Level Gross Domestic Product."

GDP by county data are used by policymakers, businesses, and researchers who strive to understand fluctuations in their respective local economies, to understand which industries are driving the various counties' economies, and to gauge their counties' economic trends over time. These statistics are released annually by BEA's Regional Directorate.

We hope you enjoy this reprint of the March 2019 article, "[Research Spotlight: New County-Level Gross Domestic Product](#)," which thoroughly describes this relatively recent innovation to BEA's economic statistics.

1. See Kirubel D. Aysheshim, Jacob R. Hinson, and Sharon D. Panek, "[A Primer on Local Area Gross Domestic Product Methodology: First Official Release of Gross Domestic Product by County, 2001–2018](#)," *Survey of Current Business* 100 (March 2020).