

# National Trends Impacting the KC Regional Economy

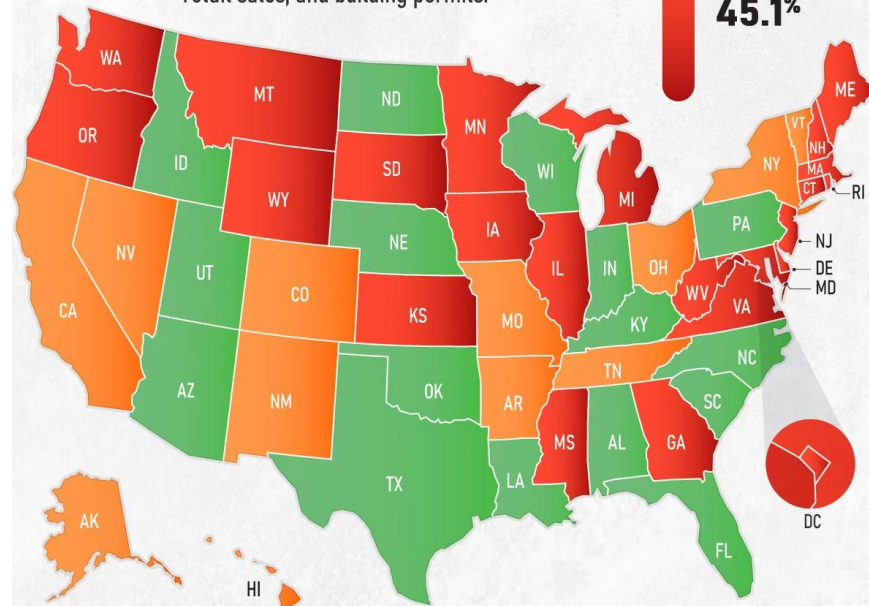
Christopher D. Lloyd, SVP and Director, Infrastructure and Economic  
Development

April 1, 2026

# RECESSION RISK

★ ★ ★ BY STATE

States were analyzed based on economic activity, in addition to payrolls, unemployment, retail sales, and building permits.



Source: Mark Zandi, Moody's Analytics. Data as of Oct 2025  
Figures do not add to 100 due to rounding.

