



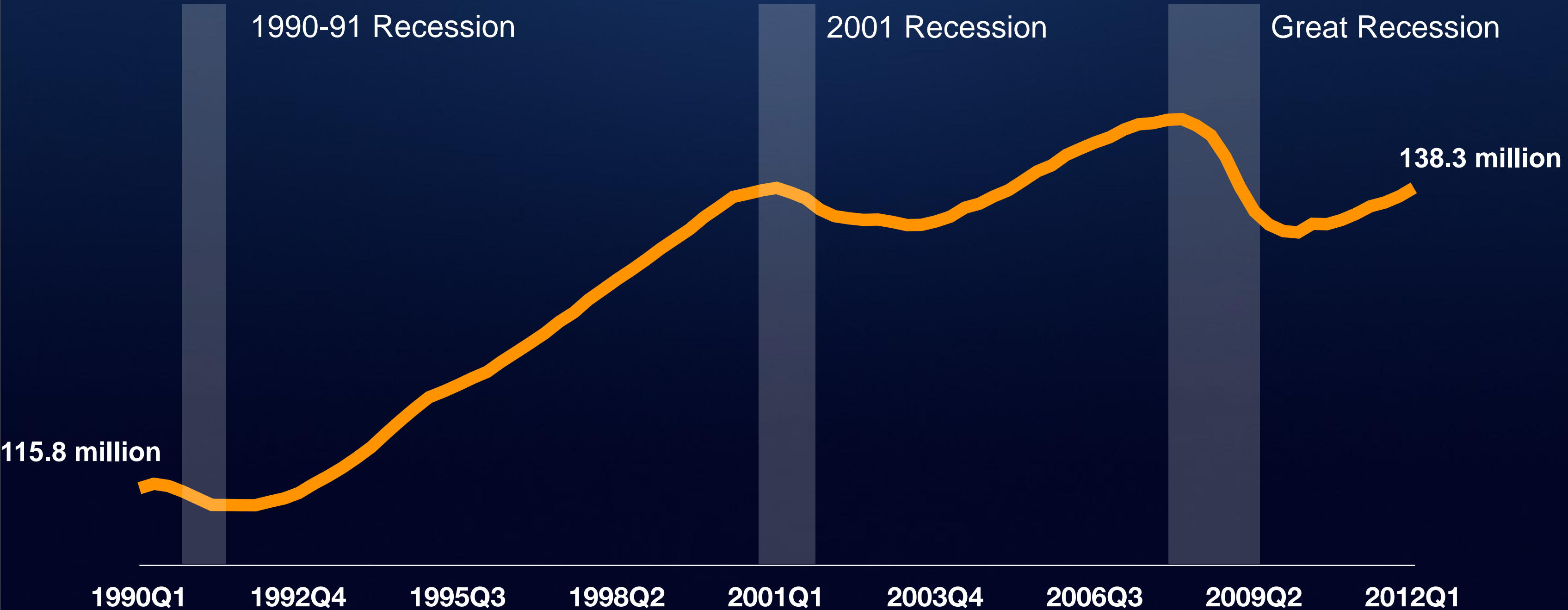
# GOING GLOBAL

## The Future of Metro Economies

@BrookingsMetro  
@Amy\_Liuw  
#exportnation

# The Great Recession Was a Structural Recession, Not a Cyclical One

Number of People Employed in the U.S.



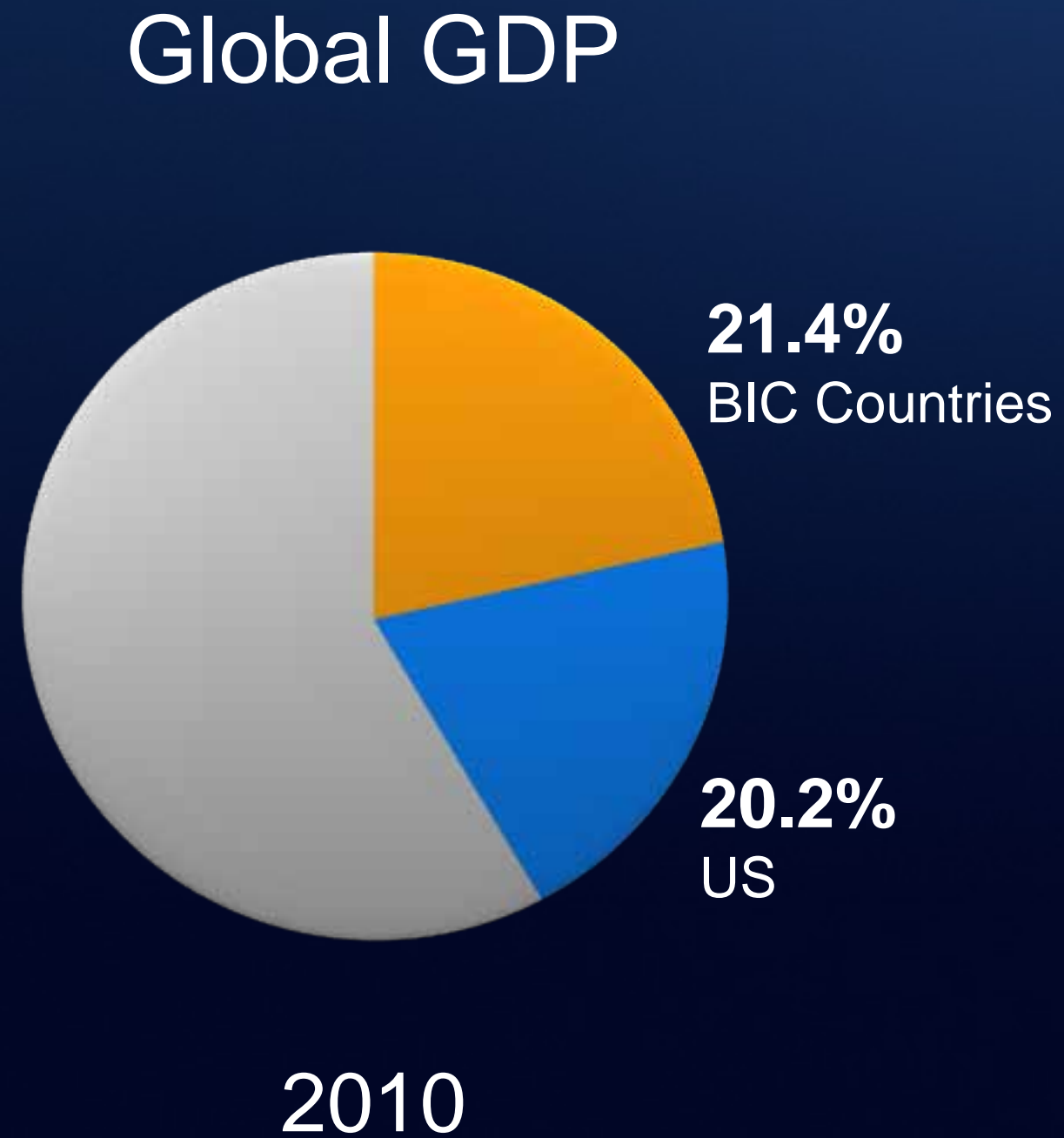
Source: U.S. Bureau of Labor Statistics (BLS): Current Employment Statistics (CES), Quarterly Census of Employment and Wages (QCEW); Moody's Analytics Estimates

