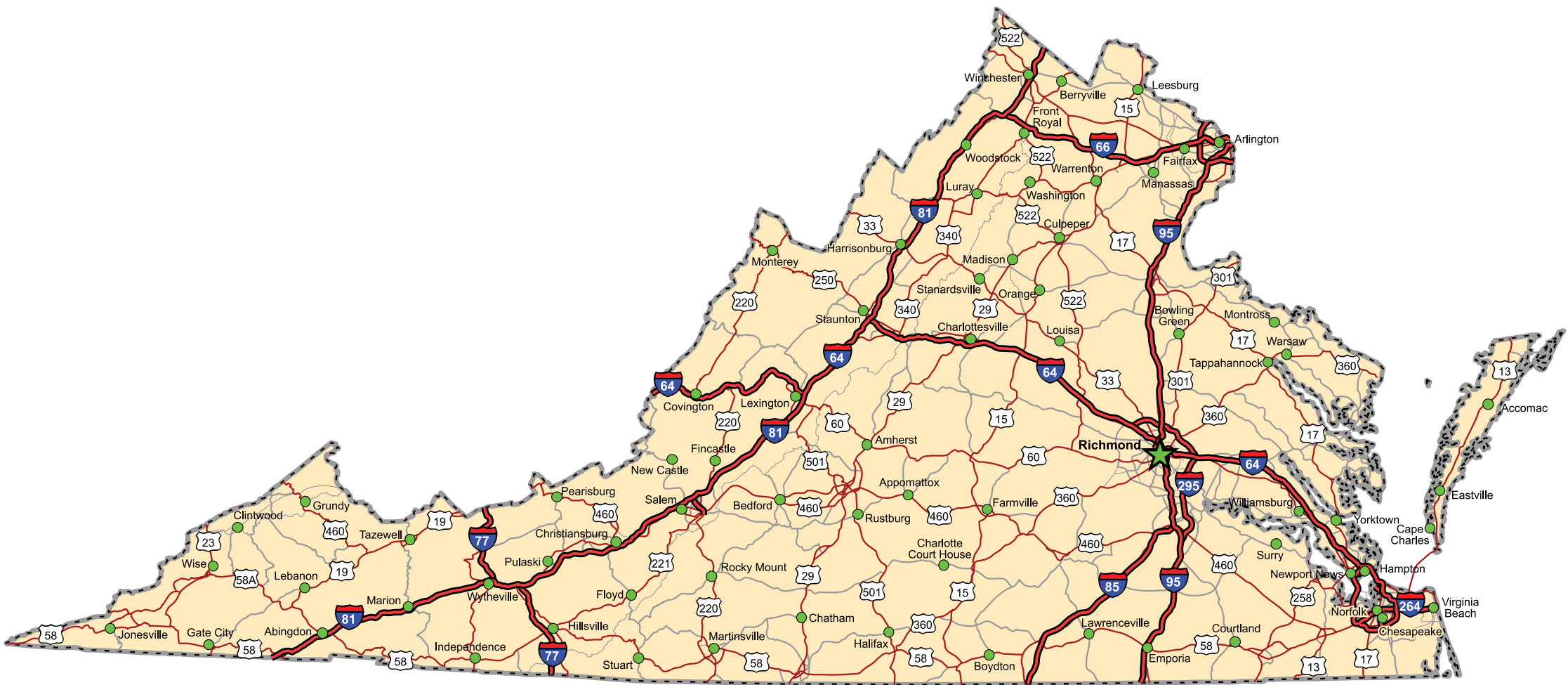




2022 State of the Commonwealth Report



December 2022

Dear Reader:

This is Old Dominion University's eighth annual State of the Commonwealth Report. While it represents the work of many people connected in various ways to the university, the report does not constitute an official viewpoint of Old Dominion, its president, Brian O. Hemphill, Ph.D., the Board of Visitors, the Strome College of Business, or the generous donors who support the activities of the Dragas Center for Economic Analysis and Policy.

Our work seeks to contribute to the conversation about how Virginia can foster growth across the Commonwealth over the coming decade without glossing over the challenges we face. Instead of retreating into partisan enclaves where affirmation is sought instead of information, we want to encourage difficult conversations to improve economic outcomes for all of Virginia's residents.

The 2022 State of the Commonwealth Report is divided into five parts:

Inflation, Uncertainty, and Volatility Undermine Virginia's Recovery

If the story of 2020 was the pandemic and the tale of 2021 was the recovery, then rising inflation and interest rates dominated the narrative of 2022. The economic recovery remained incomplete, with jobs returning to pre-pandemic levels but some Virginians remaining outside the labor force. Now, with the possibility of a recession in 2023 looming, we ask how Virginia fared over the last 12 months and what are the prospects for future growth?

Another Year in Recovery: Virginia's Metropolitan Areas

If Virginia is to continue its recovery from the pandemic economic shock of 2020, this growth will largely come from Virginia's metropolitan areas. We ask whether Virginians have returned to the labor force in the aftermath of the pandemic and explore how unemployment rates may not reflect the availability of labor. Lastly, we examine how population change may influence the future of Virginia's metro areas.

Who's at the Bedside? Does Virginia Have Enough Nurses?

In 2021, nurses ranked again as the most trusted profession in the United States. Yet, even though many Americans view them favorably, nurses have been the target of conspiracy theories, verbal abuse, and physical violence. As more nurses report symptoms of burnout and some are quitting the profession entirely, we explore the coming shortage of nurses in Virginia and ask what factors limit the supply of nurses.

Virginia's Lawyers Confront Tougher Times

While movies and television shows portray lawyers as members of high society, with expensive cars and tastes, the reality is grittier. In 2021, more than 90% of law students took out a loan to enable them to pay their costs, and the typical law school graduate owed \$165,000 in loans. The crucial point of this report, however, is that significant proportions of law school graduates are destined to be disappointed if they pursue a career in law believing they will earn lots of money. In this chapter, we explore the supply of lawyers in Virginia and whether we are producing too many lawyers. We ask what the future may hold for the legal profession in Virginia and the nation.

A Deeper Dive into the Blacksburg-Christiansburg Metropolitan Area

The Blacksburg-Christiansburg metropolitan statistical area includes the counties of Giles, Montgomery, and Pulaski as well as the independent city of Radford. Virginia Tech, with over 37,000 full-time equivalent students in the 2021-2022 academic year, is not only the largest employer in the metro area, but it continues to expand its reach across the Commonwealth. We highlight how the metro region has fared over the last decade and discuss the prospects for future growth.

The Strome College of Business and Old Dominion University continue to provide support for the State of the Commonwealth Report. However, it would not appear without the vital backing of the private donors whose names appear below. They believe in Virginia and the power of rational discussion to improve our circumstances but are not responsible for the views expressed in the report.

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All eight State of the Commonwealth Reports are available at www.ceapodu.com.

If you have comments or suggestions, please email us at rmcnab@odu.edu.

Sincerely,



Robert M. McNab, Ph.D.

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