VISUAL CAPITALIST

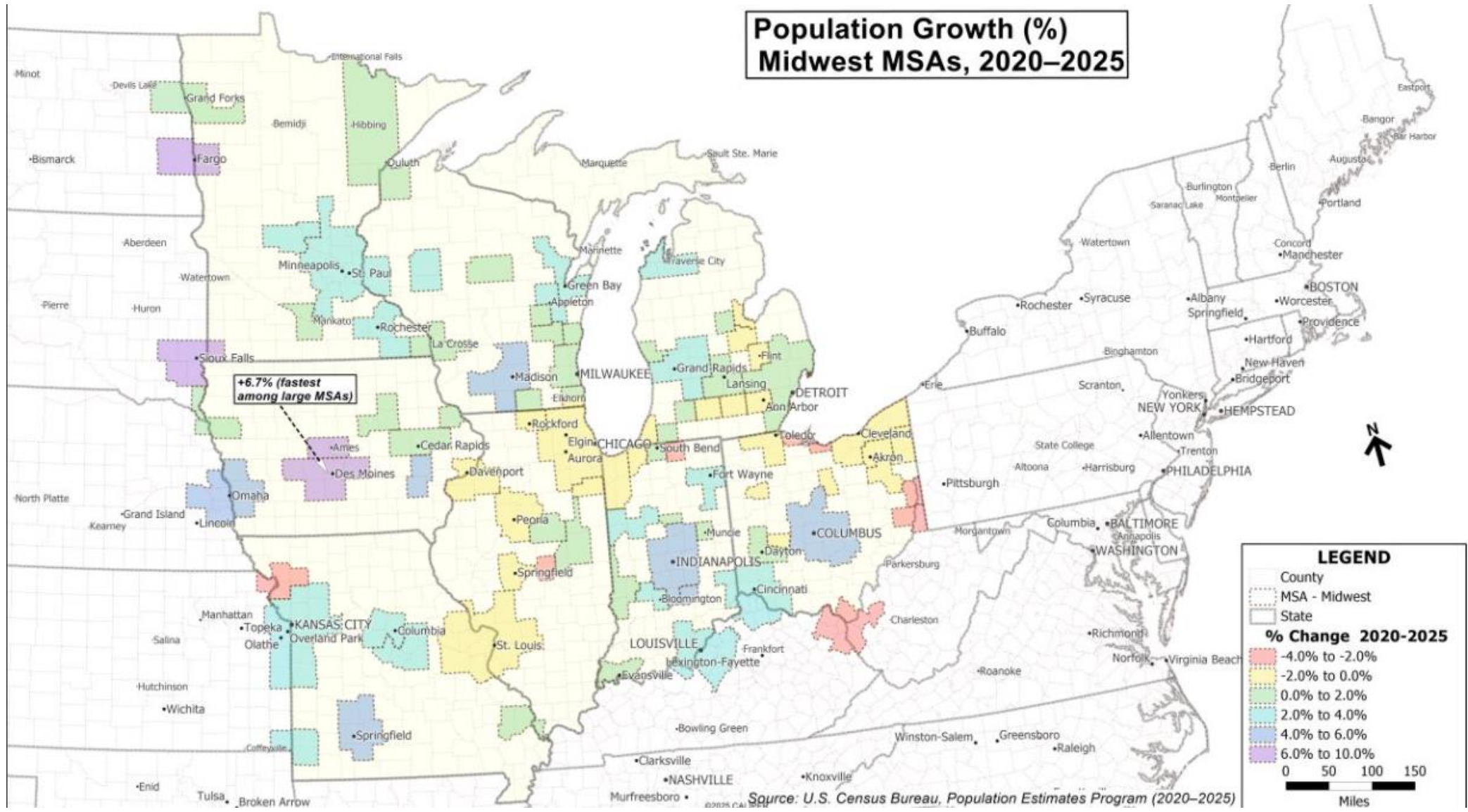


Where Data Tells the Story



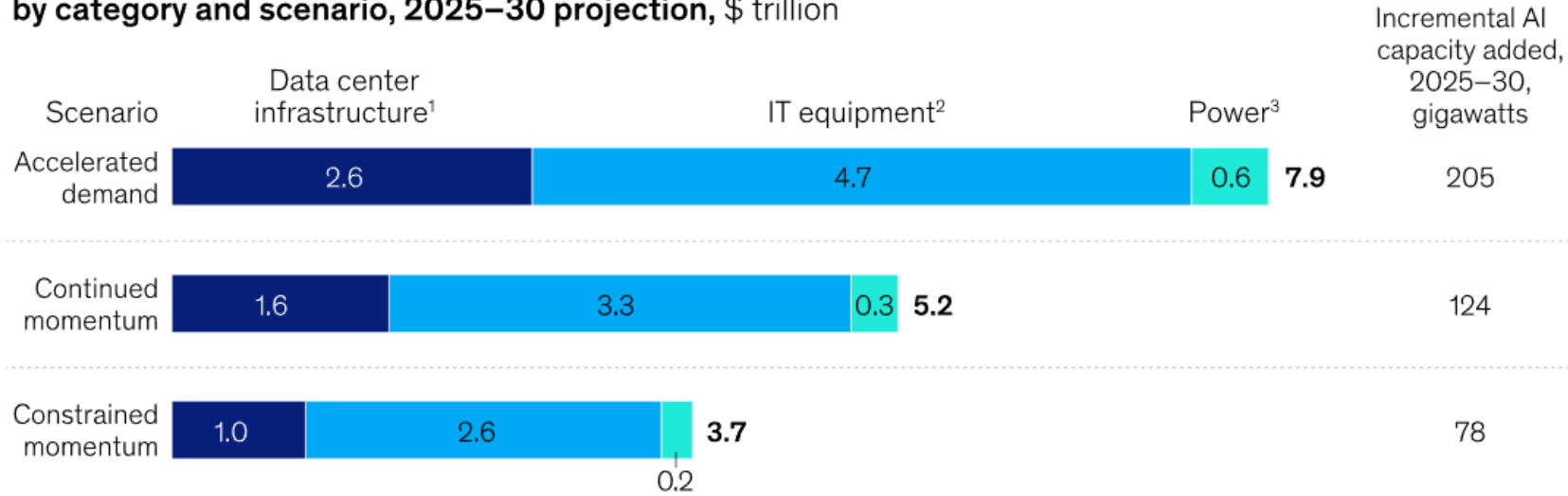


# Population Growth (%) Midwest MSAs, 2020–2025



## Capital investments to support AI-related data center capacity demand could range from about \$3 trillion to \$8 trillion by 2030.

Global data center total capital expenditures driven by AI, by category and scenario, 2025–30 projection, \$ trillion



Note: Figures may not sum to totals, because of rounding.

<sup>1</sup>Excludes IT services and software (eg, operating system, data center infrastructure management), since they require relatively low capex compared with other components.

<sup>2</sup>Includes server, storage, and network infrastructure. IT capex also accounts for replacing AI accelerators every 4 years.

<sup>3</sup>Assumes \$2.2 billion–\$3.2 billion/gigawatt (including power generation and transmission cost) to account for a range of power generation scenarios (eg, fully powered by gas, a combination of gas power and storage, and solar) and regional cost differences. Distribution cost is neglected, as most AI centers are expected to be >50 megawatt scale and connected to a transmission grid.

Source: McKinsey Data Center Capex TAM Model; McKinsey Data Center Demand Model

McKinsey & Company

# Big Tech's AI Push Is Costing a Lot More Than the Moon Landing

As a percentage of GDP, the projected 2026 spending of four tech giants rivals the most momentous capital efforts in U.S. history

By [Meghan Bobrowsky](#) [Follow](#), [Drew An-Pham](#) [Follow](#) and [Alana Pipe](#) [Follow](#)

Feb. 7, 2026 5:30 am ET



Gift unlocked article



Listen (2 min)



## Spending as percentage of GDP, annual average

Louisiana Purchase (1803)



## Projected capital spending for Meta, Amazon, Microsoft and Alphabet in 2026



U.S. railroads (1850-59)



