



A GLOBALLY COMPETITIVE FLORIDA

Regional Opportunities in the Next Economy

@BrookingsMetro
@Amy_Liuw




THE METROPOLITAN REVOLUTION

How Cities and Metros
are Fixing our Broken
Politics and Fragile Economy

www.metrorevolution.org



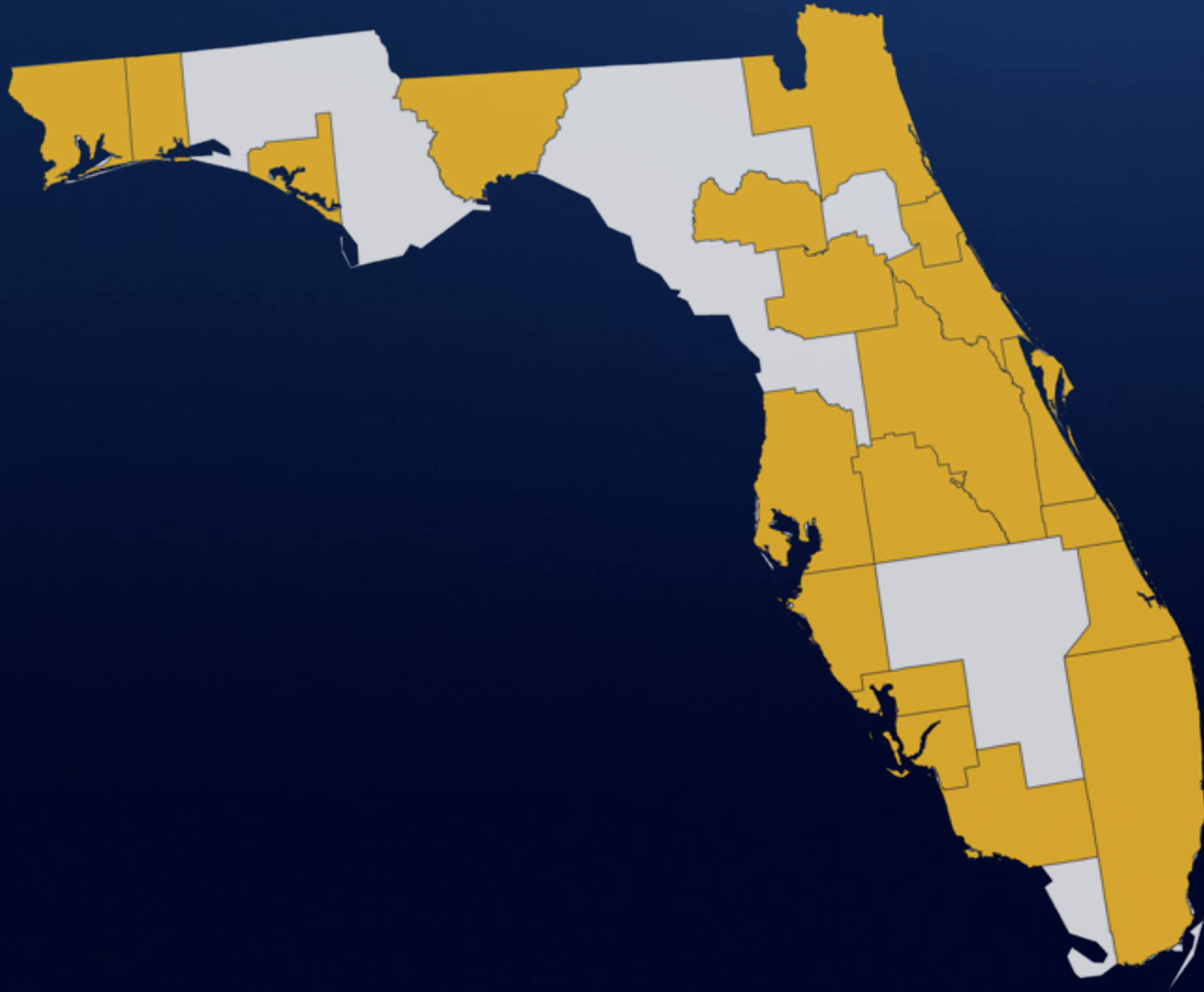
@Bruce_Katz
@JBradley_DC
#MetroRev

A dark silhouette of the U.S. Capitol dome is positioned on the left side of the slide, set against a light blue background with a subtle, wispy cloud pattern. The dome's iconic features, including its large hemispherical top and the surrounding portico with columns, are clearly visible in the dark shape.

“Something has gone terribly wrong when the biggest threat to our American economy is the American Congress.”

Senator Joe Manchin III

The Florida Economy Is Driven by Its 20 Metro Areas



61.7%
of land area

94.1%
of population

95.9%
of output

The Florida Economy Is Driven by Its 20 Metro Areas

Florida Metros (2011)



	Population (millions)	Rank	GMP (millions of dollars)	Rank
Miami	5.7	8		
Tampa	2.8	18		
Orlando	2.2	27		
Jacksonville	1.4	41		

The Florida Economy Is Driven by Its 20 Metro Areas

Florida Metros (2011)



	Population (millions)	Rank	GMP (millions of dollars)	Rank
Miami	5.7	8	209,434	11
Tampa	2.8	18	105,631	23
Orlando	2.2	27	92,392	25
Jacksonville	1.4	41	52,488	47

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1

To prosper, Florida and its metro areas must adapt to three realities



First, the National Economy Remains Slow to Recover



6 million

number of jobs recovered
since the end of the recession



31%

share of jobs lost that have
not been recovered

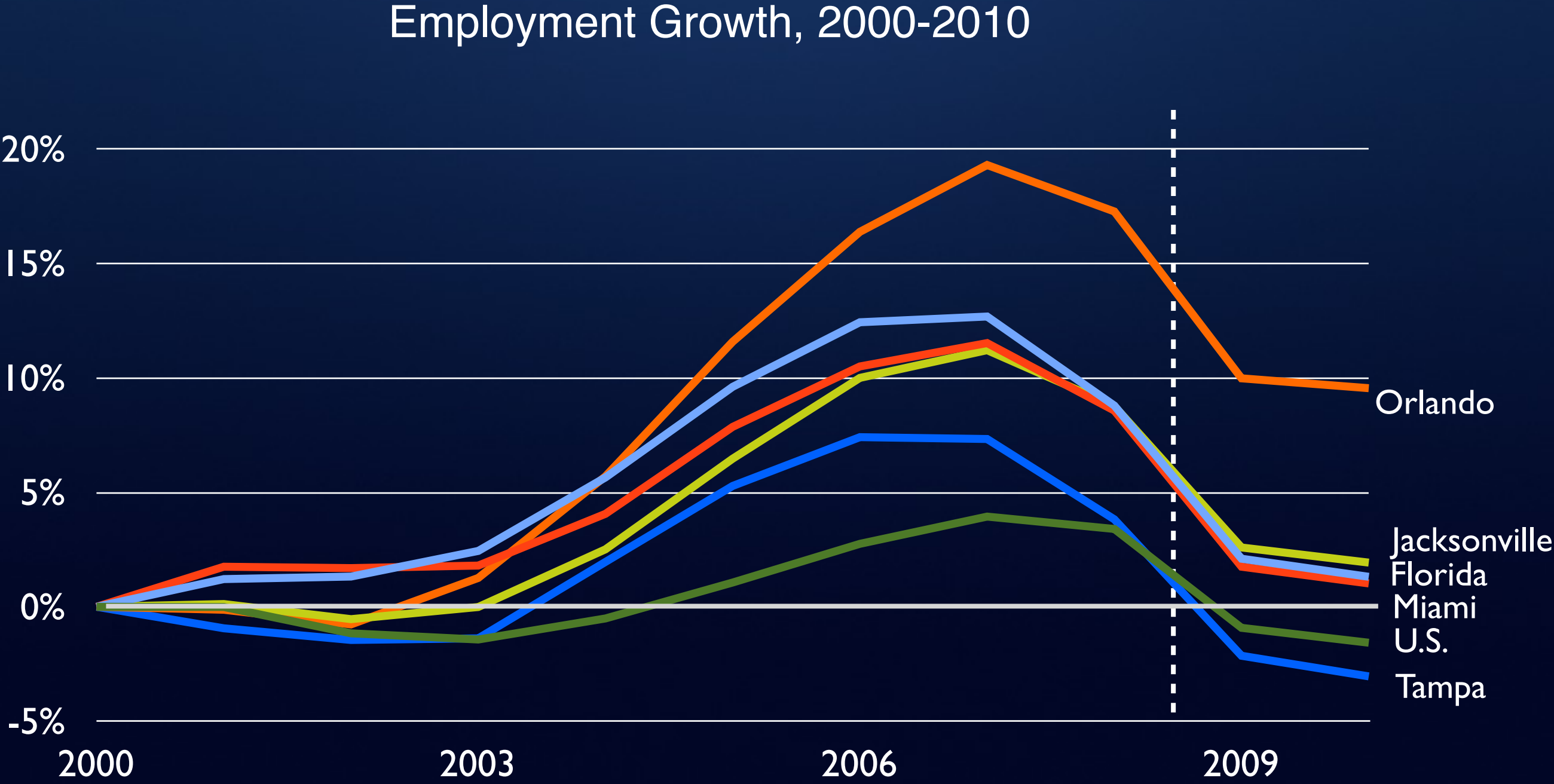
The Middle Class Has Been Hit Especially Hard by This Recession



