Nev. has weakest rise in consumer spending in U.S.

By Scott Sonner, AP

RENO – Consumer spending in Nevada rose to its highest level in five years in 2012 but continued to lag far behind the national average, according to a report released Thursday showing a wide discrepancy in economic recovery from the recession across the country.

Personal consumption expenditures jumped 28 percent in North Dakota, the largest gain nationwide, from 2010 through 2012. It surged nearly 16 percent in Oklahoma, the U.S. Bureau of Economic Analysis report said.

By contrast, spending rose a scant 3.5 percent in Nevada, the weakest for any state and far below the 10.7 percent national average during that two-year stretch.

The study shows consumer spending in Nevada went on a wild ride for nearly a decade, doubling from $39.5 billion in 1999 to $80.5 billion in 2007, but had fallen off to $76.6 billion by 2009 before slowing climbing again the next three years to a peak of $81.4 billion in 2012.

For the whole period from 1997-2012, Nevada's 6.4 percent growth was second only to Hawaii's 6.8 percent – half again as much as the national average of 4.1 percent.

But it truly was a roller coaster like few other states experienced – doubling the national average with 12.9 percent growth in 2004 at the peak of Nevada's housing boom, and five years later suffering a 4.6 percent decline that was three times worse than the U.S. average in 2009 when the state led the nation in bankruptcies, foreclosures and unemployment.

And while Nevada’s growth from 2010 to 2012 was the nation’s worst, it was one of only four places that posted a gain in 2012 compared with 2011 – 3.8 percent compared to 2 percent. The others were Arizona, North Carolina, Utah and the District of Columbia.