U.S. interstate highway system (1955-70)\*

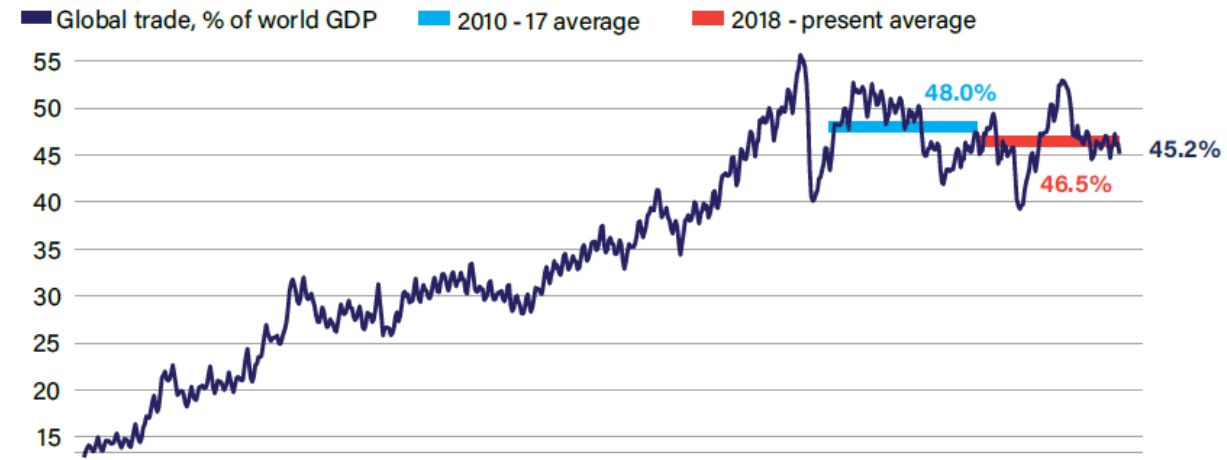


Apollo space program (1960-73)