# The Core Problem: The Bulk of U.S. Growth Came from Non-Tradeable Sectors

**98 percent**

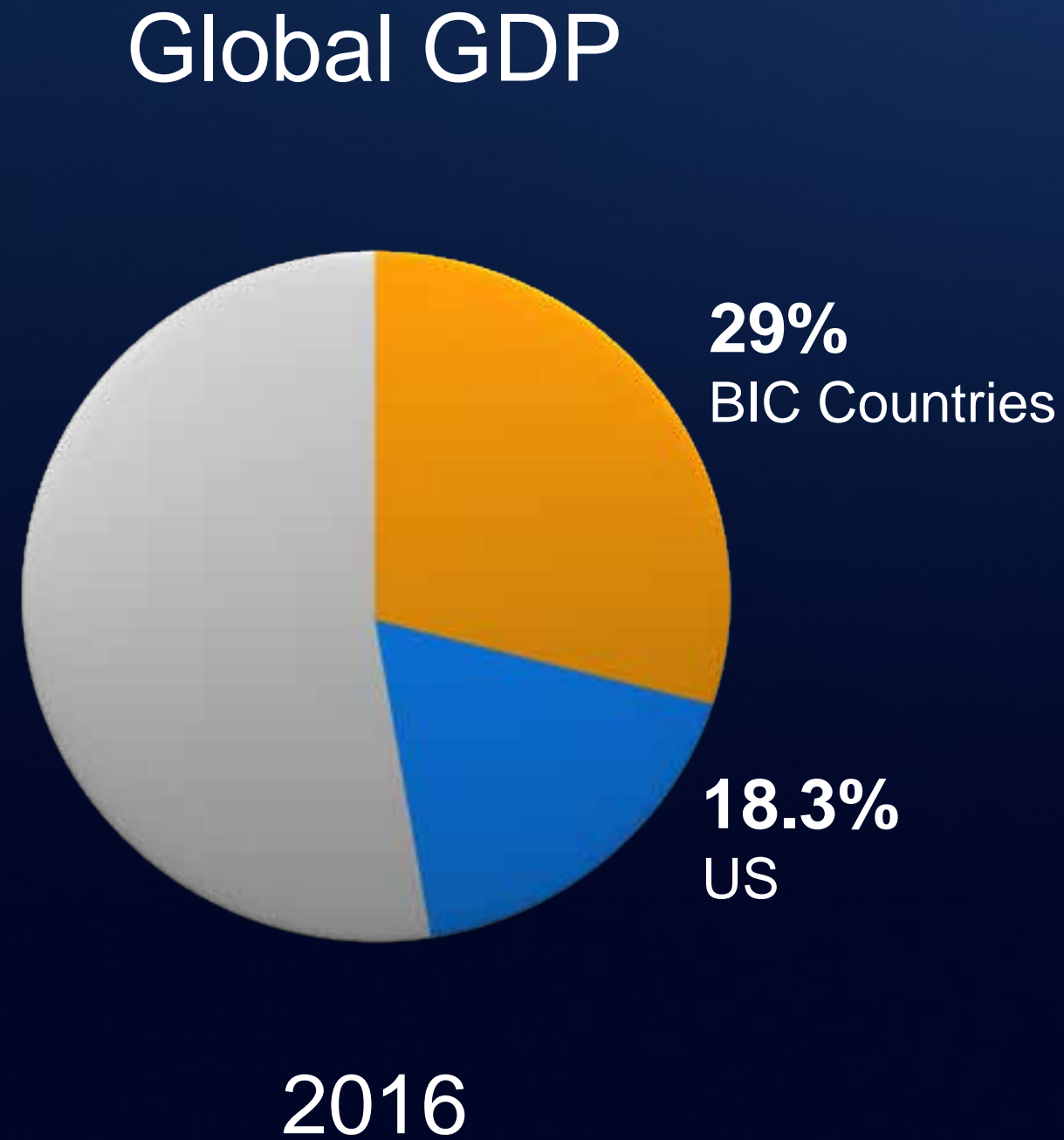
incremental job growth between  
1990-2008 from non-tradeable  
sectors

# The Other Big Shift: Growth Markets Are Increasingly Located Outside of the U.S.



Source: International Monetary Fund, World Economic Outlook Database, April 2010; UN Department of Economic-Social Affairs, World Urbanization Prospects, 2009

# The Other Big Shift: Growth Markets Are Increasingly Located Outside of the U.S.

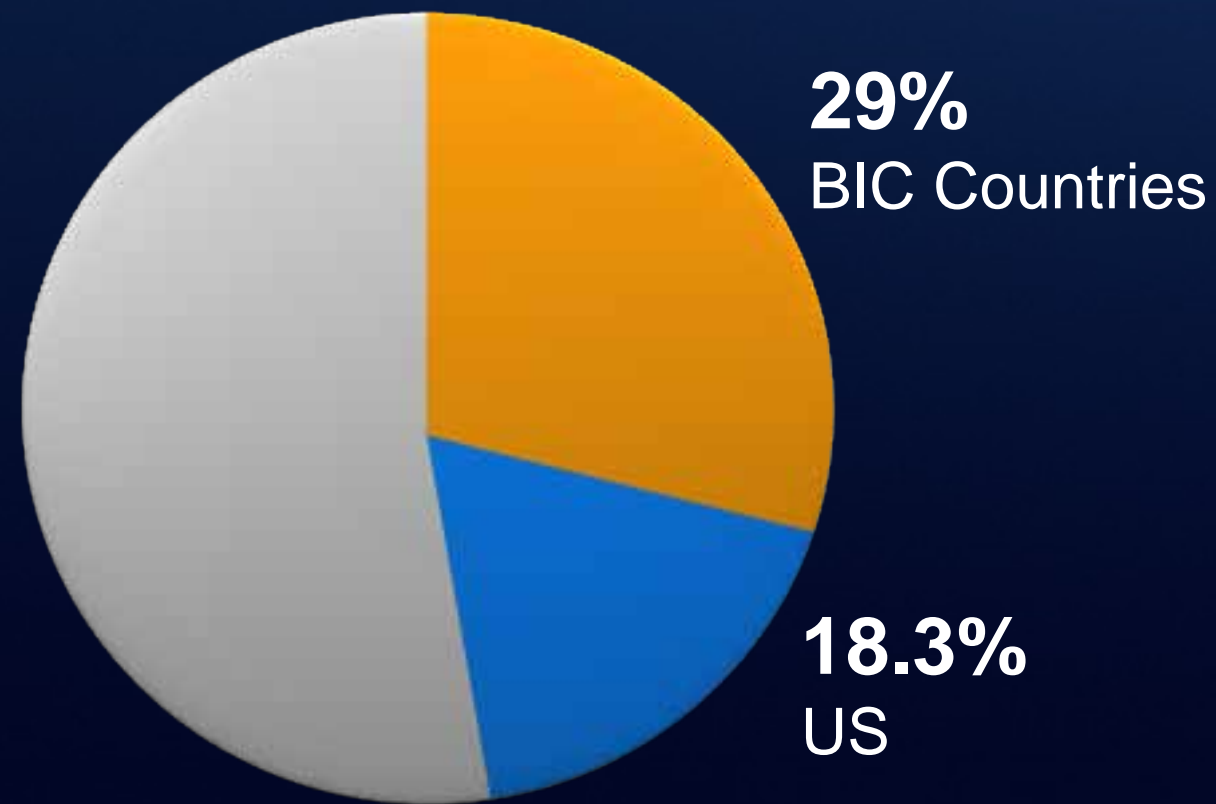


Source: International Monetary Fund, World Economic Outlook Database, April 2010; UN Department of Economic-Social Affairs, World Urbanization Prospects, 2009