\$6,300

decline in median income of working-age
households, 2000-2010

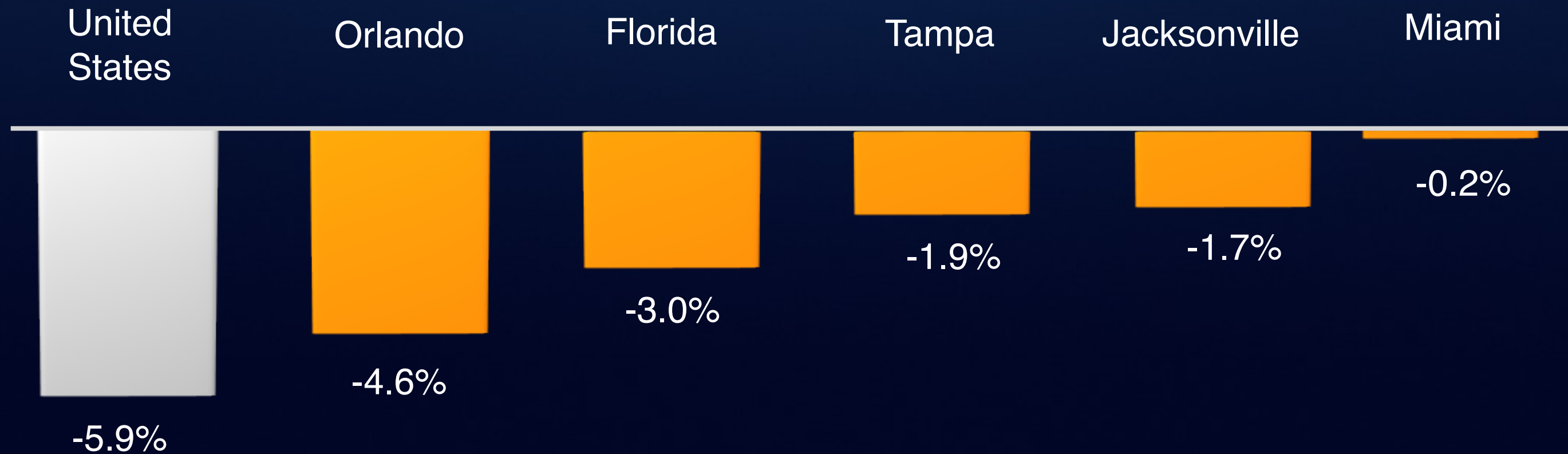
Florida's Economy Is Rebounding Better than the Nation



Source: Brookings analysis of Moody's Analytics and American Community Survey data

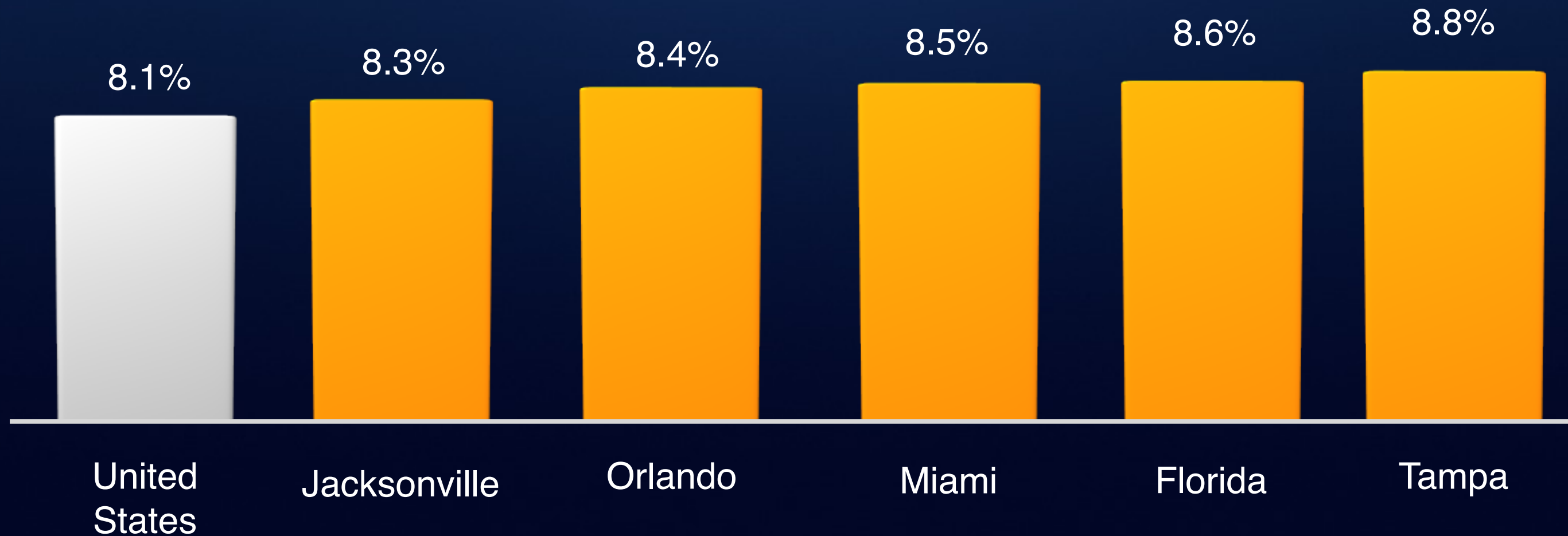
Florida's Economy Is Rebounding Better than the Nation

