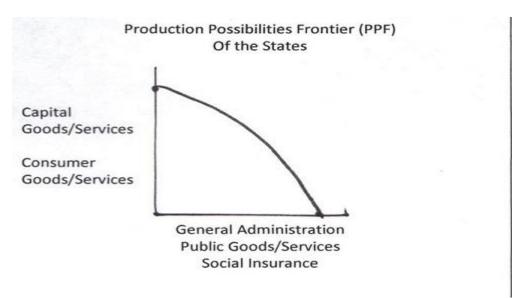
04.18.2020 Cory Newton



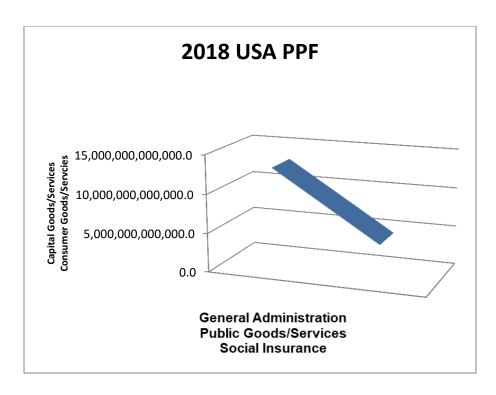
I created the above Production Possibilities Frontier (PPF) for the States in 2014. I've recently released *Market Failure, Terrorist War, and Social Issues,* in which I finally created a PPF for the United States in 2018 in an Appendix. Given the Covid-19 pandemic and how it impacts States differently I figured I might as well give the States the same treatment I gave the United State PPF as a whole. Here is an explanation of the formula.

## Constitutional Capitalist Formula for the Calculation of the Productions Possibilities Frontier of the United States of America in 2018

National Income (2018) – Government Current Expenditure by Function (2018) = 2018 USA PPF (Y Axis = \$13,038,500,000,000), (X Axis \$4,507,400,000,000)

National Income 2018	Federal Expenditures 2018	
17,545,900,000,000.0	4,507,400,000,000	13,038,500,000,000.0
Goods & Services	Government	
13,038,500,000,000.0	4,507,400,000,000	

In other words, Table 7., Relation of Gross Domestic Product, Gross National Product, and National Income Column D, Row 12 (\$17,545,900,000,000) - Table 3.16. Government Current Expenditures by Function Column J, Row 49 (\$4,507,400,000,000) = 2018 USA PPF (Y Axis = \$13,038,500,000,000), (X Axis \$4,507,400,000,000).

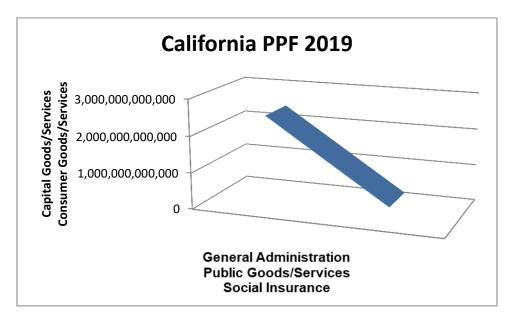


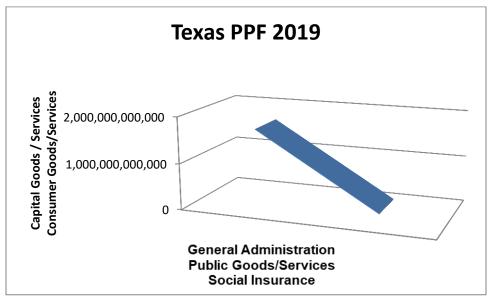
So the formula for State PPF's is a little different. I take Real GDP for the State and clean it up by subtracting Total State Expenditures. I used Bureau of Economic Analysis data to determine Real Gross Domestic Product of the States<sup>1</sup>. Then I had to hunt for State expenditure data to subtract from the Real GDP number from each State. So I found the *State Expenditure Report* from the National Association of State Budget Officers<sup>2</sup>. I subtracted the Total Estimated Fiscal 2019 Spend for each State from the Real GDP of the States produced by BEA. Below is a snap shot of what that looked like.

