GLOBAL METROMONITOR 2011
VOLATILITY, GROWTH, AND RECOVERY

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FINDINGS

An analysis of per capita GDP (income) and employment changes in the 2010 to 2011 period for 200 of the world's largest metropolitan economies, which account for nearly one-half (48 percent) of global output but contain only 14 percent of world population and employment, reveals that:

- **Ninety (90) percent of the fastest-growing metropolitan economies among the 200 largest worldwide were located outside North America and Western Europe.** By contrast, 95 percent of the slowest-growing metro economies were in the United States, Western Europe, and earthquake-damaged Japan.

- **In nearly every global region, metro areas generated disproportionate shares of national increases in output and employment.** Many U.S. metro areas significantly outperformed the national average on income growth, while several others significantly underperformed on employment growth.

- **Employment growth accelerated in about three-fourths of metro areas from the 2009 to 2010 period, but income growth slowed in two-thirds, particularly in the Asia-Pacific and Latin American regions.** Income and employment grew much faster in 2011 than the year before in Eastern European metro areas such as Bucharest, Prague, and Warsaw, and in several North American metro areas including Houston, Calgary, Seattle, and Milwaukee. Growth rates fell considerably in Chinese metro areas and their trading partners such as Manila, Perth, and Lima.

- **Less than one-half of the 200 metro areas surpassed their pre-recession levels of employment and/or income by 2011.** While nearly all developing Asia-Pacific and Latin American metro areas achieved new highs in both income and employment in 2011, only one North American metro area did so. Most metro areas also posted slower employment and income growth rates in 2010-2011 than they did over the long-run, pre-recession period from 1993 to 2007.

- **Metro areas specializing in commodities and business and financial services within their countries exhibited the strongest performance.** By contrast, metro areas with high concentrations of local/non-market services (education, health care, administrative services, government) or construction registered only sluggish growth last year. Manufacturing accounted for the largest share of output growth in 59 metro areas from 2010 to 2011, including many in which it does not rank as the largest industry.

2011 marked the latest year in a volatile period for the global economy, reflected in the distinct experiences of its leading metropolitan economies. A slowdown in the recovery did not alter the continued ascendance of emerging-market metro areas as hubs for production, consumption, and trade. The relatively stronger recent growth of business and financial services and manufacturing capitals suggests that metropolitan areas most focused in high-value export industries may be better positioned to respond to the opportunities offered by worldwide recovery and future global urban growth.