Change in Median Household Income, 2000-2010



But Florida Lags the Nation on Unemployment

Unemployment Rate, 2012



Second, the United States Is in the Midst of a Huge Demographic Shift

24.5%

today's workforce that will reach retirement age by 2030



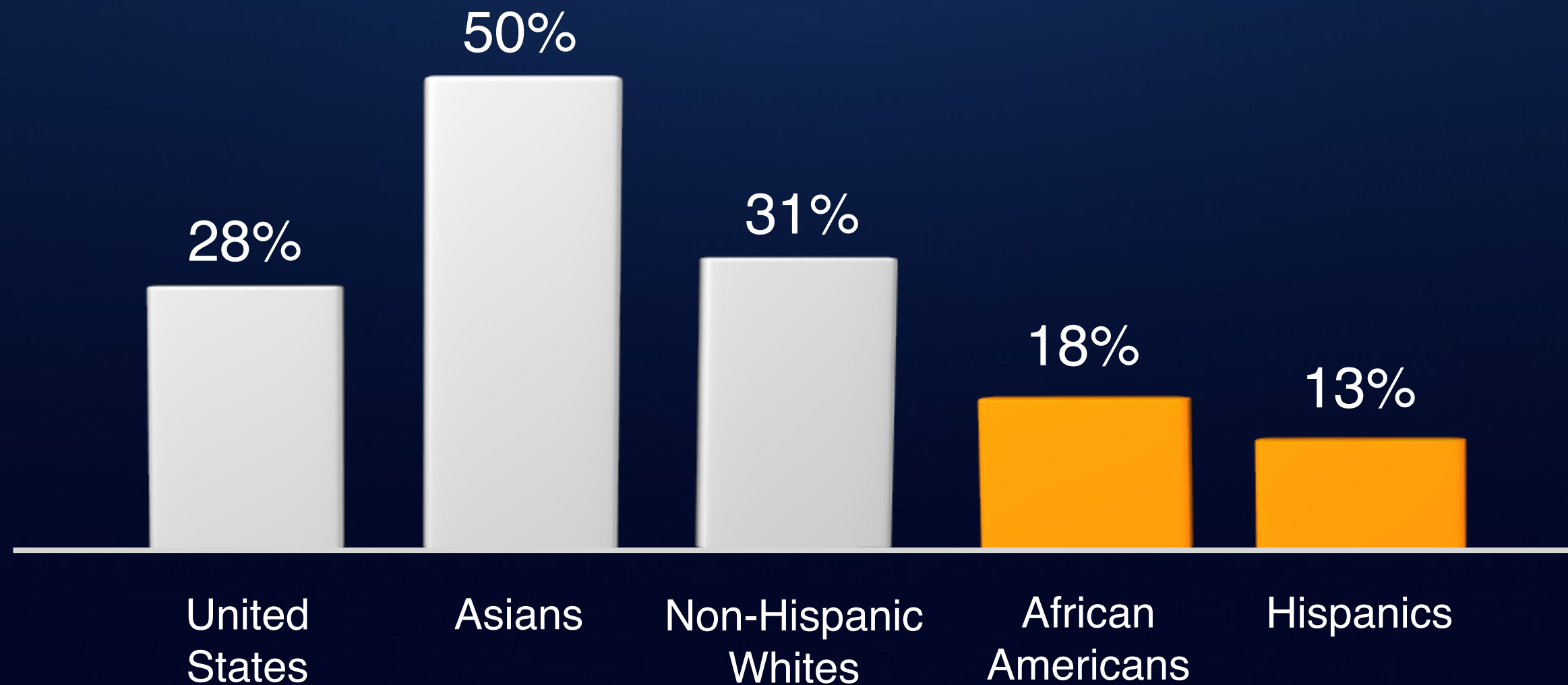
53.7%

minority population share of total U.S. population by 2050

Source: Brookings/William Frey analysis of U.S. Census 2010 data

Rapid Diversification Is Currently Matched with Wide Education Achievement Gaps

Bachelor's Degree Attainment



The Shift to a Majority Minority Nation Is Playing Out in Metro Areas

22

number of large metro areas
that are majority minority (2010)



Source: Frey, William, 2011, "Five Things the Census Revealed About America in 2011," Time.com.

The Shift to a Majority Minority Nation Is Playing Out in Metro Areas

65%

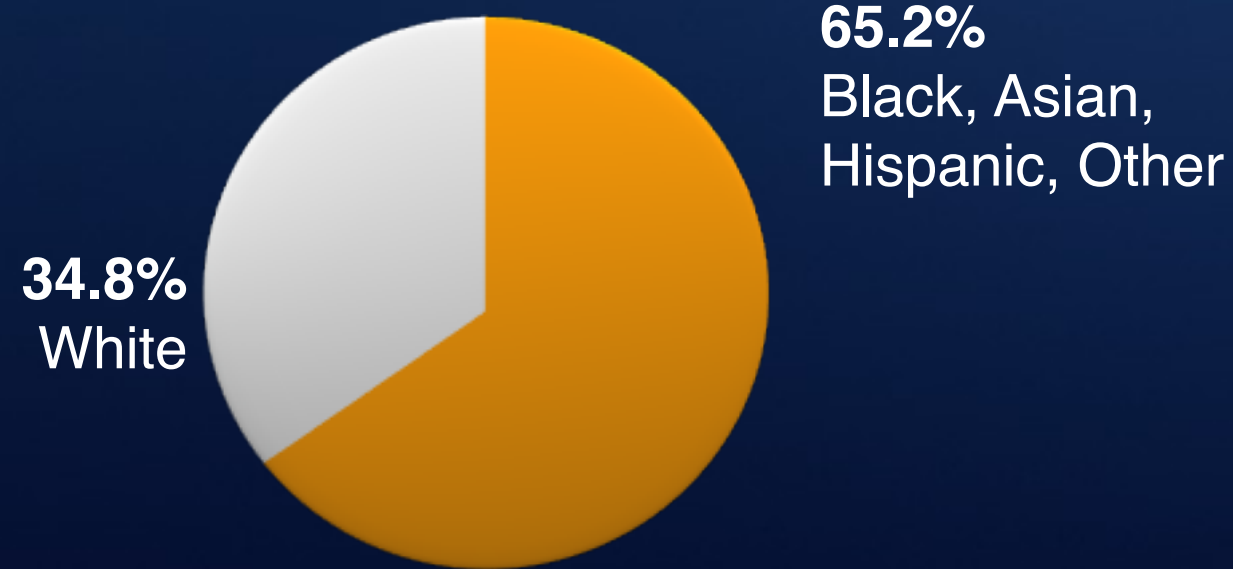
minority share of Miami metro
population (2010)



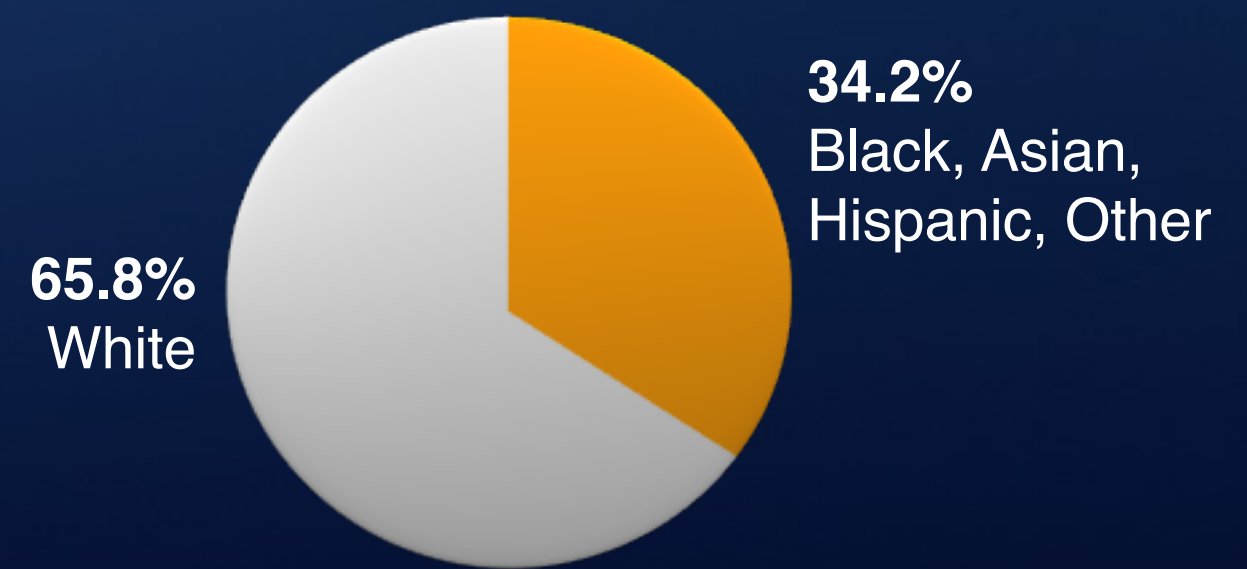
Source: Frey, William, 2011, "Five Things the Census Revealed About America in 2011," Time.com.

