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Following the Civil War, Gen. Philip Sheridan commanded an army in Texas and famously quipped, “If I owned Texas and hell, I would rent Texas and live in hell.” My hunch is that were Sheridan around today, he might be of a different opinion and would move to Texas, as so many other Americans have, to take advantage of the strong growth prospects here.

With output totaling approximately \$1.4 trillion, the Texas gross domestic product roughly equals that of Spain or Australia. And Texas remains a top state for job growth, as Keith Phillips and Christopher Slijk discuss in this issue of *Southwest Economy*.

Employment here has expanded at twice the pace of the nation as a whole since 1990. Over that nearly quarter-century, the number of jobs in Texas is up 60 percent, compared with 18 percent in California and less than 8 percent in New York. Unlike the nation as a whole, Texas bounced back relatively strongly following the recession, regaining its prerecession employment levels by late 2011 and expanding another 6 percent since then. And despite what the critics contend, Texas is creating more high-paying than low-paying jobs, as Melissa LoPalo and Pia Orrenius explain in another *Southwest Economy* article.

Diverse industries have contributed to the state’s economic expansion. While the oil and gas extraction and mining support sectors added an outsized 13,200 jobs last year, seven other sectors created far more. In total, the state gained 272,300 jobs in 2013, a 2.5 percent annual growth rate that outpaced the national average by 0.8 percentage points.

I encourage you to read the reports from Keith and Christopher and Melissa and Pia for more insights into the trajectory and breadth of the Texas economic expansion. The state is in a strong position for continued growth. Had Gen. Sheridan acquired Texas, his return on investment would have been astronomical, as the stock of the state keeps rising.

A handwritten signature in black ink that reads "Richard W. Fisher". The signature is fluid and cursive, with a large, sweeping initial 'R'.

Richard W. Fisher
President and CEO
Federal Reserve Bank of Dallas