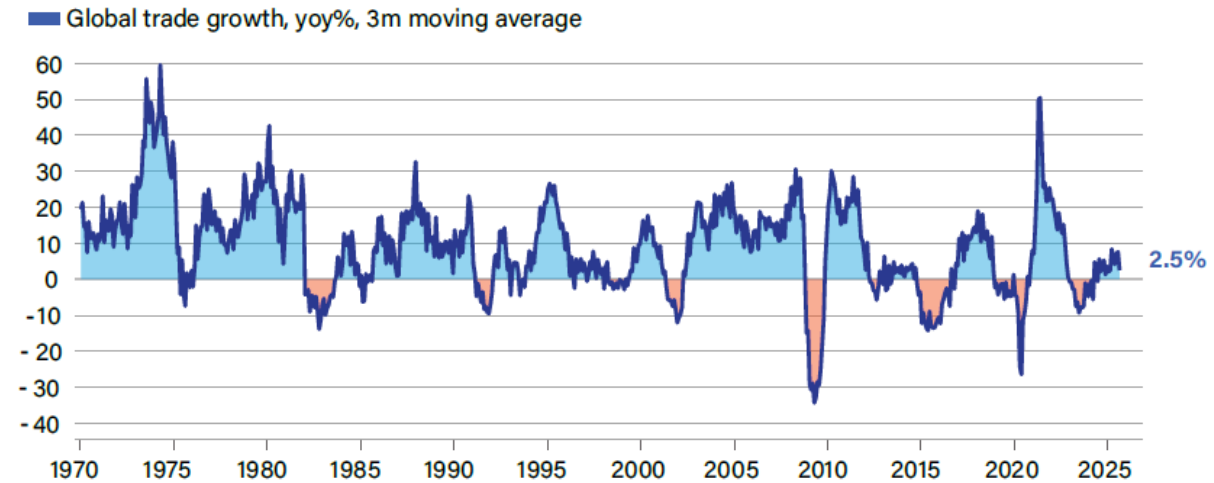


## Globalization isn't dead

% of GDP



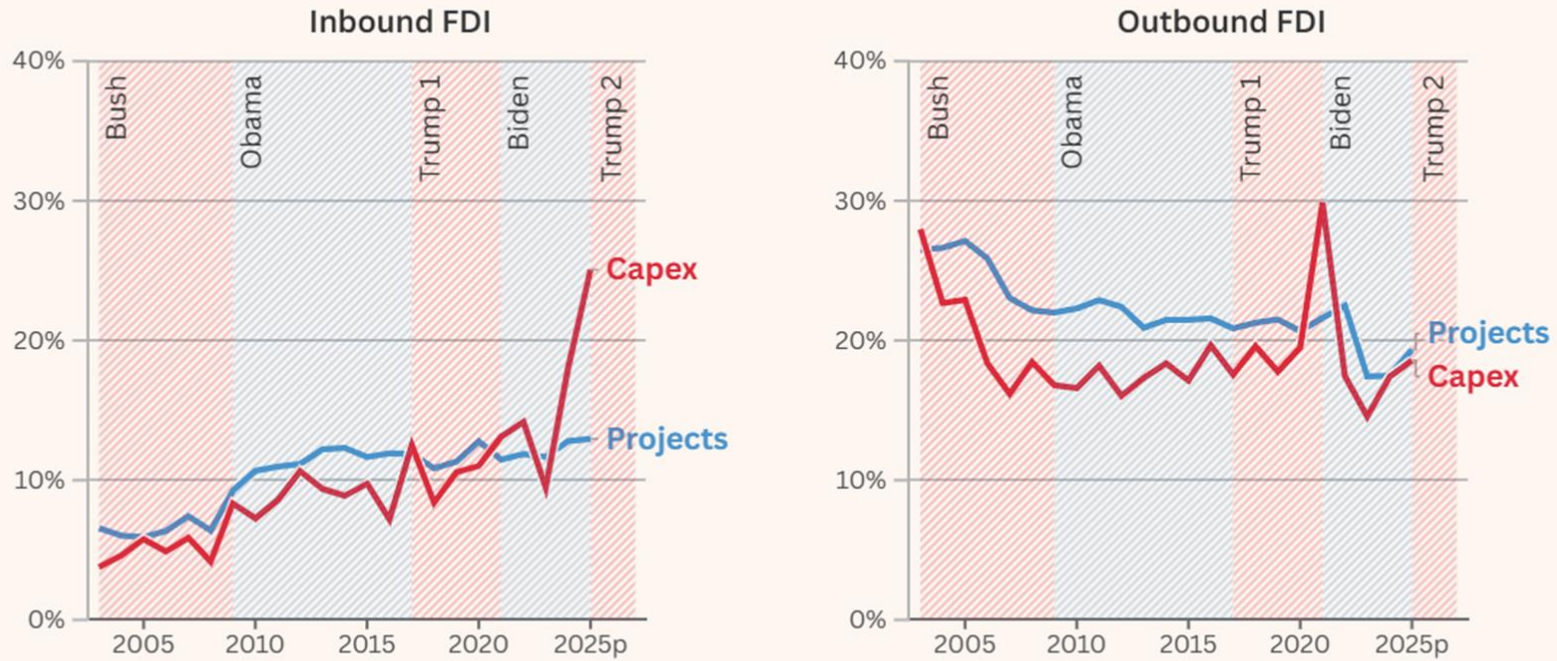
% y/y



Source: Eurasia Group, Macrobond, IMF, World Bank, UNCTAD

## Trump 2.0: US captures more inbound FDI capex

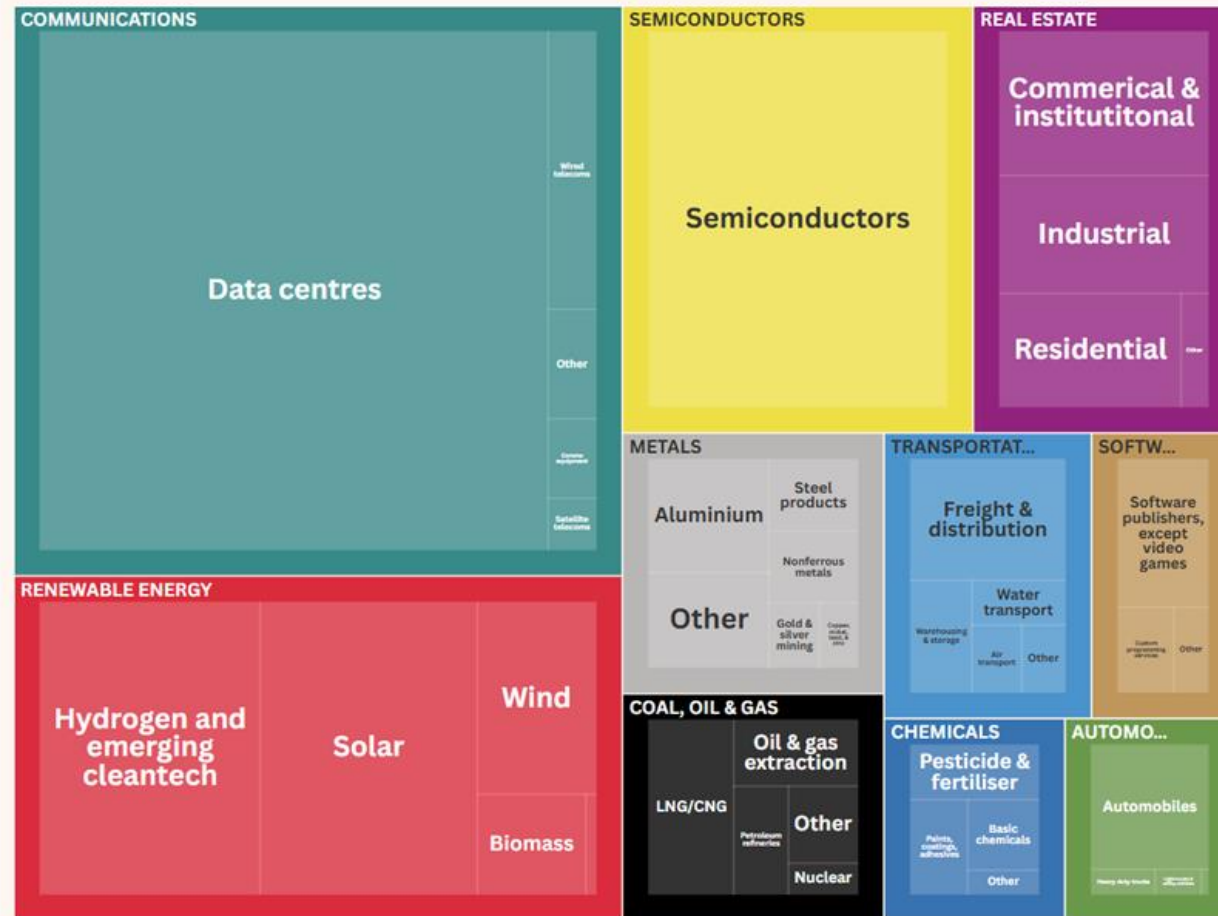
US share of global greenfield foreign direct investment



