



Metropolitan Policy Program at BROOKINGS

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U.S. and U.K. Cities Join Ranks of Fastest Growing Economies

The Brookings Global MetroMonitor Ranks the Economic Performance of World's 300 Largest Metropolitan Economies in 2014

WASHINGTON, D.C. – While developing metropolitan areas still lead the world on economic growth, developed metro areas from the United States and the United Kingdom registered significant improvements in 2014. These findings come from a new report by the Brookings Institution's Metropolitan Policy Program, released today as a part of the Global Cities Initiative, a joint project of Brookings and JPMorgan Chase.

Macau, China was the world's top-performing metro area in 2014, followed by the Turkish cities of Izmir, Istanbul and Bursa. But alongside many emerging markets, four U.S. metro areas (Austin, Houston, Raleigh and Fresno) and two U.K. metro areas (London and Manchester) ranked among the 60 fastest growing metro economies worldwide.

This year's *Global MetroMonitor*, the fourth edition of the report, analyzes 2013-2014 data on the performance of the world's 300 largest metropolitan areas based on their annualized growth rates of GDP per capita and employment. The *Monitor* combines these two key economic indicators into an economic performance index on which the 300 metro areas are ranked for 2014.

The 300 largest metropolitan economies are home to 20 percent of the world's population and jobs, but account for almost half of global GDP, underscoring that the global economy is truly a metro economy.

"When you look at the global economy through a metropolitan lens, you see just how uneven growth is in every major region," said Joseph Parilla, Brookings research analyst and lead author. "In developed economies like North America and Western Europe, cities like London and Houston are flying high, while others like Rotterdam and Montreal are struggling. Developing markets are growing faster overall, but vast differences separate cities in central China from those in the northeast, and cities in Peru and Colombia from those in Brazil and Argentina."

The analysis found that overall, GDP per capita in these top 300 metro areas grew 1.3 percent in 2014, compared to 1.6 percent in 2013. Employment grew at 1.5 percent in 2014, the same as in 2013. The fastest growing economies were once again found in the Developing Asia-Pacific and Eastern European and Central Asia regions. The slowest-growing metro economies were located in Western Europe, North America and Developed Asia-Pacific.

In 2014, a third of the 300 largest metropolitan economies were “pockets of growth,” outperforming their countries on both income and employment growth. And on income growth alone, nearly half of all metro areas performed better than their national economies.

Even as national growth slowed in 2014, China accounted for more than half of the 30 fastest growing metro economies in the world. Metro areas in China’s inland core continue to exhibit extremely high growth rates. Hefei led all Chinese metro areas with 9.5 percent income growth, followed by Wuhan, Xiamen and Changsha. All of these fast growing cities except Xiamen are located in the central part of China, which has benefited from the national government’s efforts to connect these regions to the coast through significant infrastructure investment.

The *MetroMonitor* also analyzes the extent to which the world’s metro economies have recovered to 2007 levels of income and employment. The number of U.S. metros that achieved full recovery to 2007 levels in both employment and income has nearly doubled since the 2012 *Global MetroMonitor* was published, with 32 out of 80 metros in this category in 2014, versus 17 in 2012.

Six years after the global financial crisis the majority of the world’s metro economies have met or exceeded their pre-recession levels of income and employment. Yet 57 percent of metro areas in North America and 65 percent in Western Europe have yet to achieve full recovery.

“The uneven pace of economic growth in the world’s major metro areas in 2014 reflects a still uncertain global recovery,” said Alan Berube, Brookings senior fellow and report co-author. “As political gridlock and economic turmoil thwarts decisive action from national governments and multilateral institutions, city and regional leaders worldwide must forge their own economic destinies.”

The edition of the *Global MetroMonitor* is the fourth in a series started in 2010. The *Global MetroMonitor* also builds on the model of the U.S. [MetroMonitor](#), which tracks key economic trends in the 100 largest U.S. metropolitan areas.

*Launched in 2012, the **Global Cities Initiative** is a five-year joint project of Brookings and JPMorgan Chase aimed at helping city and metropolitan leaders become more globally fluent by providing an in-depth and data-driven look at their regional standing on crucial global economic measures, highlighting best policy and practice innovations from around the world, and creating an international network of leaders who ultimately trade and grow together. For more information please visit <http://www.brookings.edu/projects/global-cities.aspx> or www.jpmorganchase.com/globalcities.*

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