The Shift to a Majority Minority Nation Is Playing Out in Metro Areas

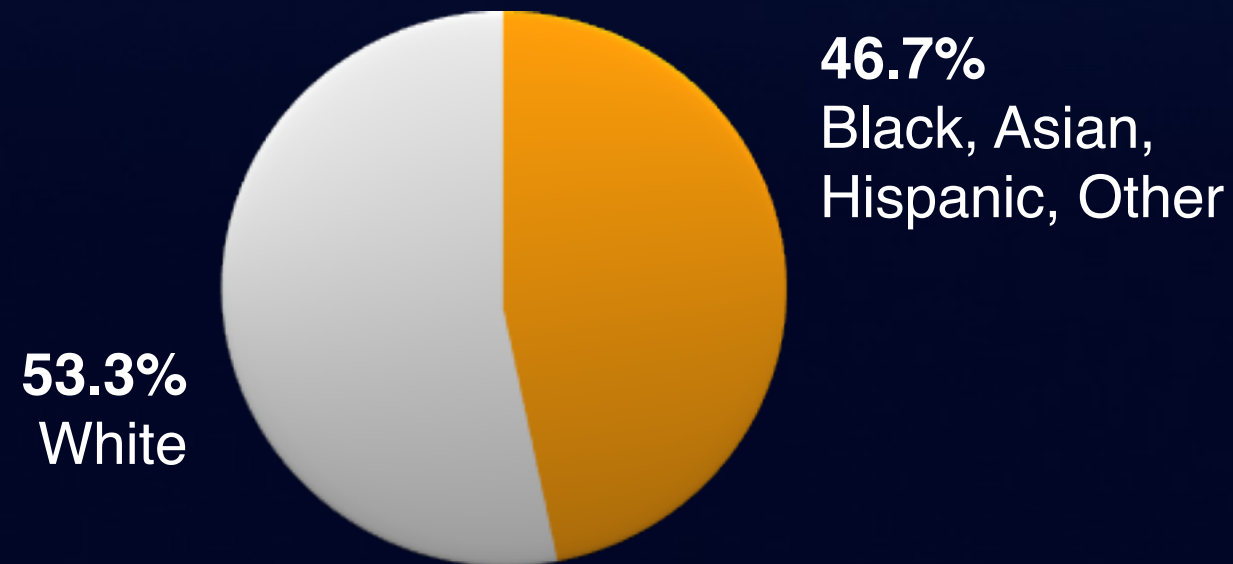
Miami



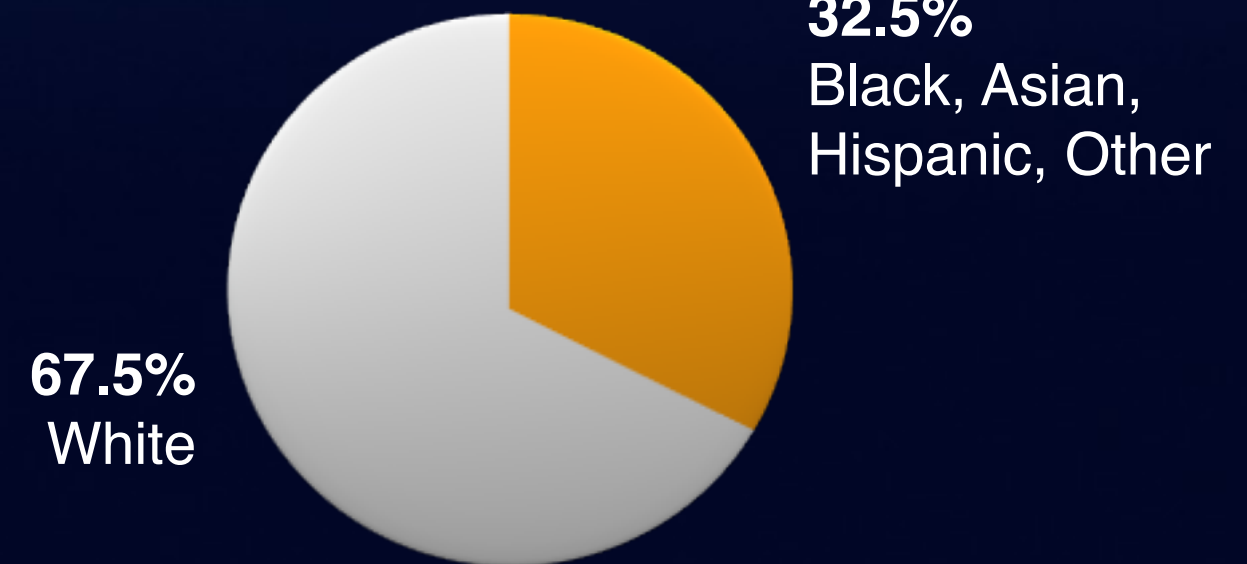
Jacksonville



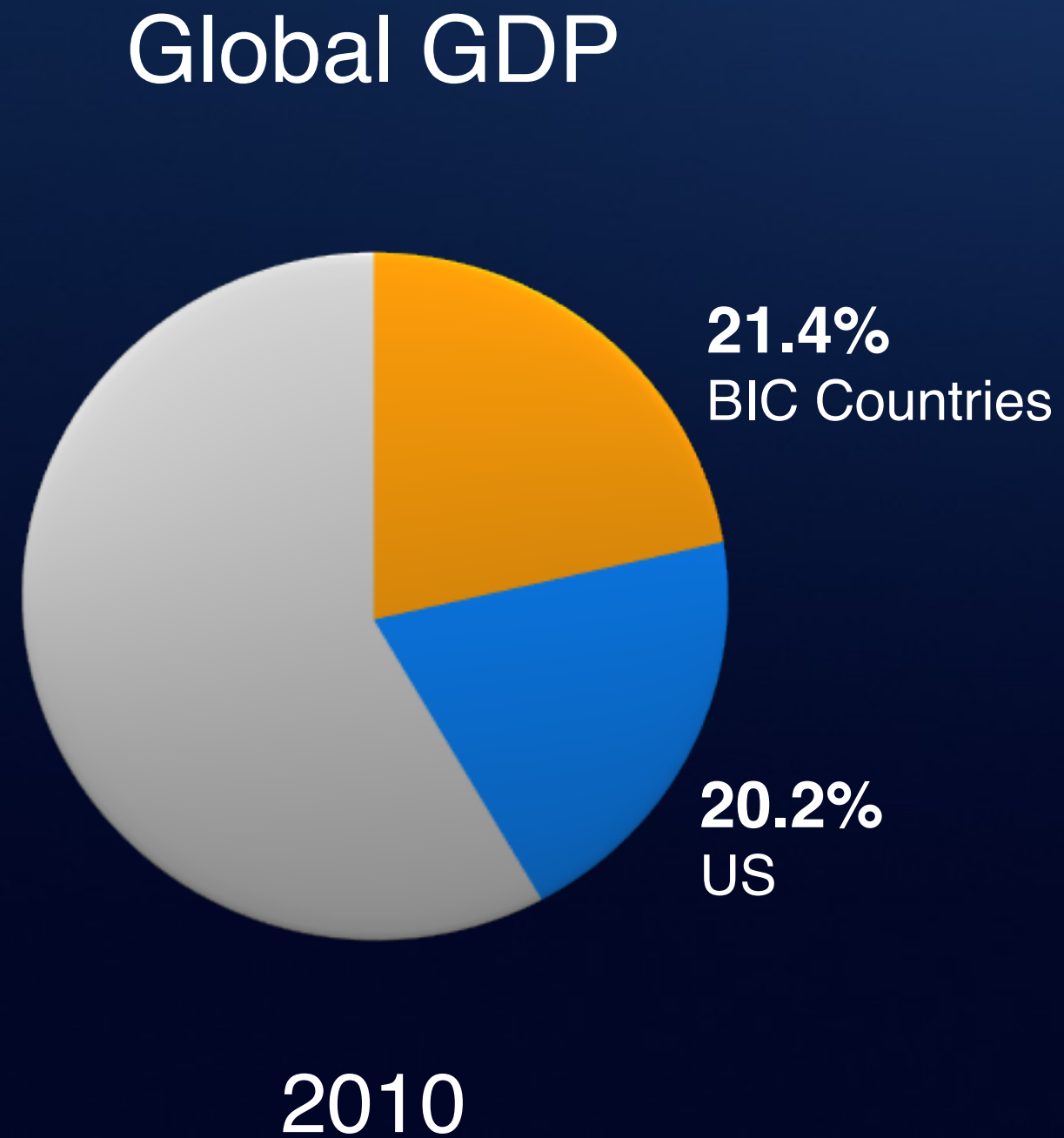
Orlando



Tampa

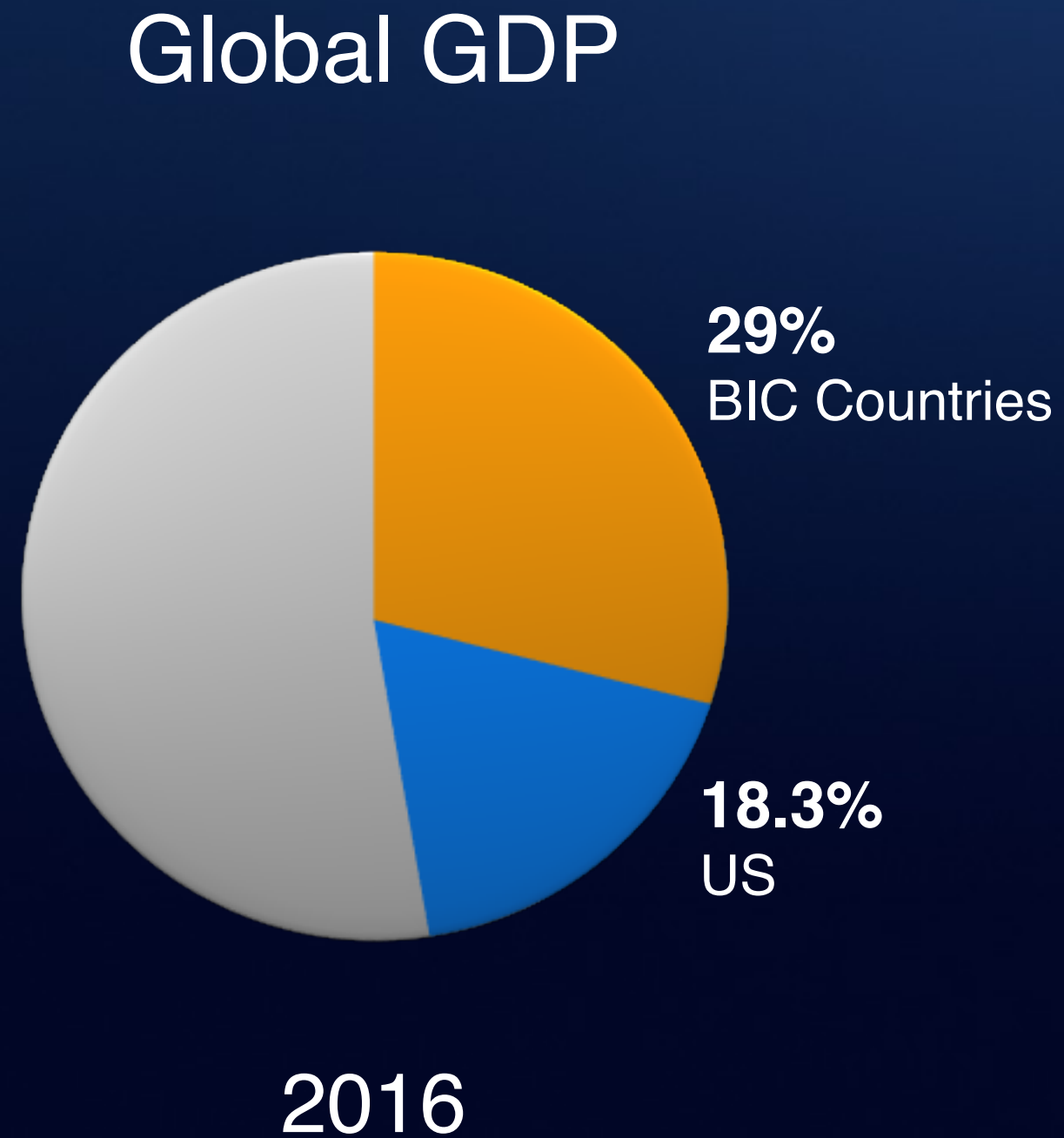


Third, Global Competition Is Fierce, with Growth Shifting Away from the U.S.



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

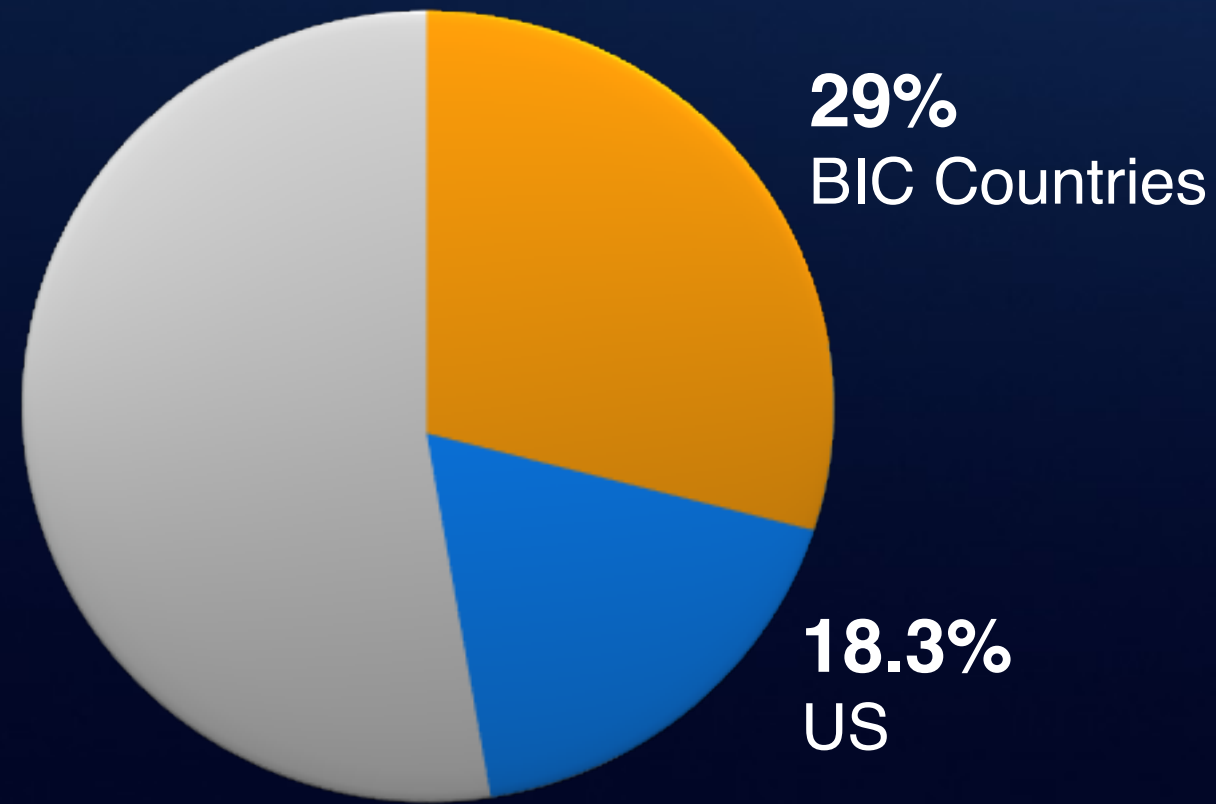