Source: fDi Markets • 2025 data is preliminary up to November

fDi Intelligence

### Global greenfield foreign direct investment by top 10 sectors, 2025



Source: fDi Markets. (View larger chart) • Sub-sectors are simplified for ease of

# Eli Lilly to make weight-loss pill in new \$6.5 billion Texas plant

By Patrick Wingrove



September 23, 2025 5:57 PM EDT · Updated September 23, 2025

11 abc 24/7 Live

BUSINESS

## JetZero to build manufacturing facility in NC, create more than 14K jobs; investment of \$4.7B

By Michael Perchick  
Thursday, June 12, 2025



3 hours ago - News

## TSMC eyes more Arizona land to grow semiconductor "gigafab"

Jessica Boehm

## AstraZeneca announces \$4.5 billion pharmaceutical plant in Albemarle County



Company's largest facility worldwide will bring 600 permanent jobs to Route 29 corridor

## OHIO CAPITAL JOURNAL

UNCATEGORIZED

## Gov. DeWine lands biggest jobs deal in Ohio history with defense company Anduril's new plant

It's not clear yet how much officials promised the company in incentives

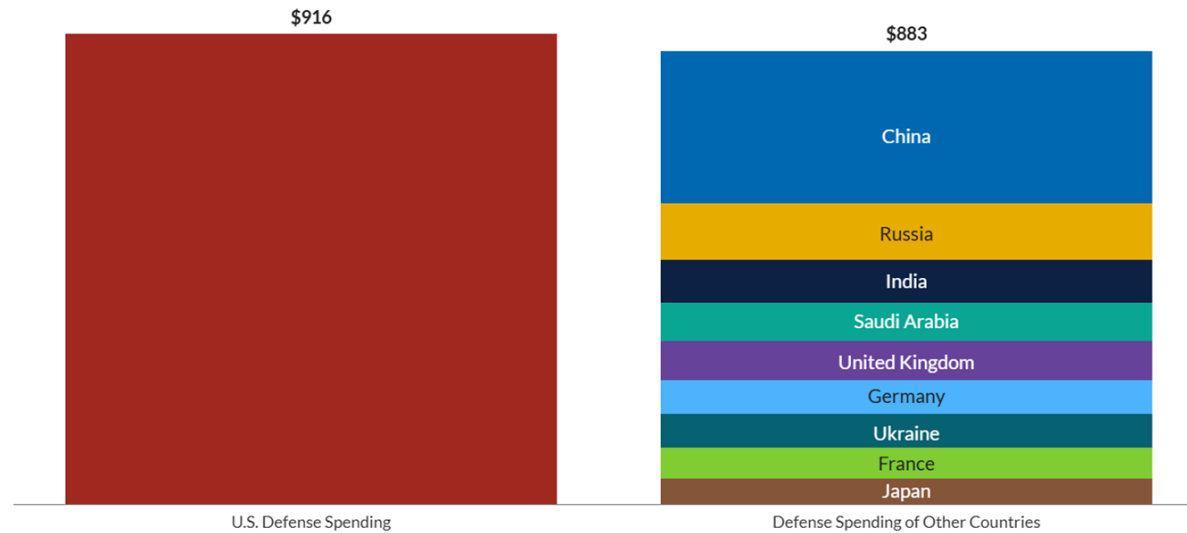
BY: NICK EVANS - JANUARY 16, 2025 5:25 PM



# US Defense Spending Is Accelerating

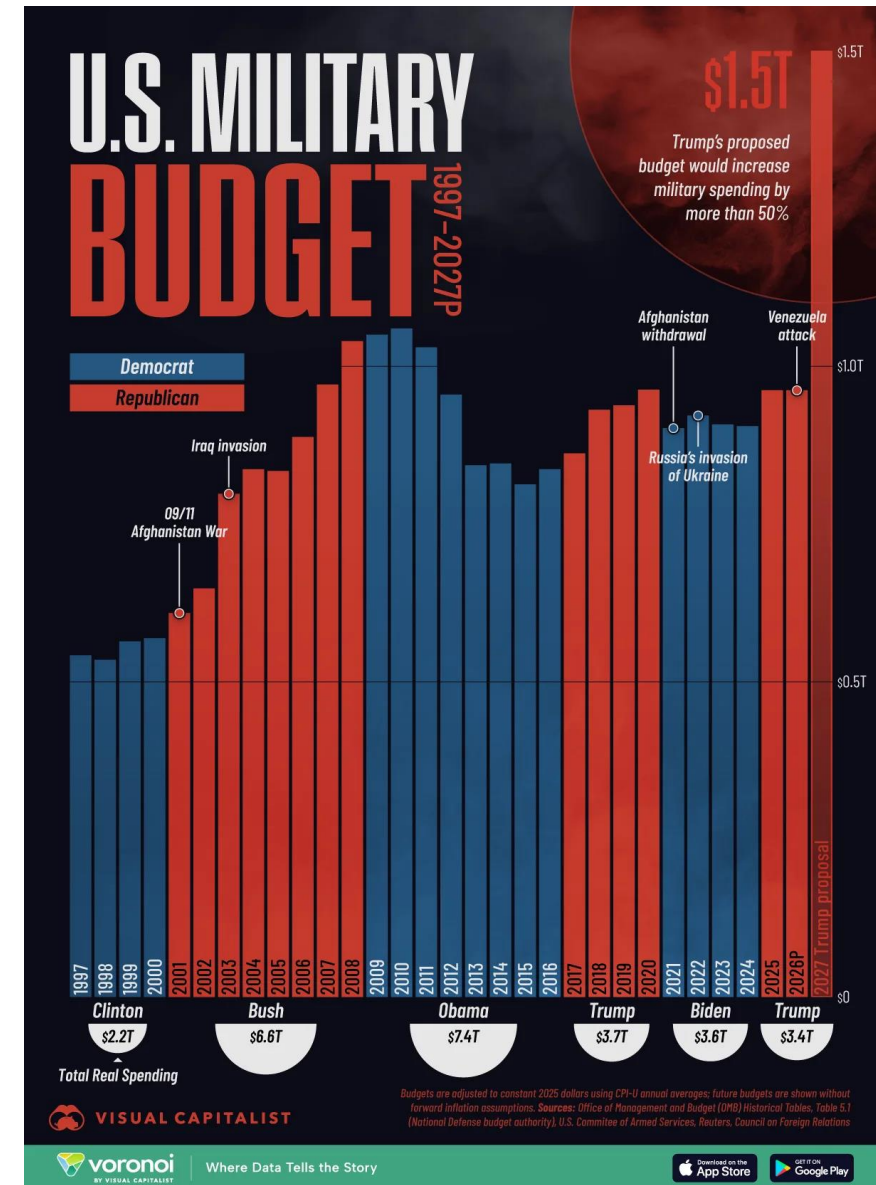
## The United States spends more on defense than the next 9 countries combined