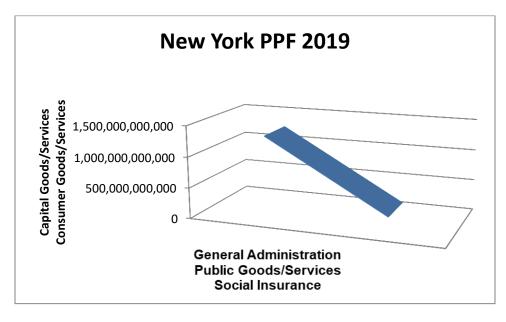
1	A	В	C	D	E
1	GeoName	2019	Expenditures 2019 (Estimated)	GDP - Expenditures	Expenditures
2	California	2,792,029,100,000	311,325,000,000	2,480,704,100,000	311,325,000,000
3	Texas	1,788,527,300,000	111,756,000,000	1,676,771,300,000	111,756,000,000
4	New York	1,461,558,700,000	170,875,000,000	1,290,683,700,000	170,875,000,000
5	Florida	950,759,100,000	89,314,000,000	861,445,100,000	89,314,000,000
6	Illinois	782,019,000,000	72,218,000,000	709,801,000,000	72,218,000,000
7	Pennsylvania	728,018,000,000	89,513,000,000	638,505,000,000	89,513,000,000
8	Ohio	615,600,200,000	71,004,000,000	544,596,200,000	71,004,000,000
9	New Jersey	563,949,500,000	64,811,000,000	499,138,500,000	64,811,000,000
10	Georgia	539,536,300,000	53,537,000,000	485,999,300,000	53,537,000,000
11	Washington	531,224,100,000	49,530,000,000	481,694,100,000	49,530,000,000
12	Massachusetts	518,718,600,000	59,832,000,000	458,886,600,000	59,832,000,000
13	North Carolina	508,625,100,000	51,513,000,000	457,112,100,000	51,513,000,000
14	Virginia	485,998,400,000	55,264,000,000	430,734,400,000	55,264,000,000
15	Michigan	473,859,600,000	57,171,000,000	416,688,600,000	57,171,000,000
16	Maryland	374,385,600,000	46,235,000,000	328,150,600,000	46,235,000,000
17	Colorado	353,076,600,000	41,638,000,000	311,438,600,000	41,638,000,000
18	Minnesota	338,752,300,000	42,167,000,000	296,585,300,000	42,167,000,000
19	Indiana	332,040,600,000	34,729,000,000	297,311,600,000	34,729,000,000
20	Tennessee	330,802,000,000	36,909,000,000	293,893,000,000	36,909,000,000
21	Arizona	321,431,900,000	38,006,000,000	283,425,900,000	38,006,000,000
22	Wisconsin	305,874,400,000	50,243,000,000	255,631,400,000	50,243,000,000
23	Missouri	290,956,200,000	26,402,000,000	264,554,200,000	26,402,000,000
24	Connecticut	248,818,700,000	34,061,000,000	214,757,700,000	34,061,000,000
25	Louisiana	240,475,300,000	34,881,000,000	205,594,300,000	34,881,000,000
26	Oregon	222,384,300,000	42,641,000,000	179,743,300,000	42,641,000,000
27	South Carolina	213,451,200,000	25,658,000,000	187,793,200,000	25,658,000,000
28	Alabama	202,940,300,000	26,697,000,000	176,243,300,000	26,697,000,000
29	Oklahoma	201,314,000,000	23,833,000,000	177,481,000,000	23,833,000,000
30	Kentucky	189,365,600,000	34,837,000,000	154,528,600,000	34,837,000,000

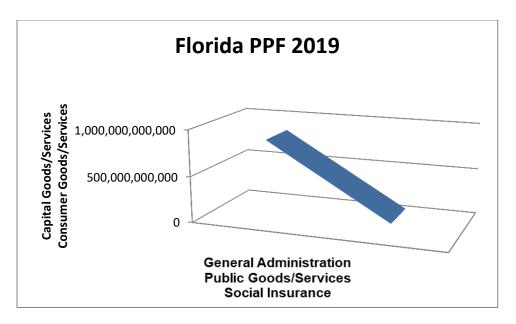
1 (BFA)