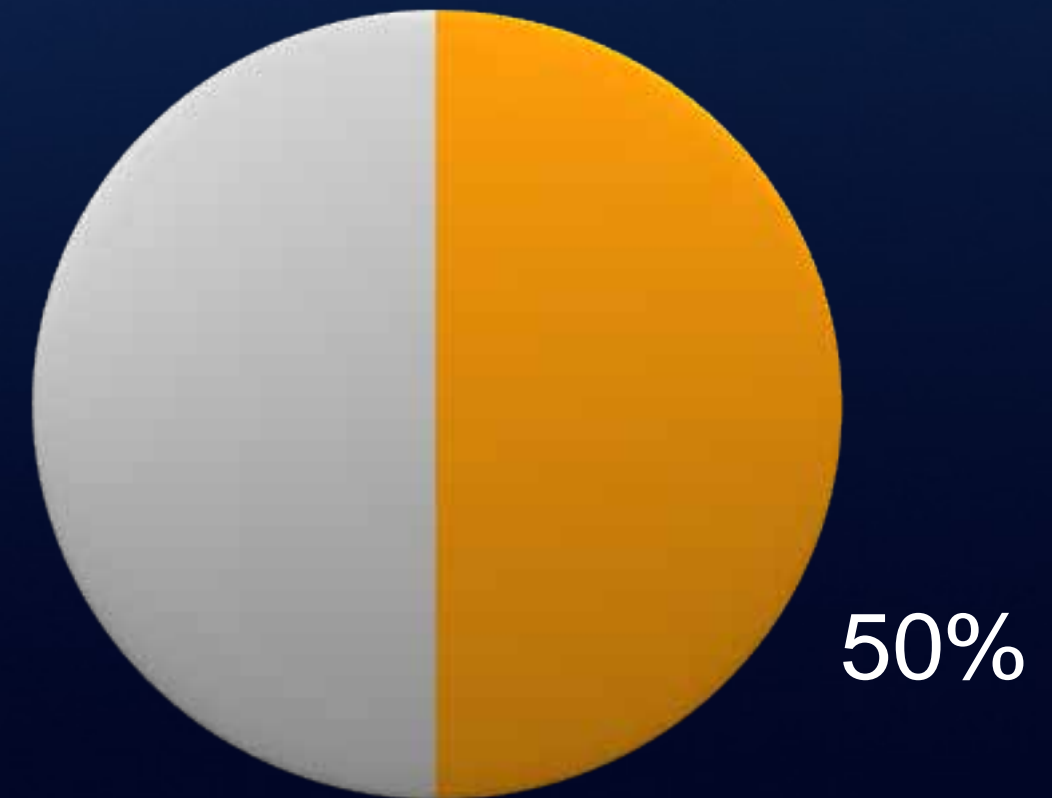
# The Other Big Shift: Growth Markets Are Increasingly Located Outside of the U.S.

## Global GDP



2016

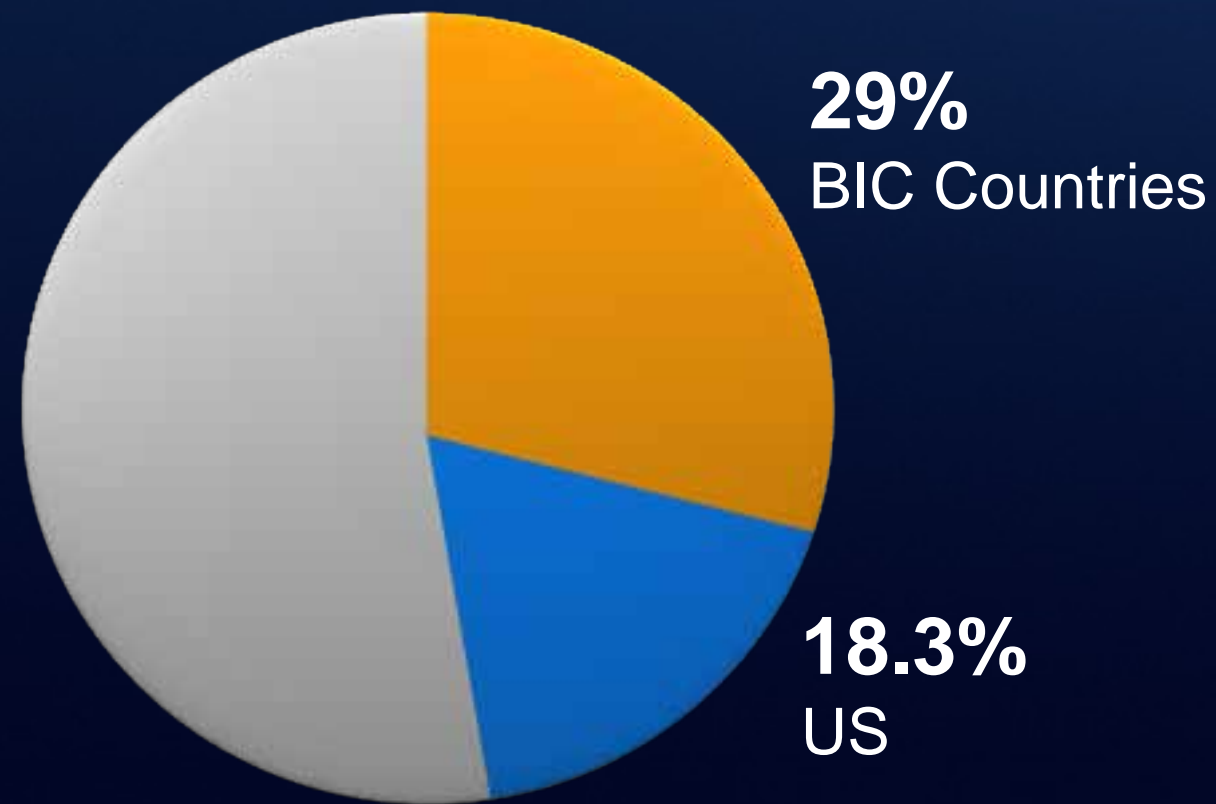
## Global Metro Population



2009

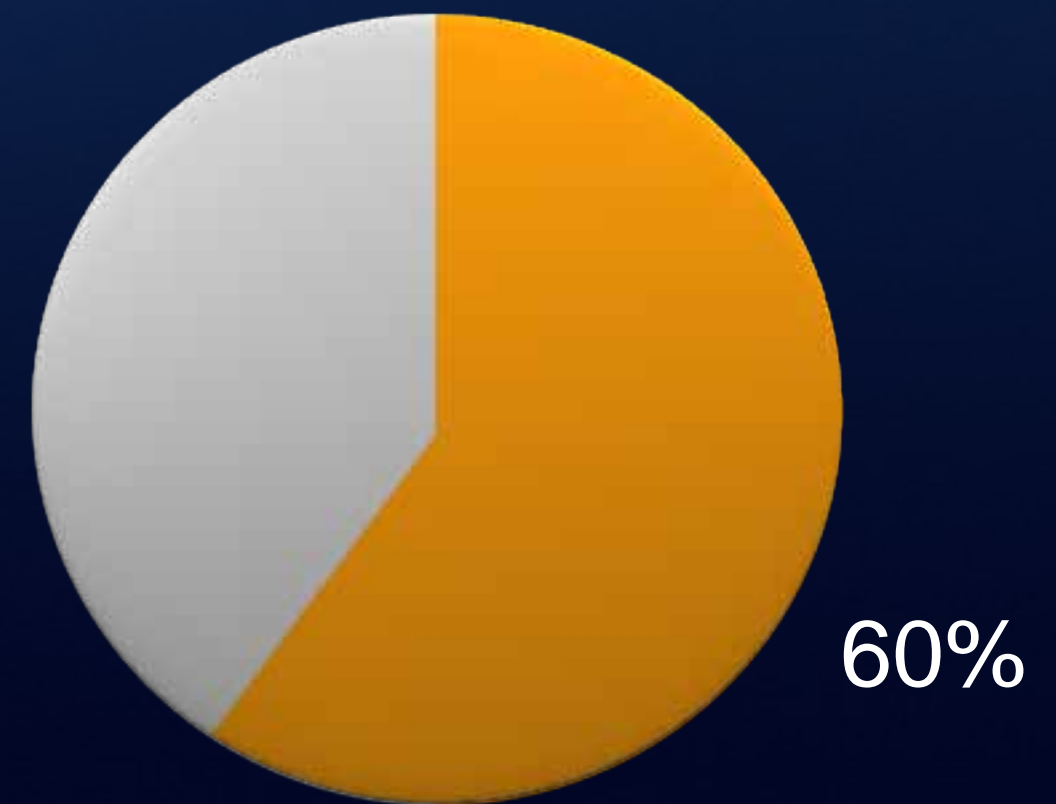
# The Other Big Shift: Growth Markets Are Increasingly Located Outside of the U.S.