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Source: International Monetary Fund, World Economic Outlook Database, April 2010; UN Department of Economic-Social Affairs, World Urbanization Prospects, 2009

Third, Global Competition Is Fierce, with Growth Shifting Away from the U.S.

Global GDP



2016

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

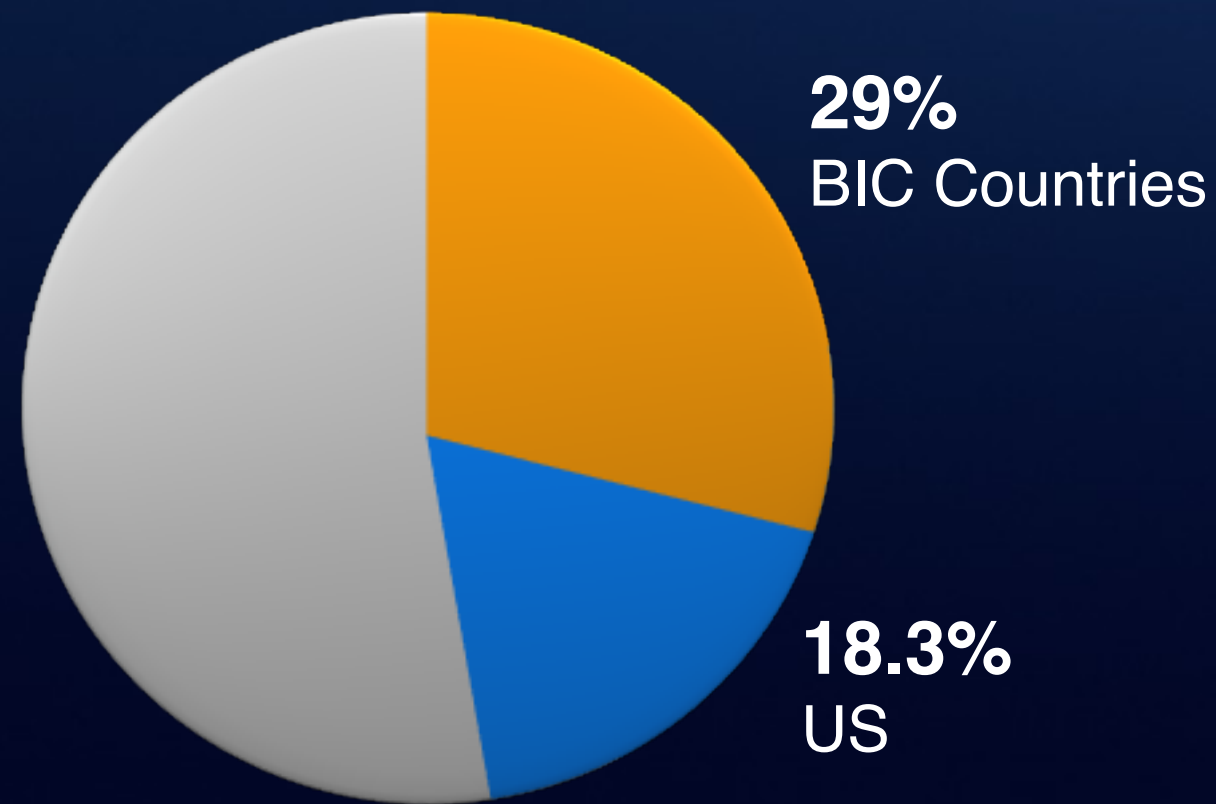
\$21 trillion

global middle class consumption in 2000

Source: OECD

Third, Global Competition Is Fierce, with Growth Shifting Away from the U.S.