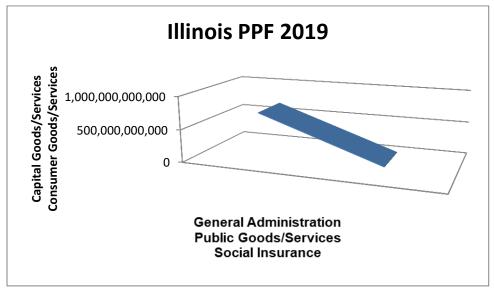
<sup>&</sup>lt;sup>2</sup> (The National Association of State Budget Officers)

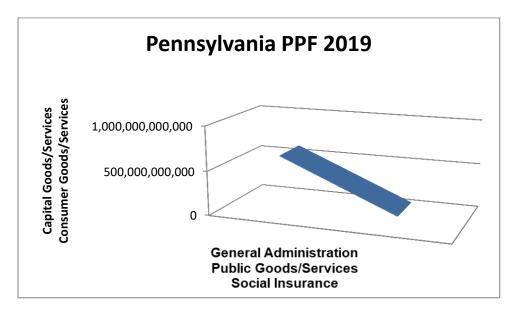


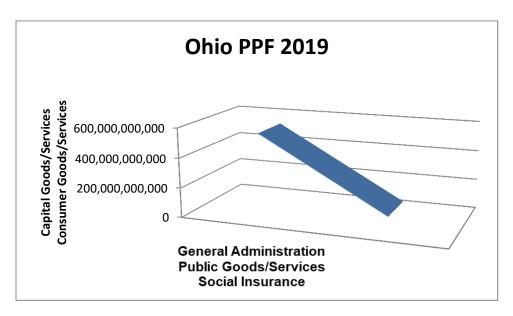


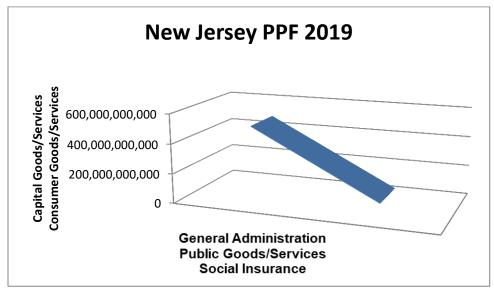


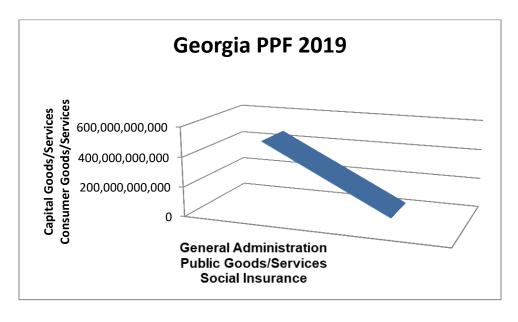


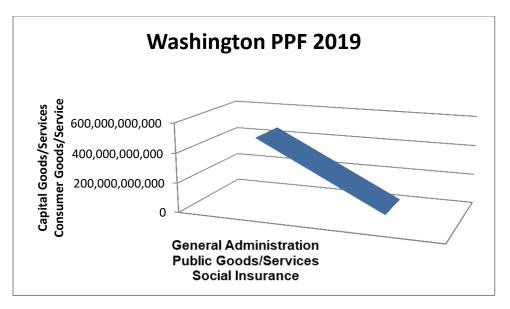