## Global GDP



2016

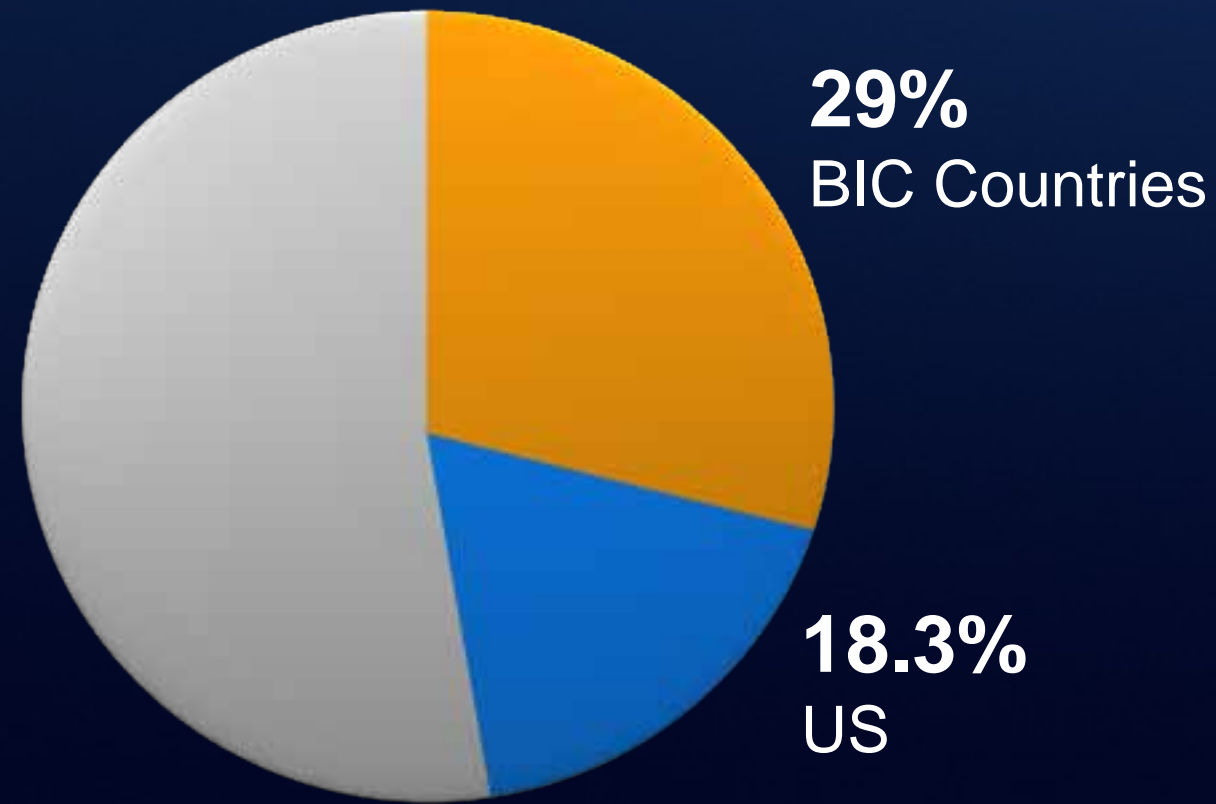
## Global Metro Population



2030

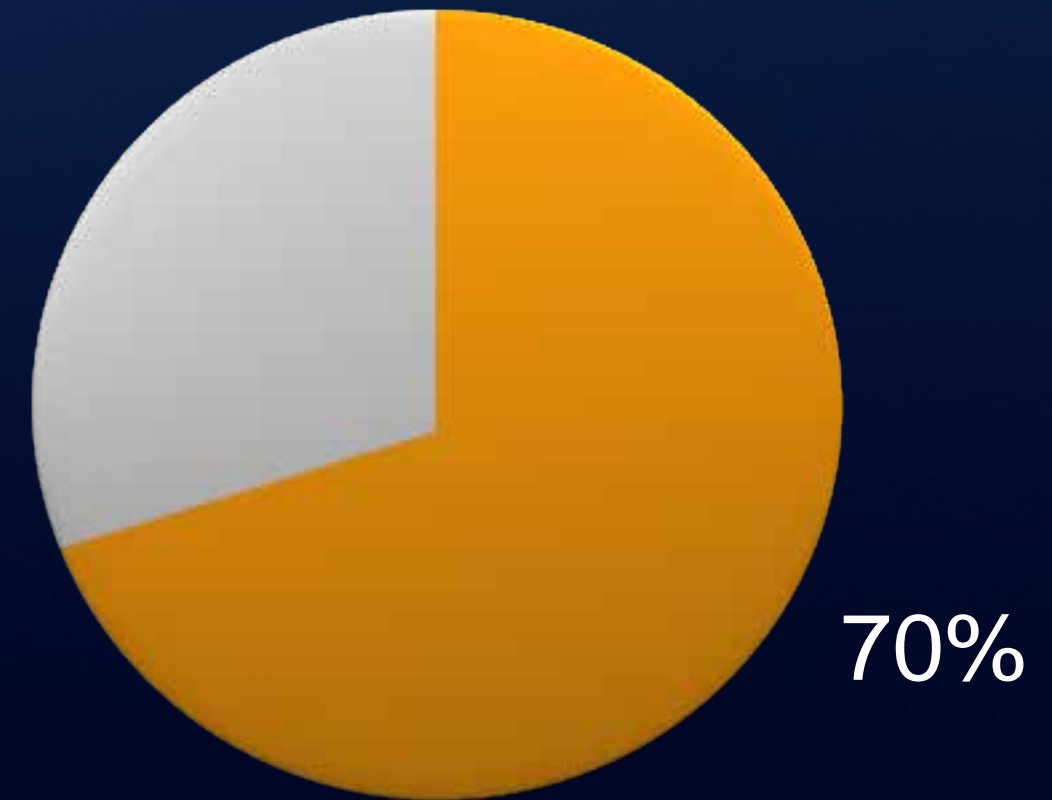
# The Other Big Shift: Growth Markets Are Increasingly Located Outside of the U.S.