Defense Spending (Billions of \$)



Source: Stockholm International Peace Research Institute • Embed • Download image

Notes: Figures are in U.S. dollars converted from local currencies using market exchange rates. Data for the United States are for fiscal year 2023. Data for the other countries are for calendar year 2023. The source for this chart uses a definition of defense spending that is more broad than budget function 050 and defense discretionary spending.



# A Record 1.5B SF Of Industrial Space Is In Search Of Tenants

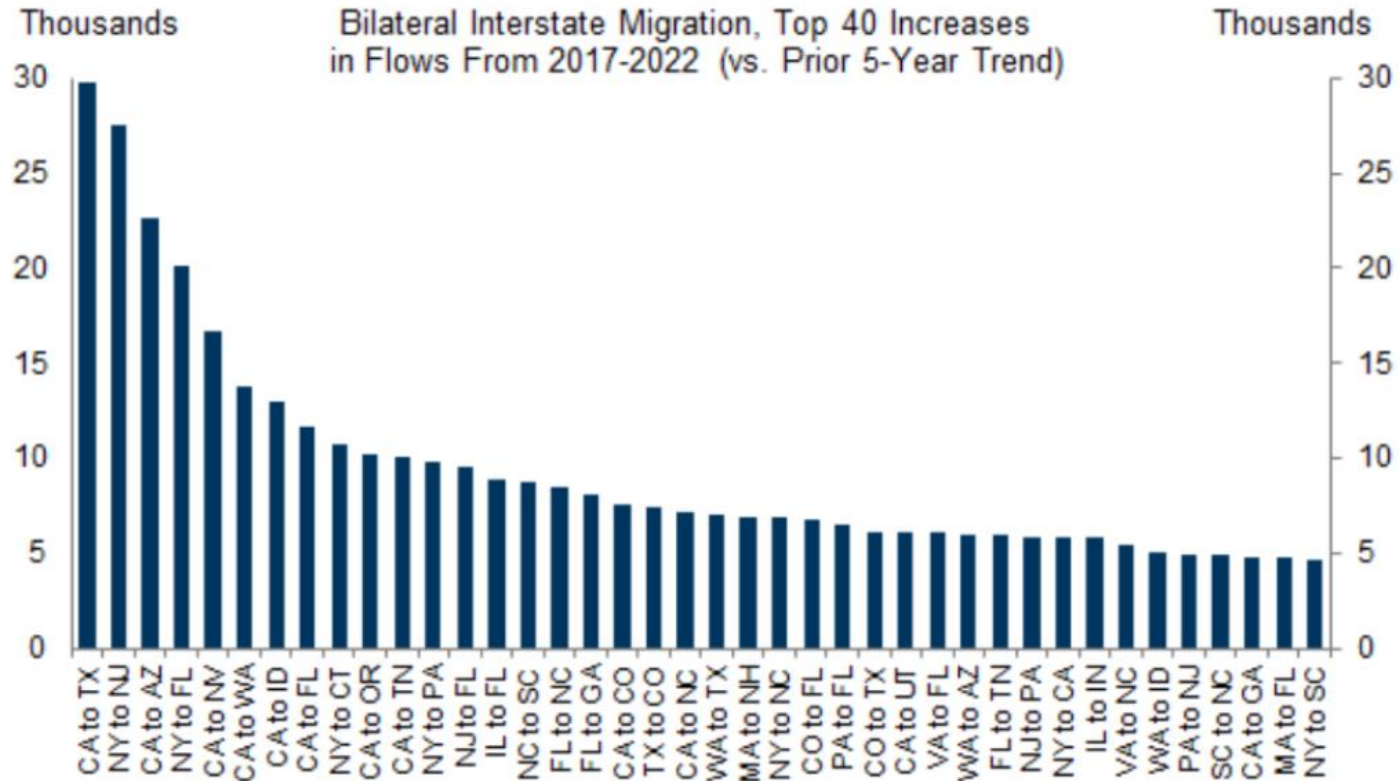
February 05, 2026 | 5:55 p.m. ET | Chloe Gallivan, South Florida [✉](#)

The remnants of a historic wave of industrial construction paired with an uncertain economy are expected to drive up the amount of empty warehouse space on the market this year.