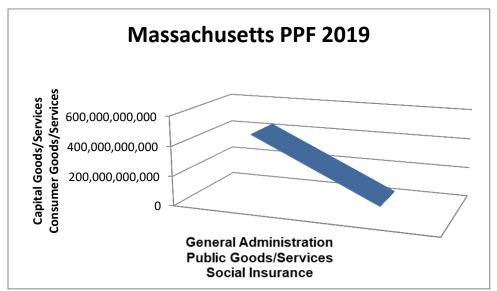


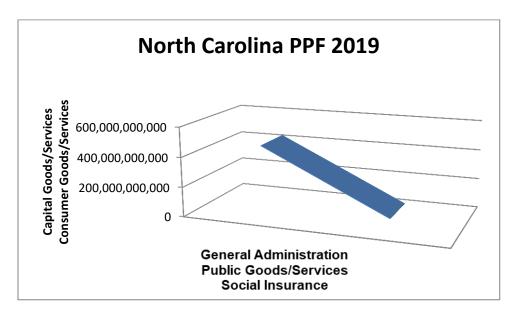


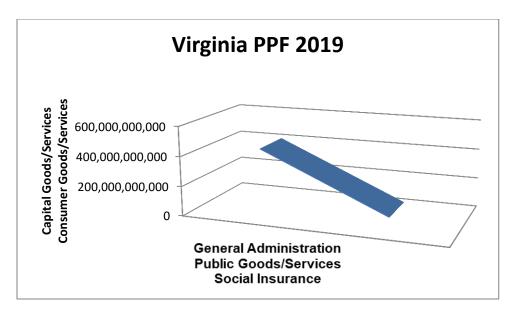


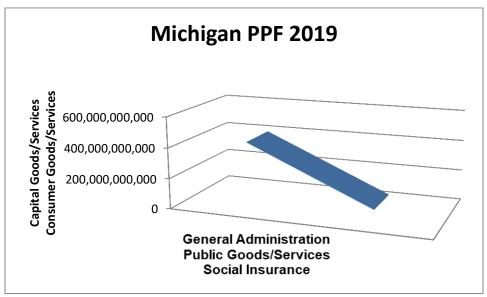


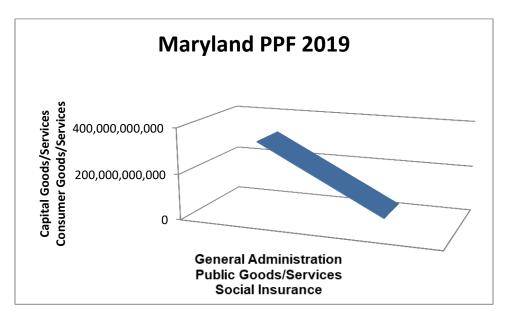


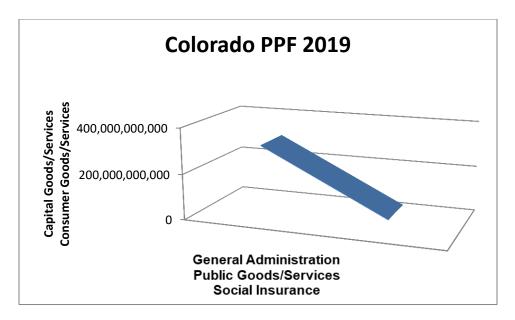


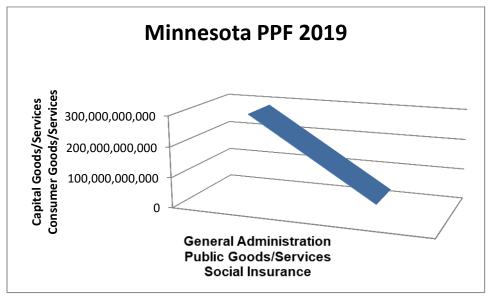


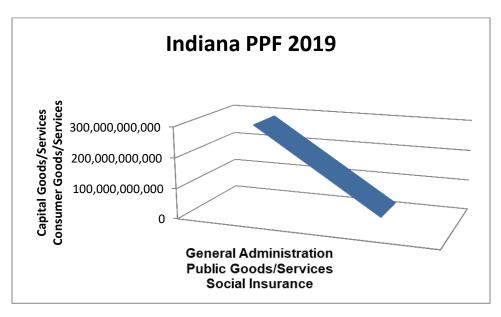


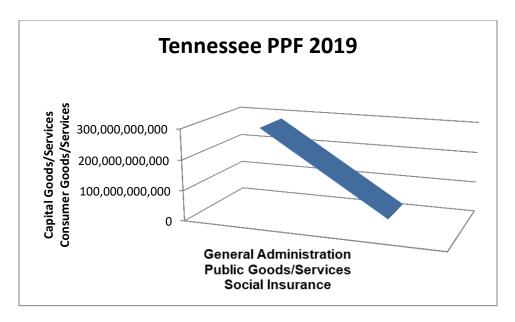