## Global GDP



2016

## Global Metro Population



2050



# The Other Big Shift: Growth Markets Are Outside of the U.S.

**\$21 trillion**

global middle class consumption in  
2000

# The Other Big Shift: Growth Markets Are Outside of the U.S.

**\$31 trillion**

global middle class consumption in  
2020

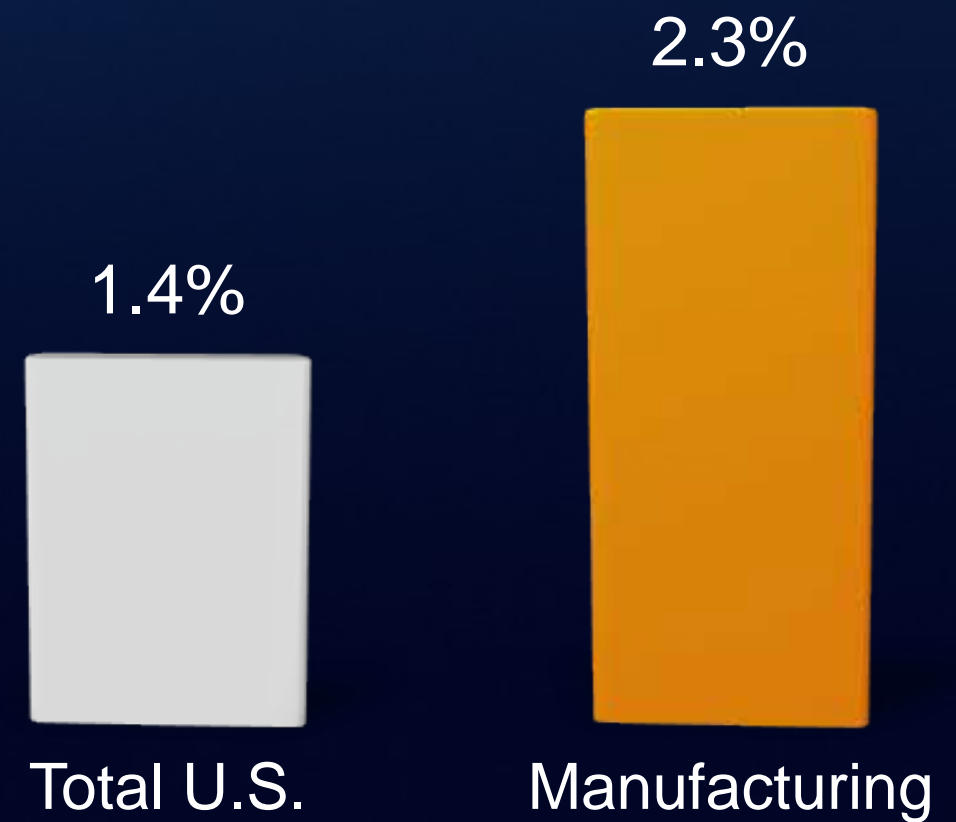
1 2 3

1 The winners in the next economy will be those who maximize global assets and tap new opportunities

# Leaders Will Innovate in Manufacturing and Services



## Employment Gains (2009Q4-2011Q3)



Source: Howard Wial, "Why Manufacturing Matters," Brookings.



# Leaders Will Innovate in Manufacturing and Services

**35%**

manufacturing  
**share of engineers**

**68%**

manufacturing  
**share of R&D**

**90%**

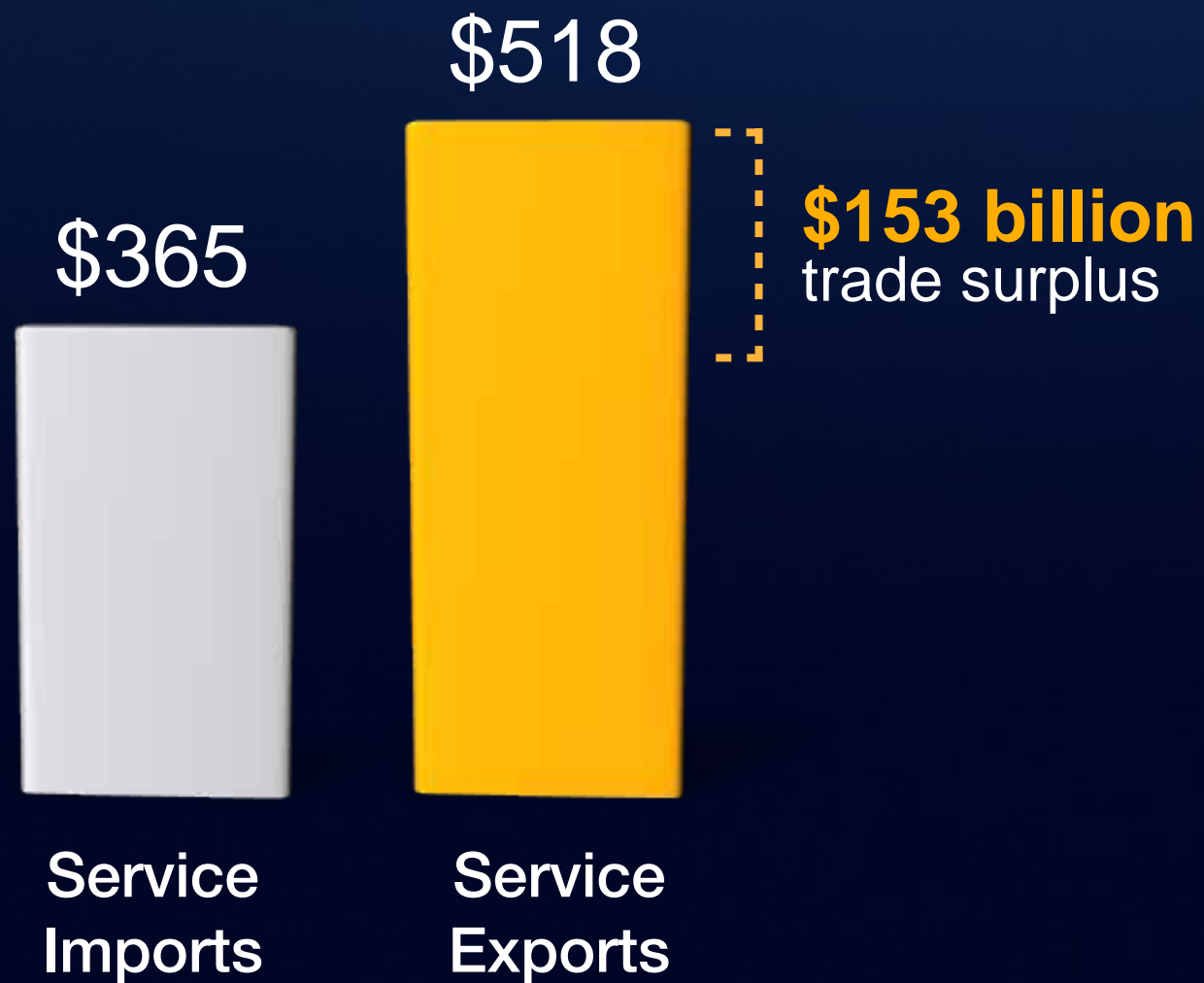
manufacturing  
**share of patents**

*Source: EOP "A Framework for Revitalizing American Manufacturing" (2009)  
Brookings "Accelerating Advanced Manufacturing with New Research Centers" (2011)*



