

GROSS DOMESTIC PRODUCT FOR THE U.S. TERRITORIES

Briefing Paper

For the Senior Plenary Session of the Interagency Group on Insular Areas

March 1, 2011

ISSUE: The Territories are not included in the GDP calculations. Interior and Commerce are collaborating through a TA Grant to provide data covering the period of 2002 – 2009.

Can the IGIA Recommend to the President that the Territories be Included in GDP Data Collection for the Nation through the BEA?

TECHNICAL ASSISTANCE GRANT for the BEA: In 2009, the Office of Insular Affairs (OIA) started a technical assistance grant to the Bureau of Economic Analysis (BEA), U.S. Department of Commerce, to produce the first set of gross domestic product (GDP) data for the territories. Working with OIA and the territories for 18 months, the BEA estimated GDP for the four territories for the years 2002-2007 in the spring and summer of 2010. (These first official estimates are posted on the BEA's web site at http://www.bea.gov/national/gdp_territory.htm). Estimates for 2008 and 2009 will be available in the spring of 2011. Following the 2008 and 2009 estimates, the BEA will make the series as current as possible, with a \$500,000 technical assistance grant from OIA.

The BEA working with the territories: The work the BEA does with the territories involves close collaborative effort with data sources in the territories which brings territorial staff in direct contact with the BEA team. In the process, the territorial staff not only helps the BEA put the underlying data for the estimates together, they learn valuable skills about national income account data.

The main benefit: The main benefit of this work is that the four territories have, for the first time, GDP data that are comparable to those for the nation as a whole, the 50 states and any other economy in the world. Using the official GDP data, it is possible, for the first time, to measure the performance of territorial economies in a manner that is used in the rest of the country and the world.

Contact: Wali Osman
Department of the Interior
202 208-4736
February 2011