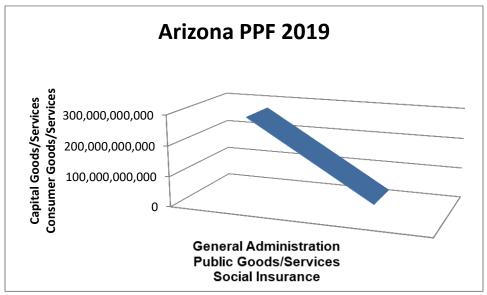


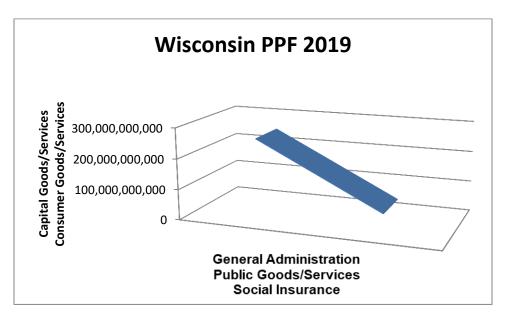


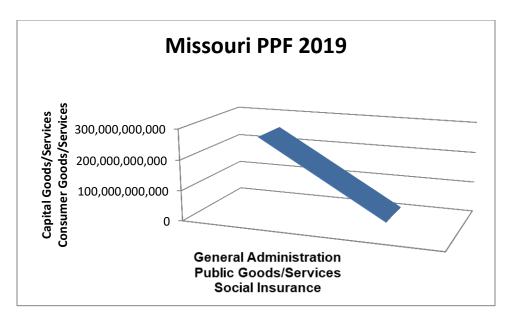


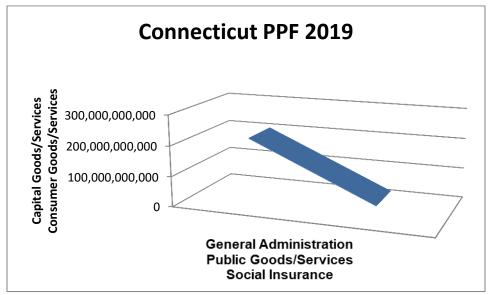


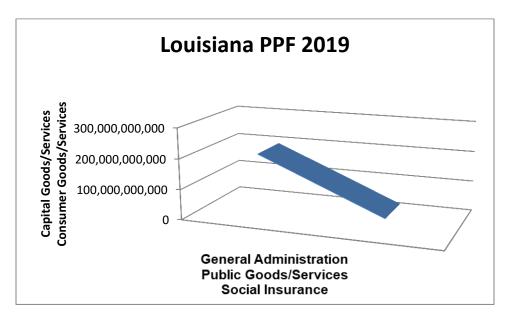


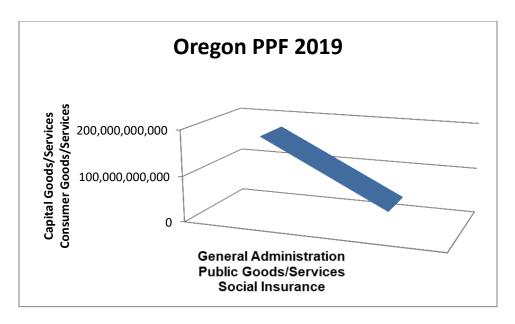


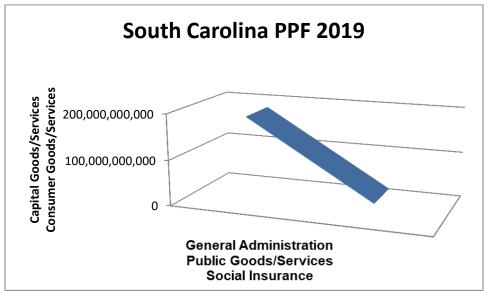


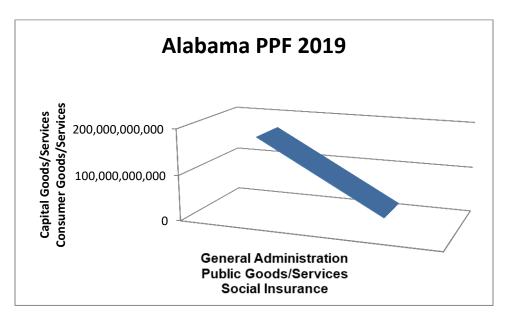