# Leaders Will Innovate in Manufacturing and Services

## US Service Trade 2010, Billions

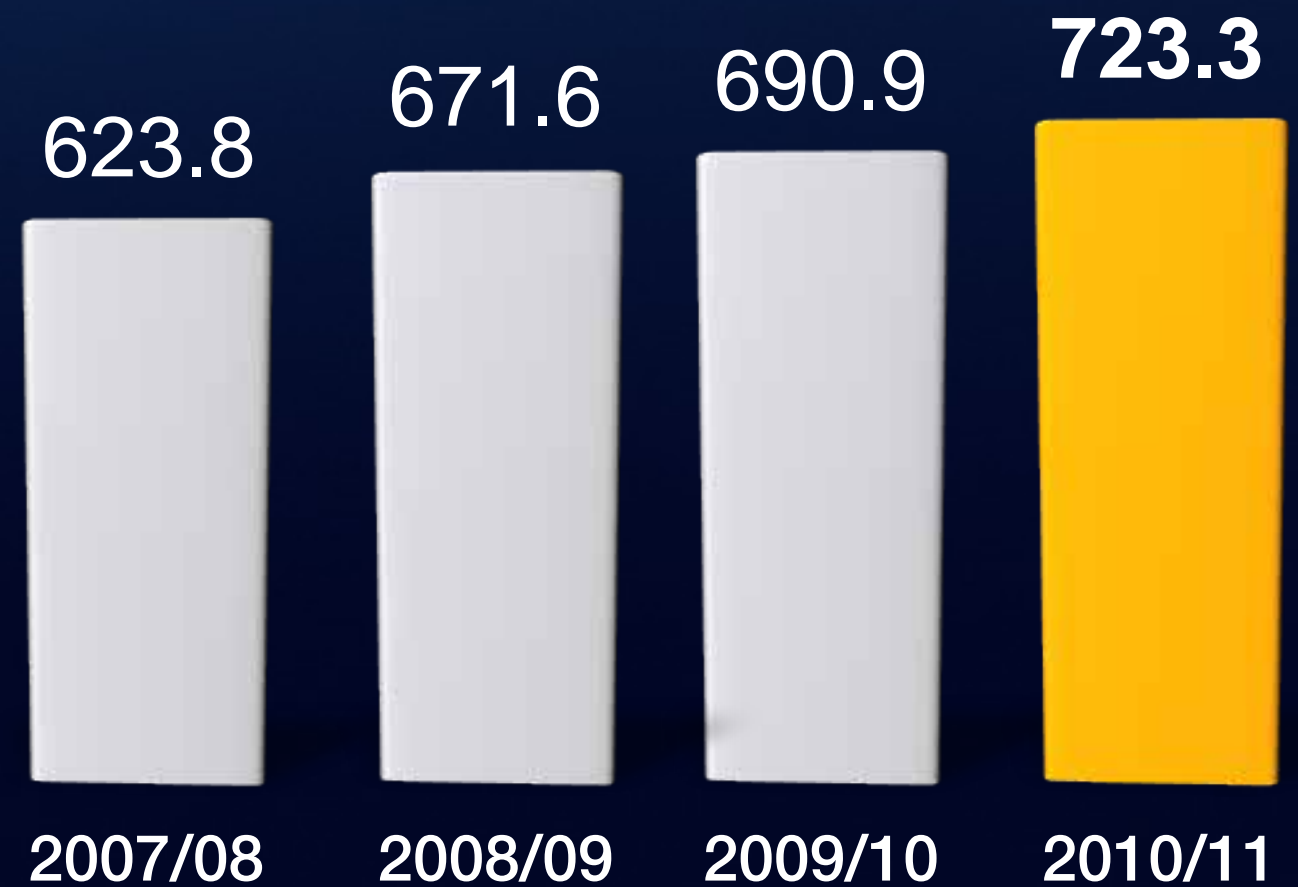




# Leaders Will Innovate in Manufacturing and Services



International  
Student Enrollment  
*Thousands*





# Leaders Will Innovate in Manufacturing and Services



International  
Student Enrollment  
*Thousands*

**\$21.2 billion**  
education exports

723.3

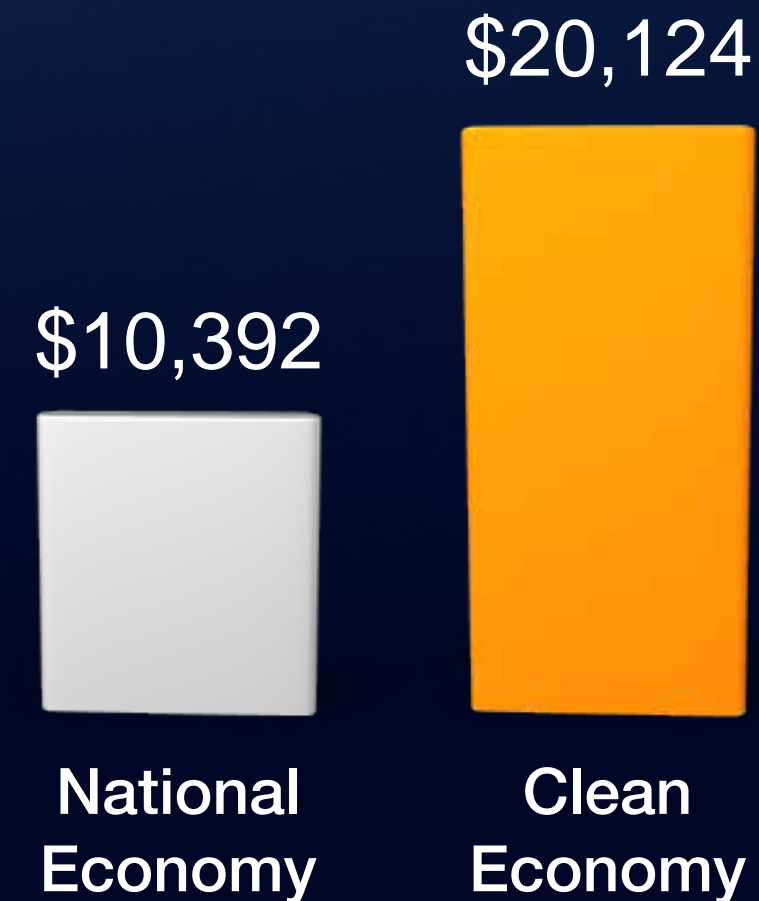


2010/11

# Leaders Will Invent and Deploy Clean Economy Products and Services

**\$53.9 billion**  
clean economy exports

Export Intensity  
*Yearly Export Earnings per Job*







**Economic Performance**  
2010-2011

- Highest Performing Metros
- Lowest Performing Metros

Source: Istrate, Berube & Nadeau,  
"Global MetroMonitor 2011"