Global GDP



2016

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

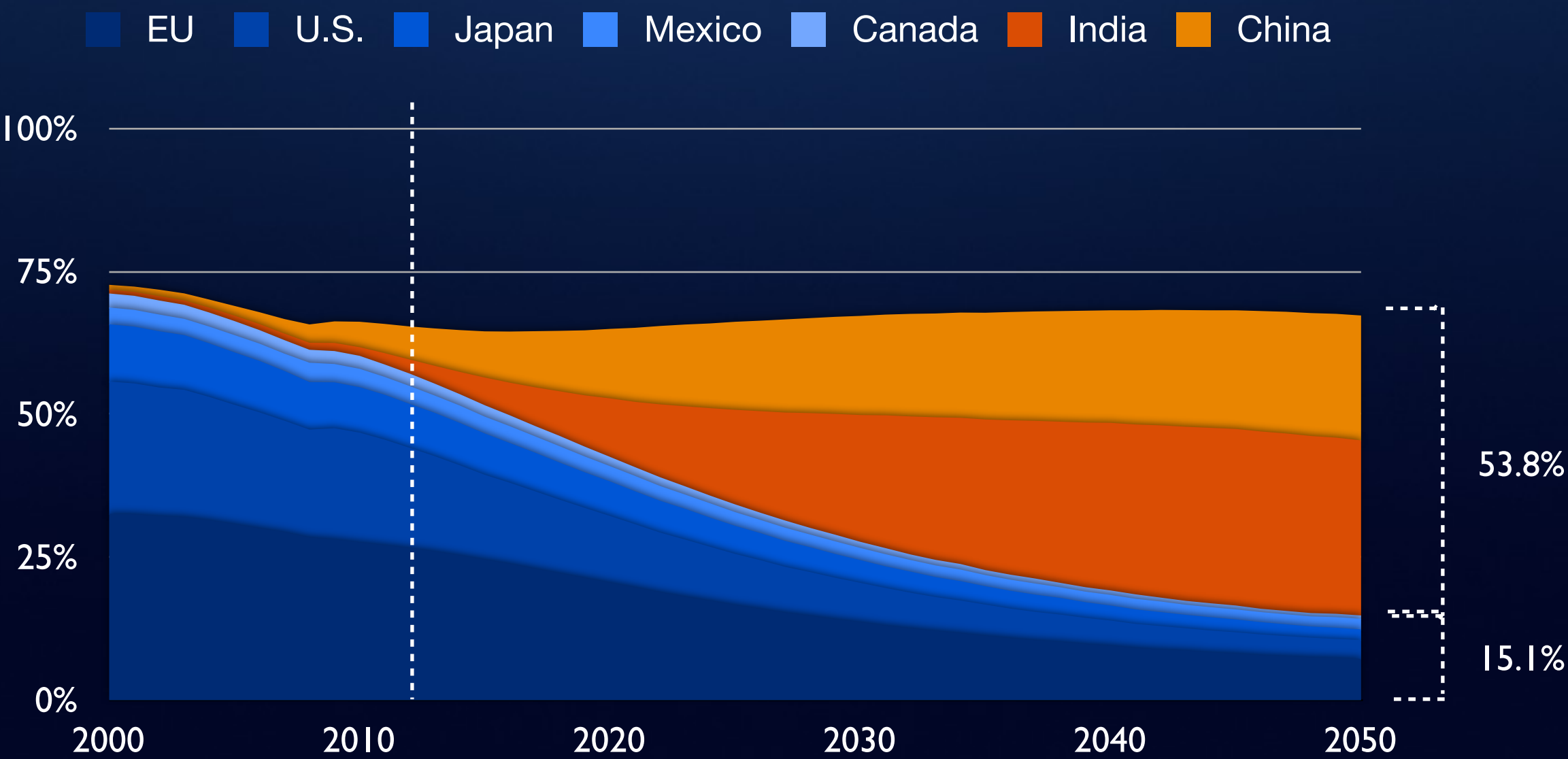
\$31 trillion

global middle class consumption in 2020

Source: OECD

Growth Markets Are Increasingly Located Outside of the U.S.

Global Middle Class Consumption
Share by Region, 2000-2050



Source: Homi Kharas, "The Emerging Middle Class in Developing Countries," OECD Development Center, 2010.

Growth In Emerging Markets Is Particularly Stark Post-Recession

Top 20 Global Metros, Economic Performance (2011-2012)

- | | |
|---------------------------------|---------------------------------------|
| 1. Macau, Macau | 11. Jakarta, Indonesia |
| 2. Perth, Australia | 12. Zhongshan, China |
| 3. Riyadh, Saudi Arabia | 13. Delhi, India |
| 4. Xiamen, China | 14. Jeddah-Mecca, Saudi Arabia |
| 5. Changsha, China | 15. Shenzhen, China |
| 6. Fuzhou, China | 16. Ningbo, China |
| 7. San Juan, Puerto Rico | 17. Zhuhai, China |
| 8. Hangzhou, China | 18. Wulumuqi, China |
| 9. Wuhan, China | 19. Kunming, China |
| 10. Hefei, China | 20. Dongying, China |

