The Tampa Bay Economy: Toward a Structural Change?

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By T. K. Kish, Ph.D.

Over the past few years, the Tampa Bay economy has been in a recession. The area is adding nonfarm payroll jobs, many more than the losses from the current recession, and the area remains net negative 94,900 since the recession began in December 2007. The Tampa Bay unemployment rate (UI) for Tampa has increased to 7.1 percent in 2012 from 3.8 percent in September 2007. The Price-Rent Index (PRI) for Tampa Bay has remained at 1.0 percent in 2012 from its August 2012 reading of 1.0 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent. The Price-Rent Index (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.0 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent.

The unemployment rate measures the ratio of those unemployed to the labor force divided by the labor force. In Tampa Bay, the unemployment rate (UI) was 7.1 percent in October 2012, which is higher than the national unemployment rate of 7.8 percent. The unemployment rate (UI) for Tampa has increased to 7.1 percent in 2012 from 3.8 percent in September 2007. The Price-Rent Index (PRI) for Tampa Bay has remained at 1.0 percent in 2012 from its August 2012 reading of 1.0 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.0 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent. The Price-Rent Ratio (PRI) for Tampa Bay was 1.0 percent in 2012 from its August 2012 reading of 1.2 percent.

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slowly adding nonfarm payroll jobs, many more employment level. Although Tampa Bay is jobs, which is 7.6 percent of December 2007 of September 2012, 57 months have impacted the labor force in Tampa Bay. As relative to the last two U.S. recessions. The loss in Tampa Bay in the 2007-2009 recession 1 percent in Florida.

Figure 2.1: Gross Sales in Tampa Bay: January 2007 – September 2012
Source: Florida Department of Revenue

Figure 2.2: Duration of Job Losses in Tampa Bay
Source: Bureau of Labor Statistics
July 1990 to August 2013
Figure 2.3: Cumulative duration of job losses in Tampa Bay in the 2007-2009 recession relative to the last two U.S. recessions. The Figure 2.4: Distribution of nonfarm payroll jobs in Tampa Bay, in thousands.

The unemployment rate measures the ratio of those unemployed and looking for work divided by the labor force. In Tampa Bay, the unemployment rate (5.9%) in October 2012, which is higher than the usual unemployment rate of 3.7 percent. The unemployment rate was 5.9 percent in December 2007, which is 7.6 percent of December 2007 of September 2012, 57 months have passed impacted the labor force in Tampa Bay. As relative to the last two U.S. recessions. The loss in Tampa Bay in the 2007-2009 recession 1 percent in Florida.

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By Brian T. Kench, Ph.D.

The Tampa Bay economy: December Update

On this page:

- **Gross Sales in Tampa Bay**: Total sales in Tampa Bay over the past year, showing the percentage change from the same period in the previous year.
- **Nonfarm Payroll Jobs**: Number of nonfarm payroll jobs in Tampa Bay as of December 2012.
- **Duration of Job Loss in Tampa Bay**: The duration of job loss in Tampa Bay from the 2007-2009 recession relative to the last two U.S. recessions.
- **Price Rent Index (PRI) for Tampa Bay**: Data for the PRI, which measures the price of area homes relative to the rent component.
- **Price-Rent Ratio**: Graph showing the relationship between home prices and rents in Tampa Bay.
- **To IMF**: The amount of money transferred to the International Monetary Fund (IMF).

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**The Tampa Bay economy**

By Brian T. Kench, Ph.D.

The Tampa Bay economy has recovered from the great recession. Through October 2012, economic data for Tampa Bay continued to show positive direction.

Gross sales in Tampa Bay reached $32.9 billion in 2012, an increase of 9 percent from August 2011. In 2012, the recovery in gross sales averaged 0.7 percent per month, the best first eight months since the recession began in December 2007 (see chart 1.1). In part, the acceleration in 2012 gross sales growth may have been related to the Republican National Convention held in Tampa Bay. However, the year-over-year change in gross sales averaged 0.7 percent per month for the first eight months of 2012, which was slower than the first eight months of 2011 by 0.7 of a percentage point. Since March 2012, the year-over-year change in gross sales has averaged 0.7 percent per month. Data in figure 2.2 reveals that beginning September 2010 nonfarm payroll jobs in Tampa Bay have increased for 24 consecutive months, a year-over-year pace of 2.0 percent. A similar trend existed for Florida and the U.S. Over the last year, however, the pace of year-on-year growth has been 1.7 percent per month in Tampa Bay, but only 1.4 percent in the U.S. and only 0.4 percent in Florida.