# Exports Drove 46 Percent of GDP Growth Between 2010 and 2011

## Exports Share of GDP Growth 2010-2011



Source: Brookings analysis of Bureau of Economic Analysis data

# Exports Drove 46 Percent of GDP Growth Between 2010 and 2011

## Exports Share of GDP 2011



# Going Global Pays Off for Small and Medium Enterprises

## U.S. Firms Revenue Growth (2005-2009)





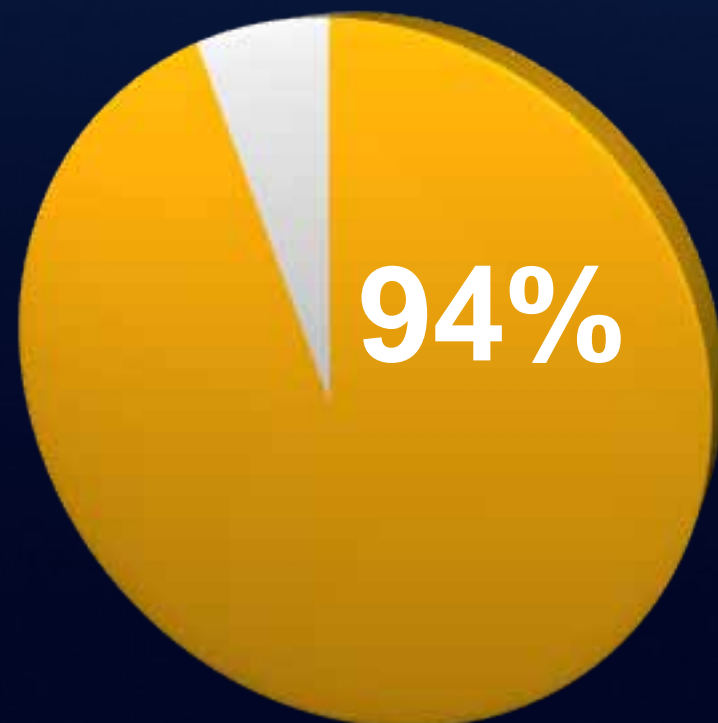
1 2 3

2 Metro areas will drive the transition to this next economy

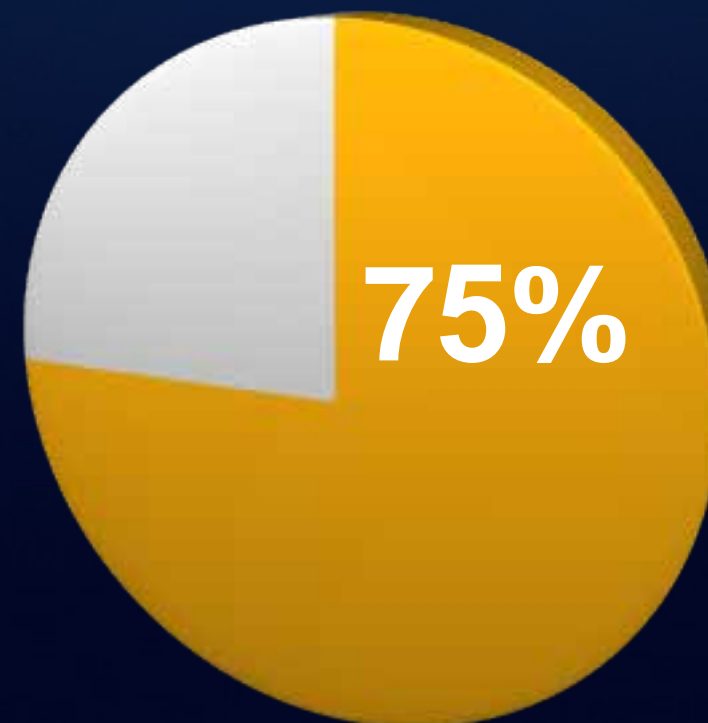


# Metro Areas Hold the Bulk of the Assets That Will Drive the Next Economy

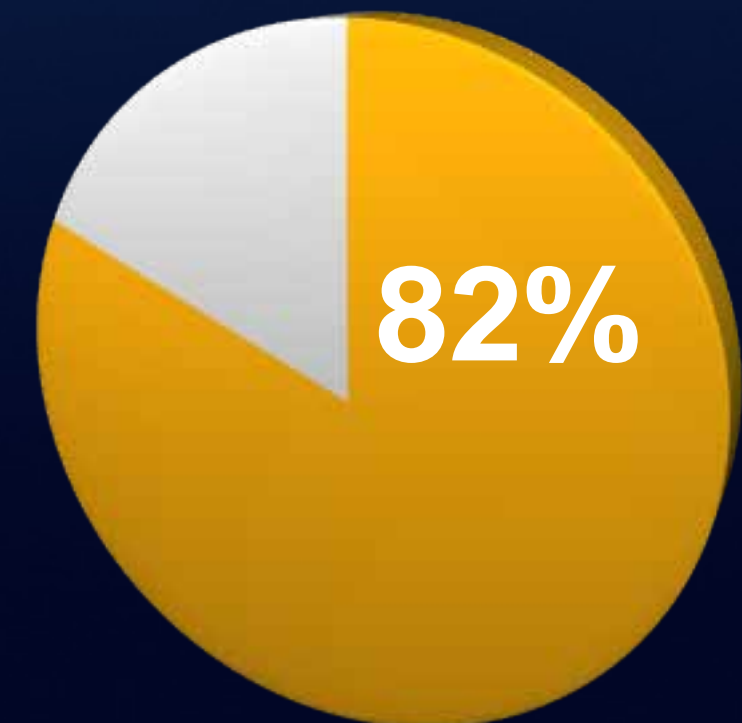
Venture Capital  
*Top 100 Metro Share*



Service Exports  
*Top 100 Metro Share*



Air Freight  
*Top 100 Metro Share*



Source: Brookings analysis of US Census Bureau, FAA, PIERS, BLS, BEA, NIH and NSF data (2009)

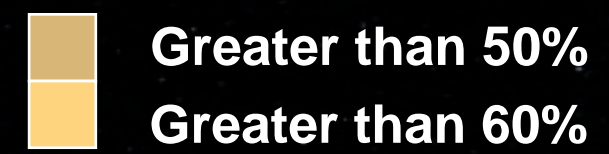


# Metro Areas Hold the Bulk of the Assets That Will Drive the Next Economy

75%

top 100 metro share of U.S. GDP

# Metros Areas Drive Exports in 30 States







## Service Exports



**41.4%**  
service share  
of exports

### Top Service Sectors

---

Royalties	15.6%
-----------	-------

---

Travel and Tourism	9.0%
--------------------	------

---

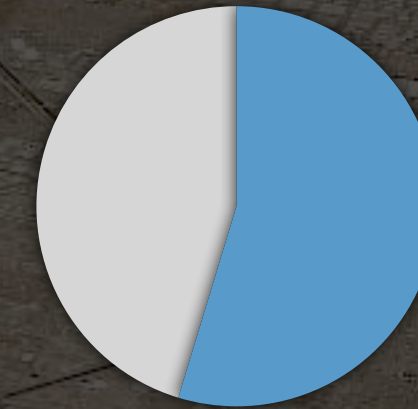
Business and Professional Services	9.3%
---------------------------------------	------

---



Royalties Exports

**\$12.4 B**



**54.7%**  
film & tv share  
of royalties  
exports



## Manufacturing Exports



**57.7%**  
manufacturing  
share of  
exports

**106,269**

direct manufacturing  
export jobs





Luminit







## Service Exports

**38,850**

number of international  
students (2009)