Growth In Emerging Markets Is Particularly Stark Post-Recession

- | | | |
|---------------------------------|---------------------------------------|--------------------------------|
| 1. Macau, Macau | 11. Jakarta, Indonesia | 141. Tampa, U.S. |
| 2. Perth, Australia | 12. Zhongshan, China | 171. Orlando, U.S. |
| 3. Riyadh, Saudi Arabia | 13. Delhi, India | 227. Miami, U.S. |
| 4. Xiamen, China | 14. Jeddah-Mecca, Saudi Arabia | 258. Jacksonville, U.S. |
| 5. Changsha, China | 15. Shenzhen, China | |
| 6. Fuzhou, China | 16. Ningbo, China | |
| 7. San Juan, Puerto Rico | 17. Zhuhai, China | |
| 8. Hangzhou, China | 18. Wulumuqi, China | |
| 9. Wuhan, China | 19. Kunming, China | |
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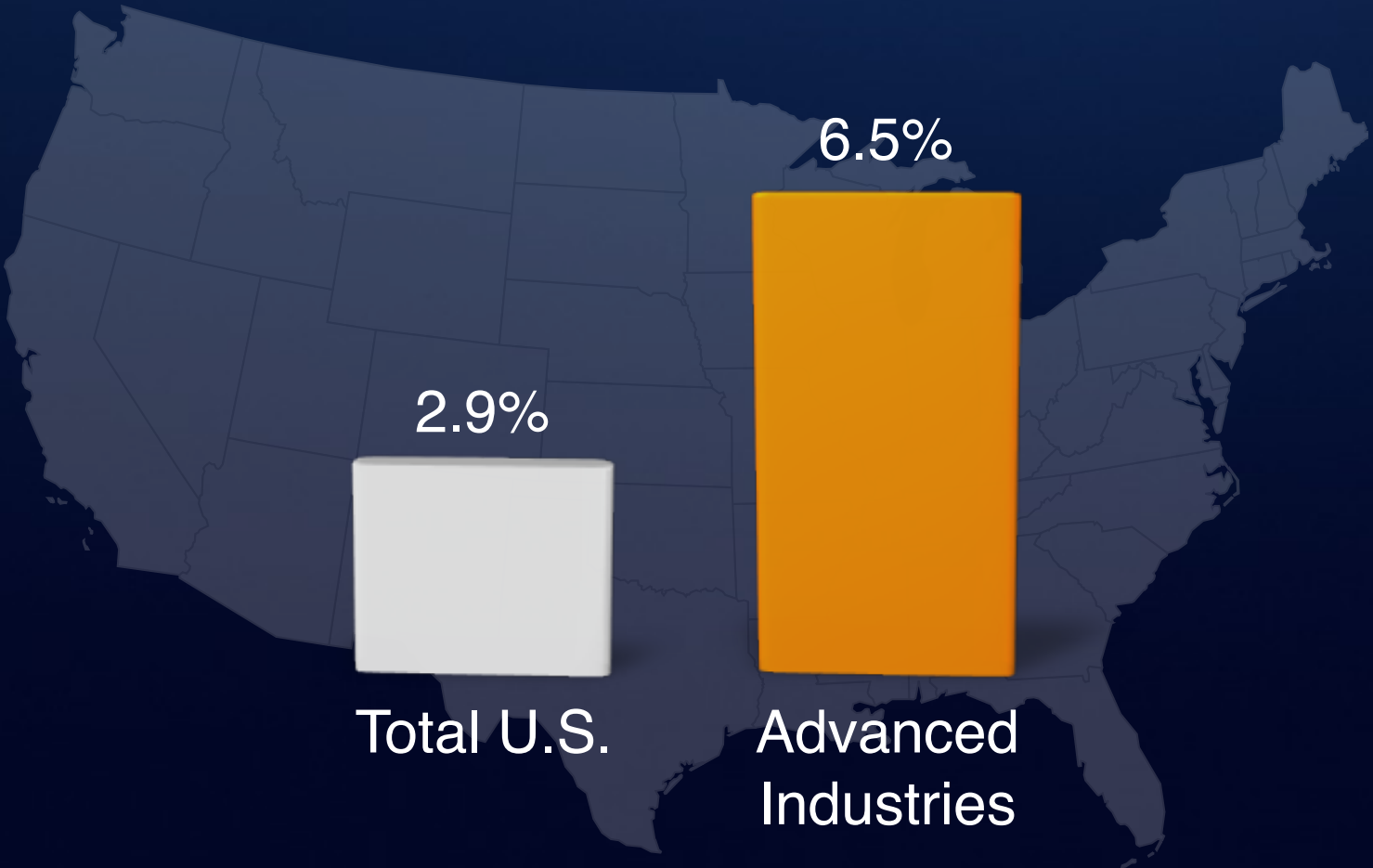
The regions that will prosper
will harness these trends
toward the next economy



Leaders Will Innovate in Advanced Industries



National Employment Gains (2010–2012)



Advanced industries' share of national job growth: **12%**

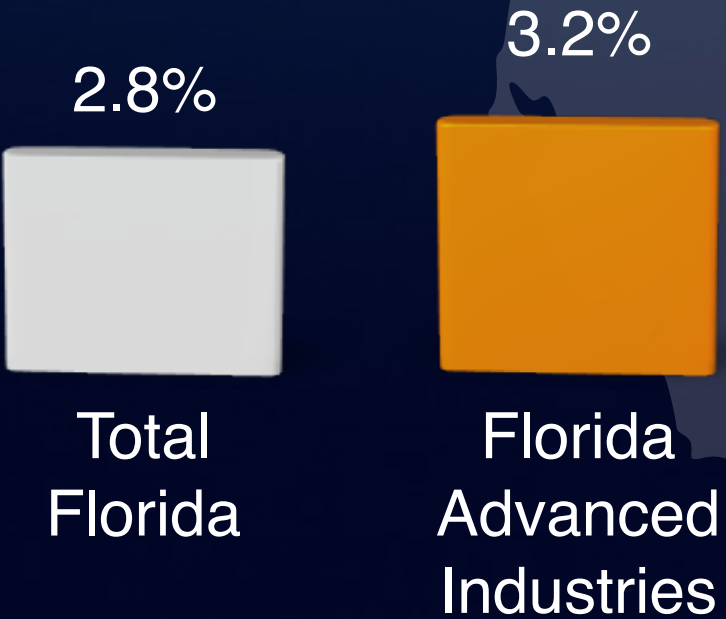
Source: Forthcoming Brookings/McKinsey & Co. report; Brookings analysis of Moody's Analytics estimates.



Leaders Will Innovate in Advanced Industries



Employment Gains (2010–2012)



Advanced industries' share of state job growth: **4%**

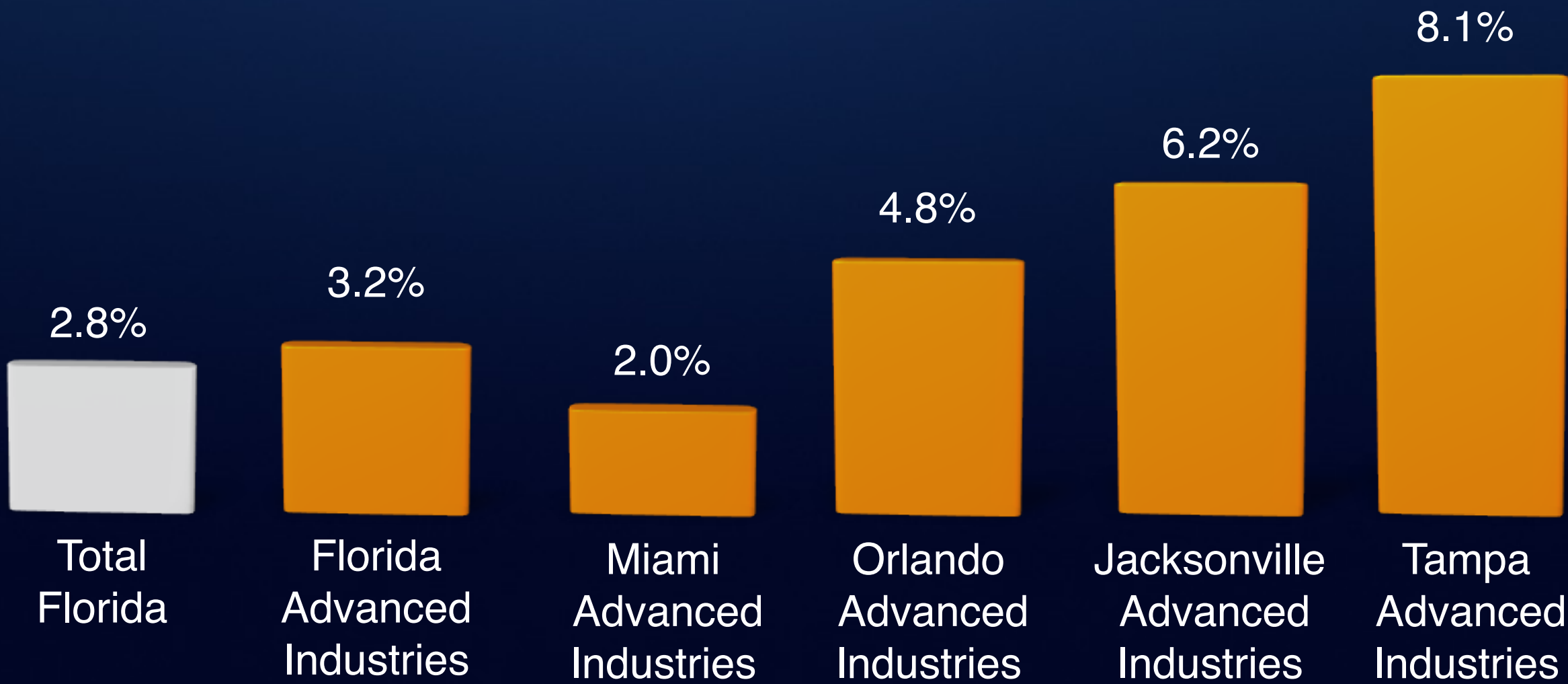
Source: Forthcoming Brookings/McKinsey & Co. report; Brookings analysis of Moody's Analytics estimates.