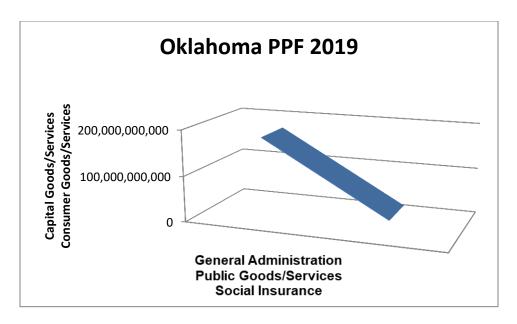


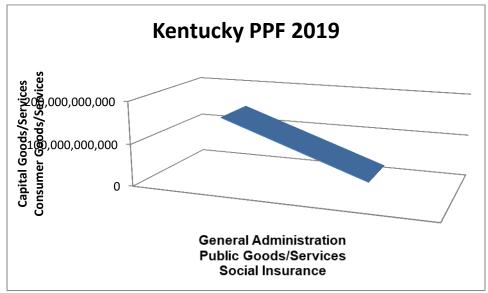


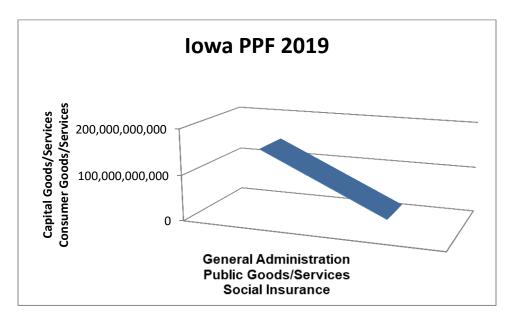


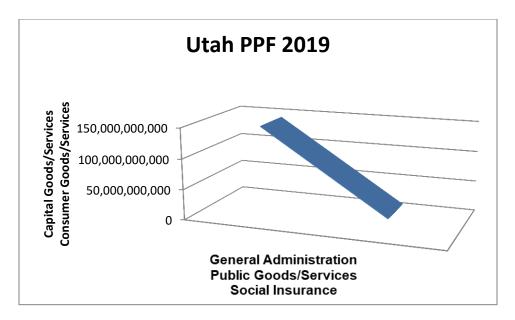


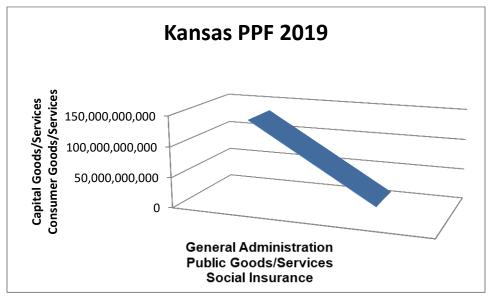


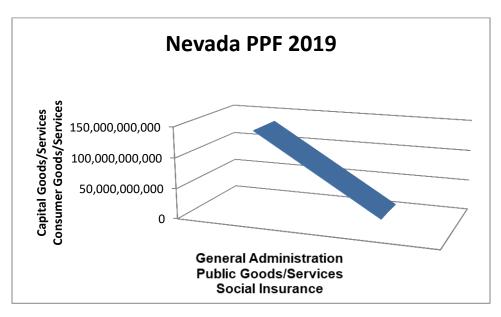


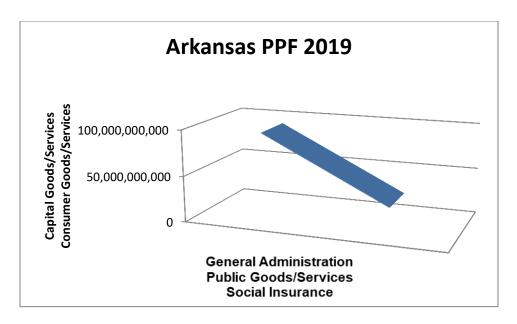


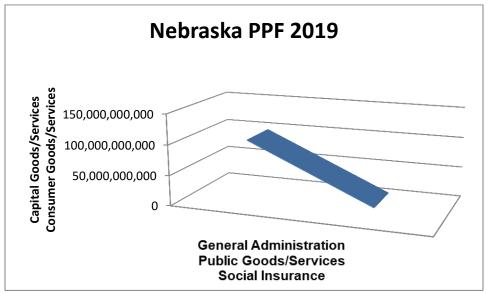


