

Rochester's economy did better than most during recession, new data show



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10:34 AM, Feb. 23, 2011|

The economic vice that gripped the nation in 2009, shuttering businesses and eliminating jobs, did not squeeze western and central New York nearly as painfully as it did much of the rest of nation, new government data confirm.

The U.S. Bureau of Economic Analysis today released figures that measure the output of goods and services in the nation's 366 largest metropolitan areas. The numbers showed sizable declines in 2009 in most of the country compared with the previous year.

In fact, 292 of the 366 metro areas saw their economies shrink during 2009, which was the worst year of the recession for many industries. Declines were particularly notable in manufacturing, construction and the category of professional and business services.

On average, the regional economies shrank by 2.4 percent.

But not upstate.

Rochester's gross domestic product in 2009 totaled \$43.5 billion, essentially flat from 2008.

The Buffalo-Niagara Falls area had a GDP of \$43.2 billion, up more than 1 percent from the year before. And Syracuse's 2009 GDP of \$26.4 billion also was up more than 1 percent.

Rochester's economy remained slightly larger than Buffalo's, somewhat surprising given that Buffalo has a larger population. In New York, only New York City has a larger economy than does Rochester.

The decline in construction after the popping of the housing bubble was a big drag on the economies of many metro areas, with Las Vegas and Fort Myers, Fla., seeing their GDPs fall more than 2 percent. Nevada and Florida were two of the

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hardest-hit real estate markets.

Western and central New York, meanwhile, did not see nearly the level of housing construction activity in recent years that many parts of the nation enjoyed – and now may be regretting.

“Part of the reason we’ve kind of stayed as level as we have is we haven’t had the peaks and valleys,” said Rochester Business Alliance President Sandy Parker. “We weren’t impacted by the housing bust. We pretty much stayed flat. And we’ve stayed flat a long time.”

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