# Wealth is Moving

## Annual Outflows From California and New York Have Accelerated



Source: Internal Revenue Service, Goldman Sachs Research

growth potential, enough to get funding whenever it they can't wait for the rest of the high-flying Silicon Valley. But in some way or that through, "London can be a

idea for every nation because they don't have to wait for the rest of the world." "It's not just about the technology, it's about the people," says Alexander Breen, co-founder and global head of Techstars.

Small Business Research Lab is also measuring the annual change in the number of microbusinesses across the United States. Co-Founder of Techstars, "microbusiness" broadly encompasses all businesses

with annual revenue of less than \$1 million. The number of microbusinesses in the United States grew 1.2 percent in 2014, according to Techstars. The number of microbusinesses in the United States grew 1.2 percent in 2014, according to Techstars.

But not every region is growing. In fact, the number of microbusinesses in the United States grew 1.2 percent in 2014, according to Techstars. The number of microbusinesses in the United States grew 1.2 percent in 2014, according to Techstars.

According to Co-Founder of Techstars, "microbusiness" broadly encompasses all businesses with annual revenue of less than \$1 million. The number of microbusinesses in the United States grew 1.2 percent in 2014, according to Techstars.

By Region

## Mapping Regions of Startup Growth

Inc. Magazine captures the fastest-growing companies by region. Below, explore Inc.'s proprietary look at regional growth from 2012 to 2014.

### PACIFIC

Sacramento had a 2.2 percent year-over-year increase in startup growth, well above San Francisco's 1.2 percent and just a tick below San Jose's (3.1 percent), according to Co-Founder. It's attracting startups from across entrepreneurial hubs. The city experienced 47 percent annual growth in new business checking applications, according to Blumstein.

### SOUTHWEST

Austin has earned its entrepreneurial title, but it's not the only growth town. Dallas Fort Worth had a 2.1 percent increase in startup growth, according to Co-Founder. The number of startups grew 1.1 percent, according to Co-Founder. Dallas has a higher than average Microbusiness Activity Index score, which is a key indicator of startup activity. It also has a higher than average business bank account applications, according to Blumstein.

For each region:



Startup Index



Median 2-year growth rate of 2012 Inc. Magazine companies



Top three states in the region by new business registrations per 1,000 residents since 2012

By Inc. Spring 2014

### SOUTHEAST

Because of its stable defense industry, Huntsville, Alabama, has grown into a startup city. It is home to a large share of engineers. Aerospace engineers are employed at 26.8 times the national rate. In tech infrastructure earned it the top spot in Co-Founder's list of emerging North American tech markets, fueled in part by AI adoption.

### ROCKY MOUNTAIN

Colorado Springs earned the national average in startup activity, according to Co-Founder's Microbusiness Activity Index. The region has a strong military technology presence. In fact, the region's Aerospace Defense Contractors (ADCs) increased their AI in the National Defense Science and Engineering Graduate Fellowship.

### MIDWEST

Columbus, Ohio, is benefiting from state incentives and investments in tech infrastructure. Its data centers have shown the pace of Google and Amazon. Its infrastructure assets make well above average, leading to the region's strength in Co-Founder's Microbusiness Activity Index. It also had 200 percent year-over-year growth in new business checking account applications, according to Blumstein.

### NORTHEAST

Portland, Maine, the state's main population city, scores high on its business infrastructure. Residents are well educated compared with the U.S. average (83.2 percent have a bachelor's degree or higher), and UNH and Northeastern have campuses in the city. Maine's Microbusiness Activity Index score increased 0.4 percent year-over-year, the second highest in the nation.

### MID-ATLANTIC

Washington, D.C., has long been home to a steady stream of federal workers launching businesses. Last year, the stream became a flood. After federal layoffs, there was a 101 percent annual jump in business checking account applications, according to Blumstein. G.C.'s early-stage funding is also nearly five times higher than the global average, according to the Global Startup Ecosystem Report 2015.





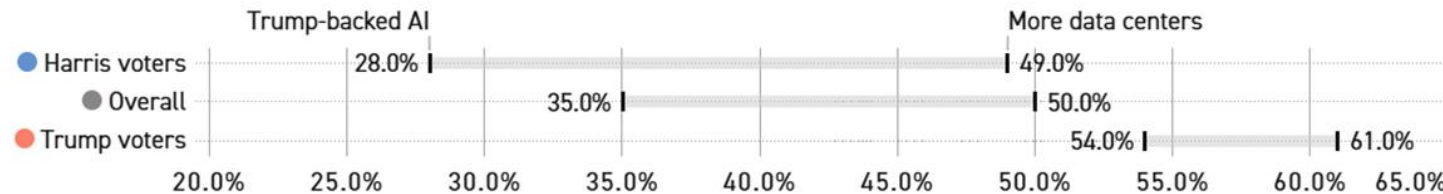
*Chair of the Environmental Justice Collaborative Elizabeth Gore speaks out against the Metrobloks data center proposal at a press conference on Nov. 17, 2025 in Martindale Brightwood. (Photo provided/Protect Martindale Brightwood Coalition)*