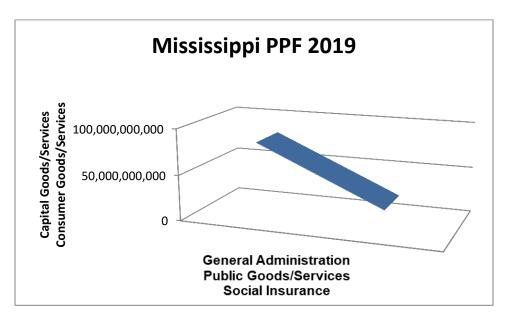


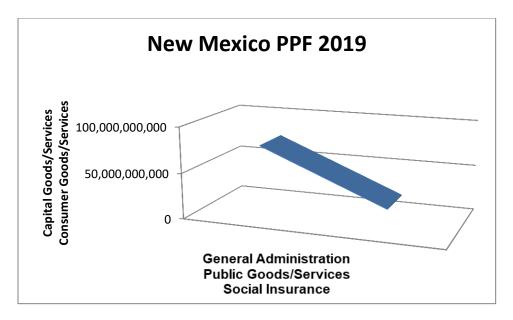


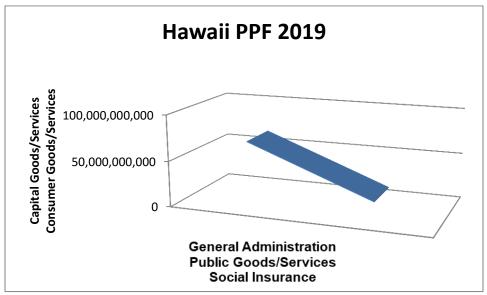


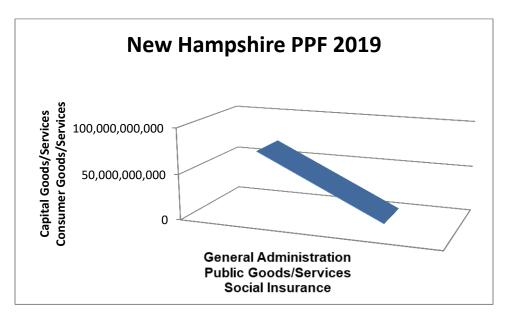


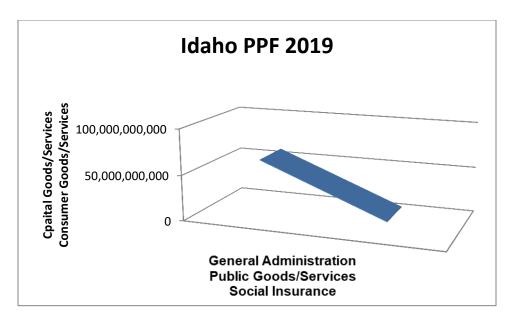


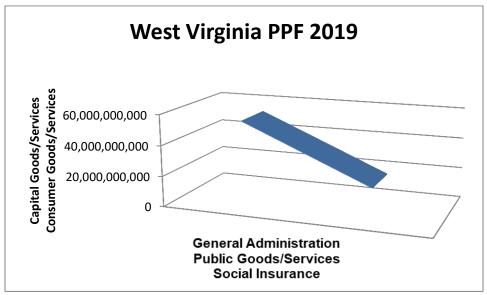


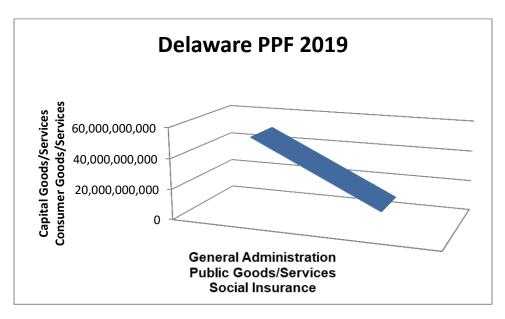


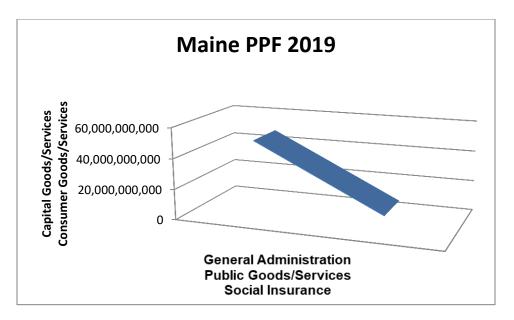