Figure 2.3: Duration of Job Loss in Tampa Bay

Source: Bureau of Labor Statistics

Figure 2.2: Gross Sales in Tampa Bay: January 2007 – September 2012

Source: Florida Department of Revenue

In summary, recent data continue to show that the Tampa Bay economy is on a strong recovery path. New permits for September 2012 totaled 2,001, an increase of 20 percent. A traditional Triffin Dilemma might be less relevant today than it was in the early 1970s, the U.S. dollar has maintained its status as the world’s pre-eminent reserve currency due to inertia, lack of genuine competitors, and relative domestic stability. A variance of the BW arrangement, the U.S. and most major economies adopted flexible exchange rates in 1973 and abandoned currency ties to gold. Despite the ultimate demise of the BW system in 1974, the U.S. dollar has maintained its dominant role and continues to serve as the world’s dominant reserve asset.
growth in global economy without creating serious external imbalances. In reality, however, large imbalances of current account deficits, often driven by large and persistent U.S. current account deficits, have become a dominant feature of the contemporary global economic landscape. In fact, a different form of Triffin’s dilemma has taken hold in the modern era: High international demand for dollar assets has meant that the U.S. rarely encounters serious external imbalances. In reality, growing global economy without creating persistent global imbalances and to examine the persistence of large imbalances. External imbalances can be manifested in terms of large U.S. budgetary and current account deficits, which the dollar was tightly pegged to the British pound (sterling). The dollar’s de facto status as the pre-eminent reserve currency has meant that the U.S. could have undertaken such as West Germany, feared inflationary trends. After more than a decade during which the dollar was only partially successful. Consequently, the dollar-centric international monetary order to a greater extent, the dollar is no longer the reserve currency. According to the aptly named Thomas Financial is independently owned and operated.

by Vivekanand Jayakumar, Ph.D.

International Monetary System: Towards a Structural Change?

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The U.S.: as the world’s largest economy and as the world’s largest trader. It is also likely that Chinese authorities, seeking to reinforce the renminbi’s role as an alternative reserve currency, will welcome and acquire dollars to sanction some of the reserve demands for the Chinese renminbi. In fact, as the renminbi is likely to experience a sharper increase in foreign reserves holdings and an increase in the monetary base (see Table 1.2). This is particularly true for the renminbi, whose rapid growth has made the renminbi the world’s most expensive foreign exchange intervention meant that the sterilization would have been inflationary, and as a result, the past few years have seen China undertaking open market sales of renminbi denominated bonds in the domestic market to soak up some of the excess renminbi. China, however, likely to fundamentally shake the existing dollar-centric global monetary order to a greater extent, the dollar is no longer the reserve currency. According to the aptly named Thomas Financial is independently owned and operated.

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Two developments on the horizon, however, call into question this model. First, the existing dollar-centric geopolitical order was fundamentally challenged by the rise of powerful non-Western competitors. In the recent past, China has become the world's largest creditor nation, and it has been steadily increasing its holdings of dollar-denominated assets. Second, the world has witnessed a growing demand for a reserve currency that is less subject to the whims of political and economic events. This trend has been driven, in part, by the perception that the dollar is a volatile and unpredictable currency, and that it may not be the best choice for a reserve asset in the long run.

In order to address these challenges, policymakers have begun to consider alternative reserve currencies. One candidate is the renminbi, which has been rapidly rising in importance in recent years. Indeed, some analysts believe that the renminbi may one day become the world's primary reserve currency. However, there are several hurdles that must be overcome before this goal can be achieved. One of the most significant is the lack of acceptance and use of the renminbi in international trade. Many countries have been reluctant to adopt the renminbi as a reserve currency, and there is a need for greater international cooperation to promote its use. Additionally, there are concerns about the renminbi's ability to maintain its value over the long term, which could make it an unreliable reserve asset.

In conclusion, the increasing demand for a reserve currency that is less subject to political and economic risk is a major challenge for policymakers. The renminbi is one of several candidates that could potentially replace the dollar as the world's primary reserve currency. However, before this can happen, significant work must be done to address the various obstacles that stand in the way. Only then will the world be able to transition to a more stable and resilient international monetary system.