## THE DONALD TRUMP EFFECT

# New data center plans draw less support if Trump is mentioned

Share of adults, split by their 2024 vote and those who are undecided in their midterm vote, who support a plan to **build more data centers in the U.S.** and those who support a plan **backed by Trump to advance AI models by building more data centers in the U.S.**



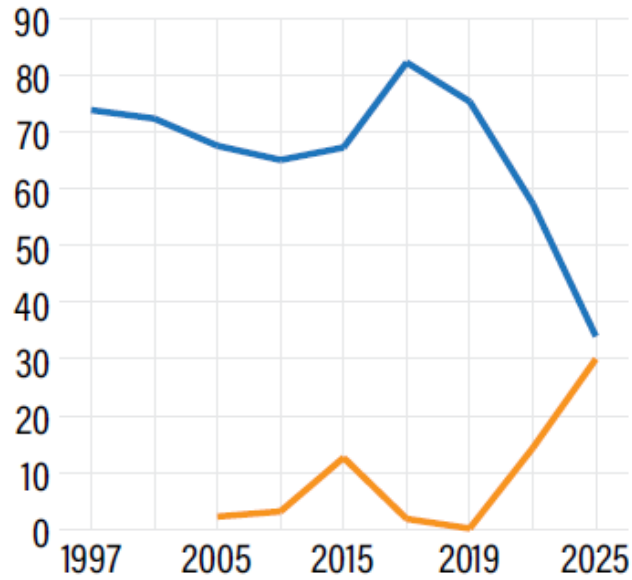
The poll surveyed 2,093 U.S. adults from Jan. 16 to 19, and has an overall margin of error of  $\pm 2$  percentage points. Smaller subgroups have higher margins of error.

Source: The POLITICO Poll with Public First  
Anna Wiederkehr/POLITICO

# The center cannot hold

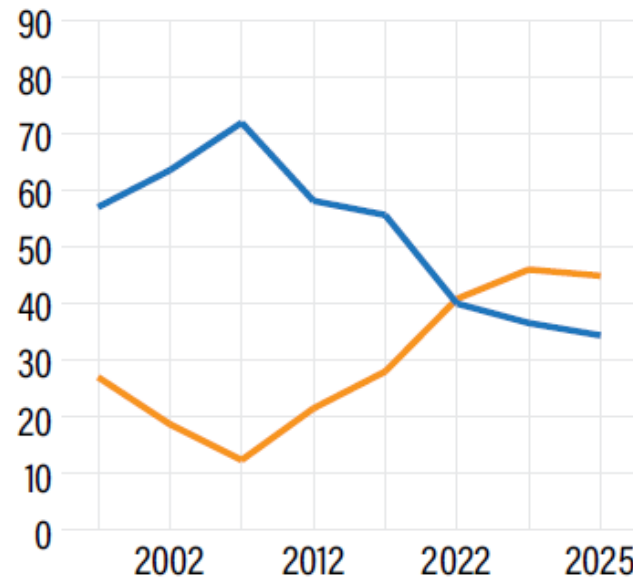
Vote share (%)

## UK

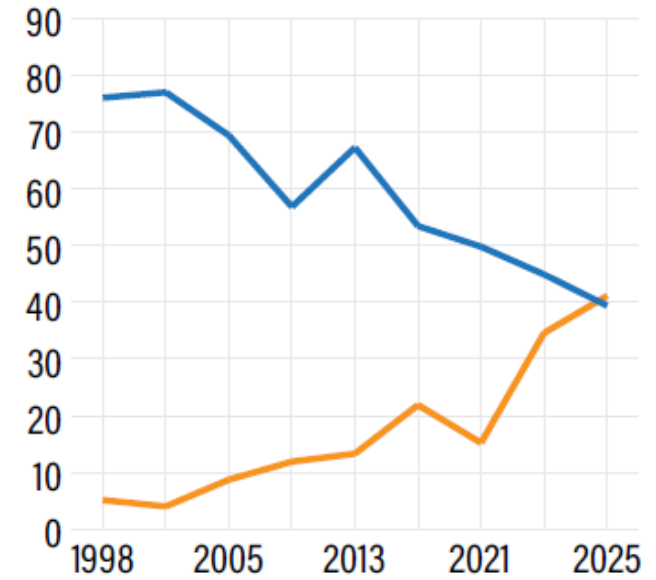


— Mainstream parties — Populist parties

## France



## Germany



Source: Eurasia Group calculations based on legislative election results (through 2024) and recent polling data (2025); Politico and Macrobond. Populist vote share includes AfD, Die Linke, and Bündnis Sahra Wagenknecht (Germany); RN, La France Insoumise, and the Communist Party (France); and UKIP/Reform (UK).

# Where YOU Can Make A Difference

- Support your local officials
- Electricity availability = economic development
- Engage with the public
- Make it easier to start and grow a business
- Enhance international relationships
- Retain and attract talent
- Deploy wealth through engagement of the philanthropic community
- Align the business community with the education/training providers
- Invest in the basics
- Modernize your tax structure
- Maximize federal incentives/industrial policy opportunities
- Be ambassadors for your community

# Questions or Comments?