

## How did Pennsylvania's gains to income compare to neighboring states?

**Introduction:** This *Policy Brief* examines the real per capita income growth for Pennsylvania and the six states that share a border with Pennsylvania: Delaware; Maryland; New Jersey; New York; Ohio and West Virginia. The study covers the period 2010 to 2024. Percentage changes are calculated for two periods: 2010 to 2024 and 2020 to 2024. The 2024 data are the last official figures for real per capita income reported by the [Bureau of Economic Analysis](#) (BEA).

### *Analysis*

The table below shows the changes to real per capita income for each state in this study as well as for the U.S. The real per capita income is presented in chained 2017 dollars (allowing changes to be calculated for real inflation-adjusted growth). The table also shows the change in real per capita income for the periods 2010 to 2024 and the more recent period 2020 to 2024.

### Real per capita income changes

<i>State</i>	<i>2024-real \$</i>	<i>% Change: 2010-2024</i>	<i>% Change: 2020-2024</i>
New York	\$64,153	31.2	4.9
New Jersey	\$63,142	21.8	3.6
Maryland	\$61,111	20.7	4.6
<i>United States</i>	<i>\$59,195</i>	<i>32.1</i>	<i>4.7</i>
Pennsylvania	\$58,737	24.9	-0.6
Ohio	\$56,232	29.4	2.1
Delaware	\$55,185	24.1	0.4
West Virginia	\$50,051	23.2	1.6
<b>7-state unweighted average</b>	<b>\$58,373</b>	<b>25.0</b>	<b>2.3</b>

*Note: Data source: Bureau of Economic Analysis*

Pennsylvania's growth in real per capita income was near the seven-state average over the 14-year period and the weakest in the four-year period. Not one of the states in this

sample matched the U.S. growth from 2010 to 2024. Interestingly, New York and Ohio’s growth was close to the U.S.’s 14-year increase in real per capita incomes.

Over the latest four-year period, New York and Maryland tracked closely with the nation’s 4.7 percent rise while New Jersey was not far behind at 3.6 percent. Pennsylvania, with its -0.61 percent loss, was the only state reviewed to have a decline in real per capita income over the four-year period. Delaware was barely positive at 0.4 percent. Ohio (2.1 percent) and West Virginia (1.6 percent) also lagged well behind the nation.

The seven-state unweighted average for growth in real per capita income over the 14-year period was 25.0 percent, while the four-year rate was 2.3 percent.

*Comparison of Pennsylvania and its neighbors with Right-to-Work states*

With none of the states in the sample posting real per capita income gains better than the U.S. average over the 14-year period—and just one besting the national rate during the 2020 to 2024 period—it must be the case that there are states with faster gains in real income than the national over one, or both, time periods.

This section examines the performance of seven states—three from the Southeast, two from the Midwest and two from the Mountain west: namely Florida; South Carolina; Tennessee; Oklahoma; Texas; Idaho and Wyoming.

The table below shows the seven states with real per capita income changes for the same two periods as the previous sample. All are Right-to-Work states (RTW).

**Real per capita income changes**

<i>State</i>	<i>2024-real \$</i>	<i>% Change: 2010-2024</i>	<i>% Change: 2020-2024</i>
Wyoming	\$75,501	40.4	11.2
<i>United States</i>	<i>\$59,195</i>	<i>32.1</i>	<i>4.7</i>
Oklahoma	\$58,692	29.4	9.7
Tennessee	\$58,582	32.6	6.5
Texas	\$58,219	32.0	9.4
Florida	\$57,130	33.7	6.0
Idaho	\$52,816	39.3	0.9
South Carolina	\$52,463	34.2	2.0
<b>7-state unweighted average</b>	<b>\$59,058</b>	<b>34.5</b>	<b>6.6</b>

First, note that the seven-state unweighted average growth in real per capita income over the 2010 to 2024 period was 34.5 percent, roughly 38 percent higher than the increase in the seven-state unweighted average for the Pennsylvania and neighboring states sample. For the 2020 to 2024 period, the seven-state average growth was almost three times faster than the Pennsylvania sample and faster than the national rate of 4.7 percent.

The unweighted average real per capita income (in 2017 dollars) in the Pennsylvania and six-border states sample in 2024 was \$58,373. At the same time the unweighted real income for the seven-RTW states was \$59,058. The average real per capita income difference for the two groups was small while the per capita income growth in the two groups of states was very different over both periods examined. Wyoming's \$75,501 real per capita personal income was largely responsible for the higher RTW average, while West Virginia's \$50,051 held down the average for Pennsylvania and the surrounding states' average.

### *Conclusion*

It is clear that in terms of real per capita income gains the states that share a border with Pennsylvania, other than New York, fared unfavorably with the nation and very unfavorably with the seven-RTW states that represent three regions of the country over the period 2010 to 2024 and the period 2020 to 2024.

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