University of California  
Los Angeles



University of  
Southern California





Los Angeles Area  
Chamber of Commerce



City of  
Los Angeles





The Port of  
**LONG BEACH**

**6th busiest**  
port complex in the world



1 2 3

3 Greater Los Angeles is  
leading the shift to global  
economic growth

# Innovate Locally



GREATER  
PORTLAND  
EXPORT PLAN

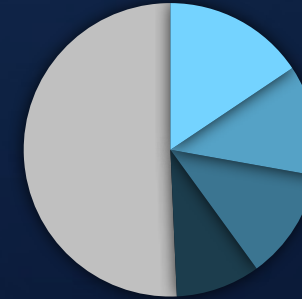
LOS ANGELES  
REGIONAL  
EXPORT PLAN

MINNEAPOLIS-  
ST. PAUL  
EXPORT PLAN

CENTER STATE  
NEW YORK  
EXPORT PLAN

## Market Assessment

TOP EXPORT SECTORS



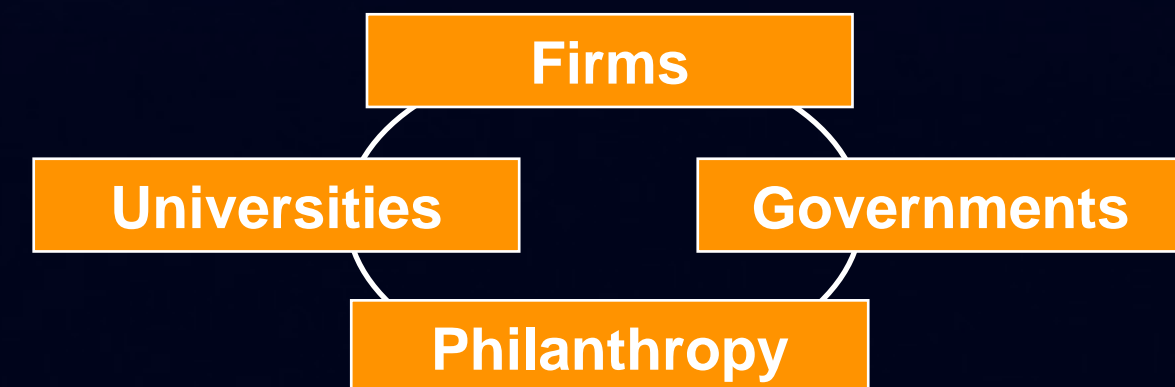
TOP EXPORT MARKETS



## Establish Export Goals & Objectives

**Double exports**      **Support key sectors**  
**Increase global fluency**      **Boost SME exports**

## Collaborate to Compete







**Goal:** Increase quality of jobs in the L.A. region, double exports in 5 years, and foster a more globally-fluent, export-oriented culture among SMEs.

---

1. Establish the Los Angeles Regional Export Council (LARExCo) to ensure a unified and sustainable effort over the next decade
2. Target high opportunity market segments, such as export ready companies, select industry segments and the Pacific Rim
3. Market the Los Angeles region to the world



The United States Conference of Mayors

# “Export Ready” Challenge



Antonio Villaraigosa  
Mayor, Los Angeles  
President, US Conference of Mayors



## Innovate Locally



## Advocate Nationally





# State Governments

## California

Governor's Office of  
Business & Economic  
Development

California-China Trade &  
Investment Office



# Federal Government

U  
Tr

mbia  
ment

U.S. – Korea Trade  
Agreement

Ex-Im Bank  
Reauthorization



**MAP-21**  
Moving Ahead for  
Progress in the  
21st Century

EXECUTIVE OFFICE OF THE PRESIDENT

Council of Economic Advisors	Council on Environmental Quality	National Security Council
Office of Administration	Office of Management & Budget	Office of Nat’l Drug Control Policy
Office of Policy Development	Office of Science & Technology Policy	Office of the US Trade Representative

CABINET AGENCIES

Department of Agriculture	Department of Commerce	Department of Defense	Department of Education	Department of Energy
Department of Health & Human Services	Department of Homeland Security	Department of Housing & Urban Development	Department of the Interior	Department of Justice
Department of Labor	Department of State	Department of Transportation	Department of Treasury	Department of Veterans Affairs

INDEPENDENT ESTABLISHMENTS AND GOVERNMENT CORPORATIONS

African Development Foundation	Central Intelligence Agency	Commodity Futures Trading Commission	Consumer Product Safety Commission	Corporation for National and Community Service	Defense Nuclear Facilities Safety Board	Environmental Protection Agency	Equal Employment Opportunity Commission	Export-Import Bank of the United States
Farm Credit Administration	Federal Communications Commission	Federal Deposit Insurance Corporation	Federal Election Commission	Federal Housing Finance Board	Federal Labor Relations Authority	Federal Maritime Commission	Federal Mediation and Conciliation Service	Federal Mine Safety & Health Review Commission
Federal Reserve System	Federal Retirement Thrift Investment Board	Federal Trade Commission	General Services Administration	Inter-American Foundation	Merit Systems Protection Board	National Aeronautics and Space Administration	National Archives and Records Administration	National Capital Planning Commission
National Credit Union Administration	National Foundation on the Arts and Humanities	National Labor Relations Board	National Mediation Board	National Railroad Passenger Corporation (AMTRAK)	National Science Foundation	National Transportation Safety Board	Nuclear Regulatory Commission	Occupational Safety & Health Review Commission
Office of Government Ethics	Office of Personnel Management	Office of Special Council	Overseas Private Investment Corporation	Peace Corps	Pension Benefit Guaranty Corporation	Postal Rate Commission	Railroad Retirement Board	Securities and Exchange Commission
Selective Service System	Small Business Administration	Social Security Administration	Tennessee Valley Authority	Trade & Development Agency	US Agency for International Development	US Commission on Civil Rights	US International Trade Commission	US Postal Service

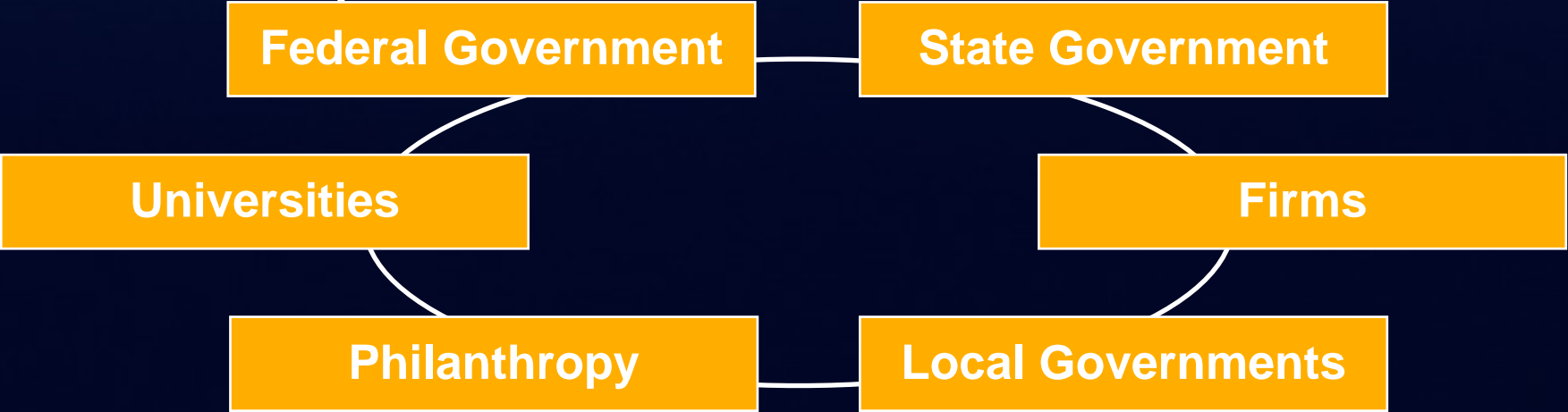


**PROPOSED “BUSINESS USA” REORGANIZATION**

<b>Office of the US Trade Representative</b>	<b>Export-Import Bank of the United States</b>
<b>Department of Commerce</b>  International Trade Administration US Census National Technical Information Service Select USA  Bureau of Industry & Security National Institute of Standards & Technology Minority Business Development Agency	<b>Overseas Private Investment Corporation</b>
	<b>Small Business Administration</b>



**INTEGRATED METROPOLITAN  
EXPORT PROMOTION**



## Innovate Locally



## Advocate Nationally



## Network Globally







Toronto

New York

Sao Paulo

London

Paris

Frankfurt

Lagos

Tokyo

Shanghai

Sydney





**Detroit**

**Monterrey**

**Bogota**

**Cologne**

**Johannesburg**

**Chennai**

**Chongqing**

**Hanoi**





**Los  
Angeles**

**Buenos Aires**

**Rotterdam**

**Hamburg**

**Durbin**

**Dubai**

**Tianjin**

**Seoul**

**Singapore**







# GOING GLOBAL

## The Future of Metro Economies

@BrookingsMetro  
@Amy\_Liuw  
#exportnation