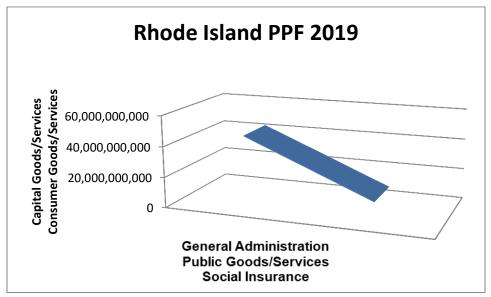


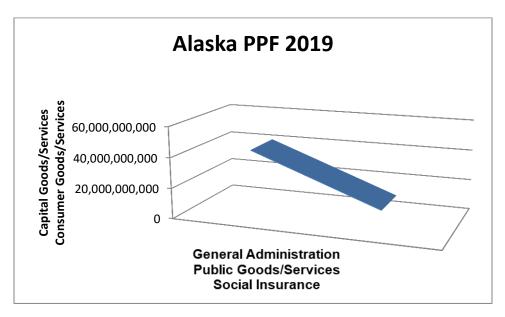


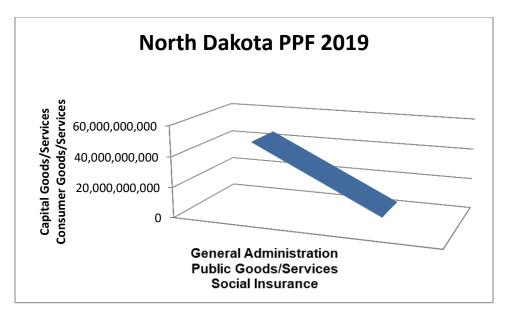


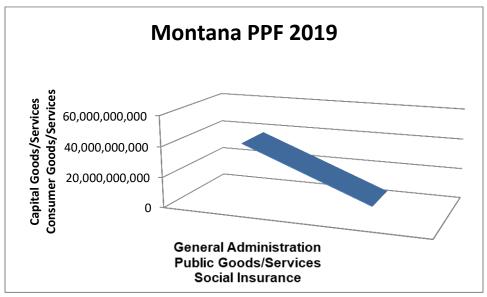


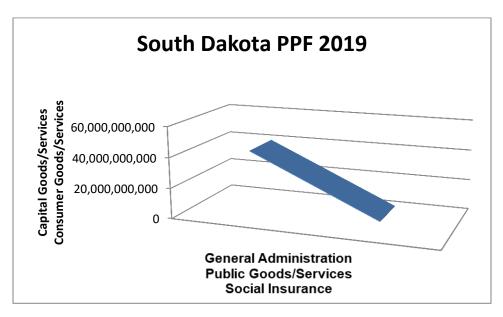


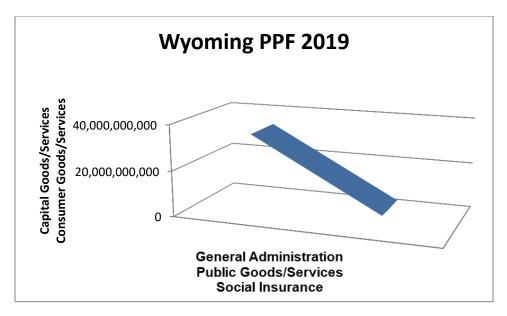


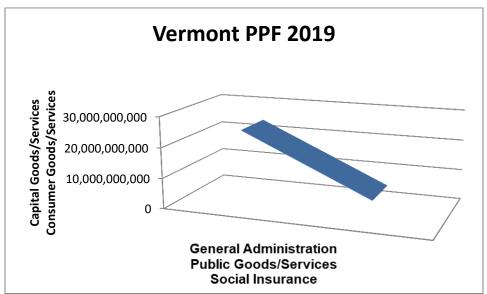












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