Leaders Will Innovate in Advanced Industries

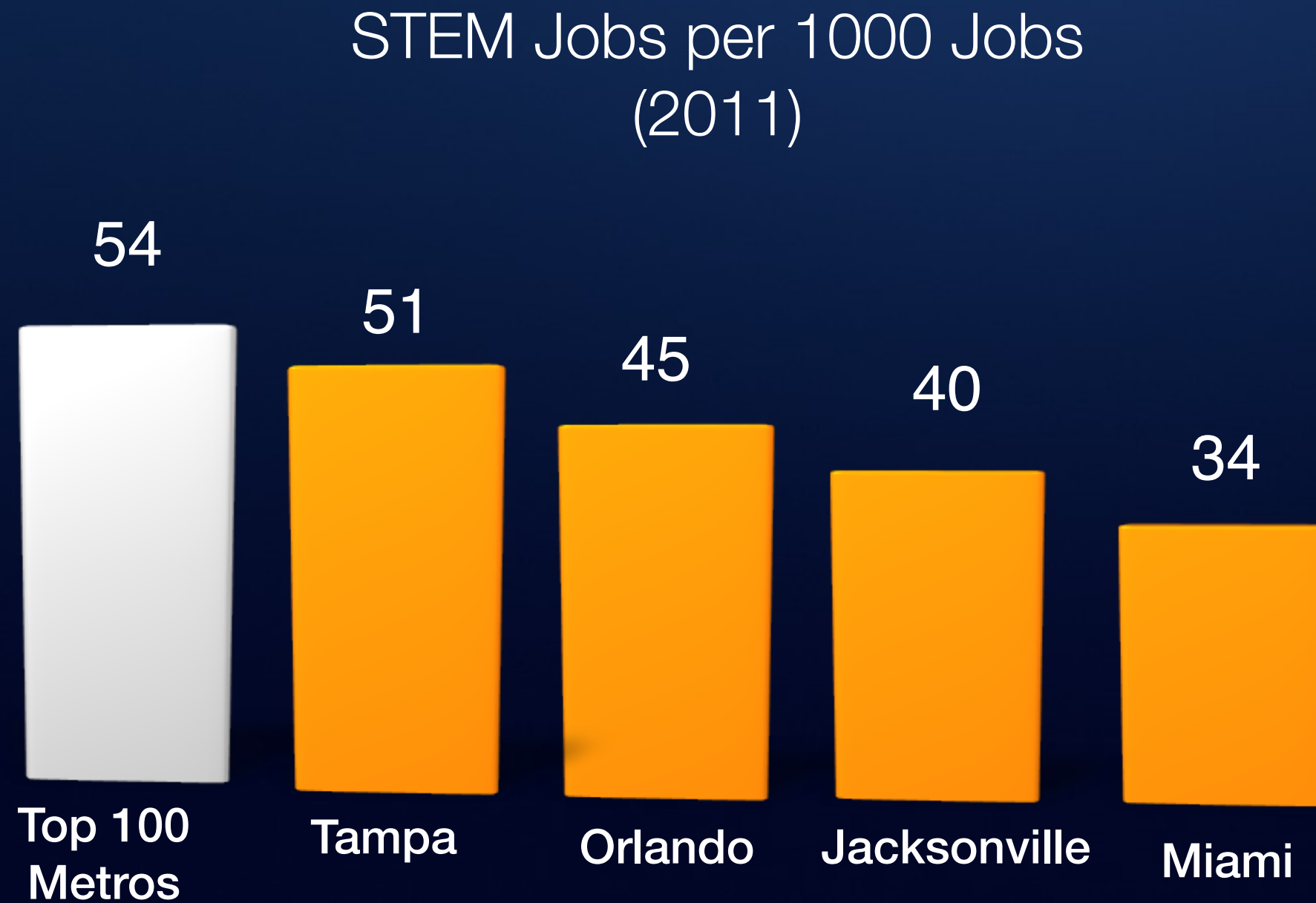


Employment Gains
(2010–2012)



Source: Forthcoming Brookings/McKinsey & Co. report; Brookings analysis of Moody's Analytics estimates.

However, as a Whole, Florida Metros Are Low Innovation-Intensive Economies



Source: Brookings analysis of BLS 2009 occupational employment statistics and Moody's Analytics Data.



However, as a Whole, Florida Metros Are Low Innovation-Intensive Economies

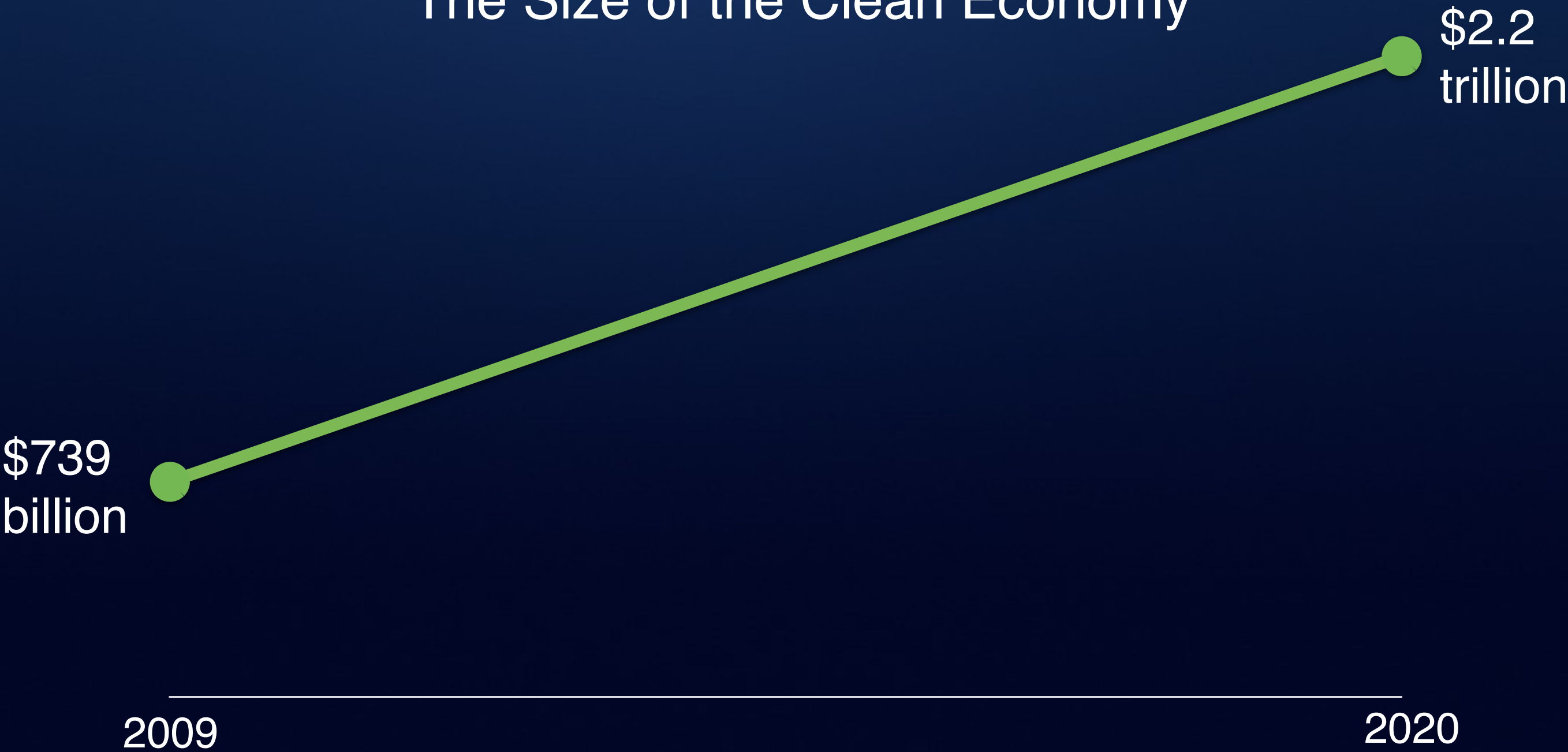


	Patents per 100 jobs, 2007-2011	Rank, 358 U.S. metro areas
Orlando	3.9	66th
Tampa	3.7	68th
Miami	3.5	69th
Jacksonville	2.3	83rd

Leaders Will Seize the Clean Economy, a Growing Global Market



The Size of the Clean Economy



Source: HSBC Global Research, "Sizing the Climate Economy" (September 2010); PricewaterhouseCoopers/NVCA MoneyTree Report, Data: Thomson Reuters

Clean Products and Services Are In High Demand Worldwide



\$53.9 billion
clean economy exports

Export Intensity *Yearly Export Earnings per Job*



Source: Brookings-Battelle Clean Economy Database (2011) and Moody's Economy.com

Florida Has a Sizeable, Growing Clean Economy

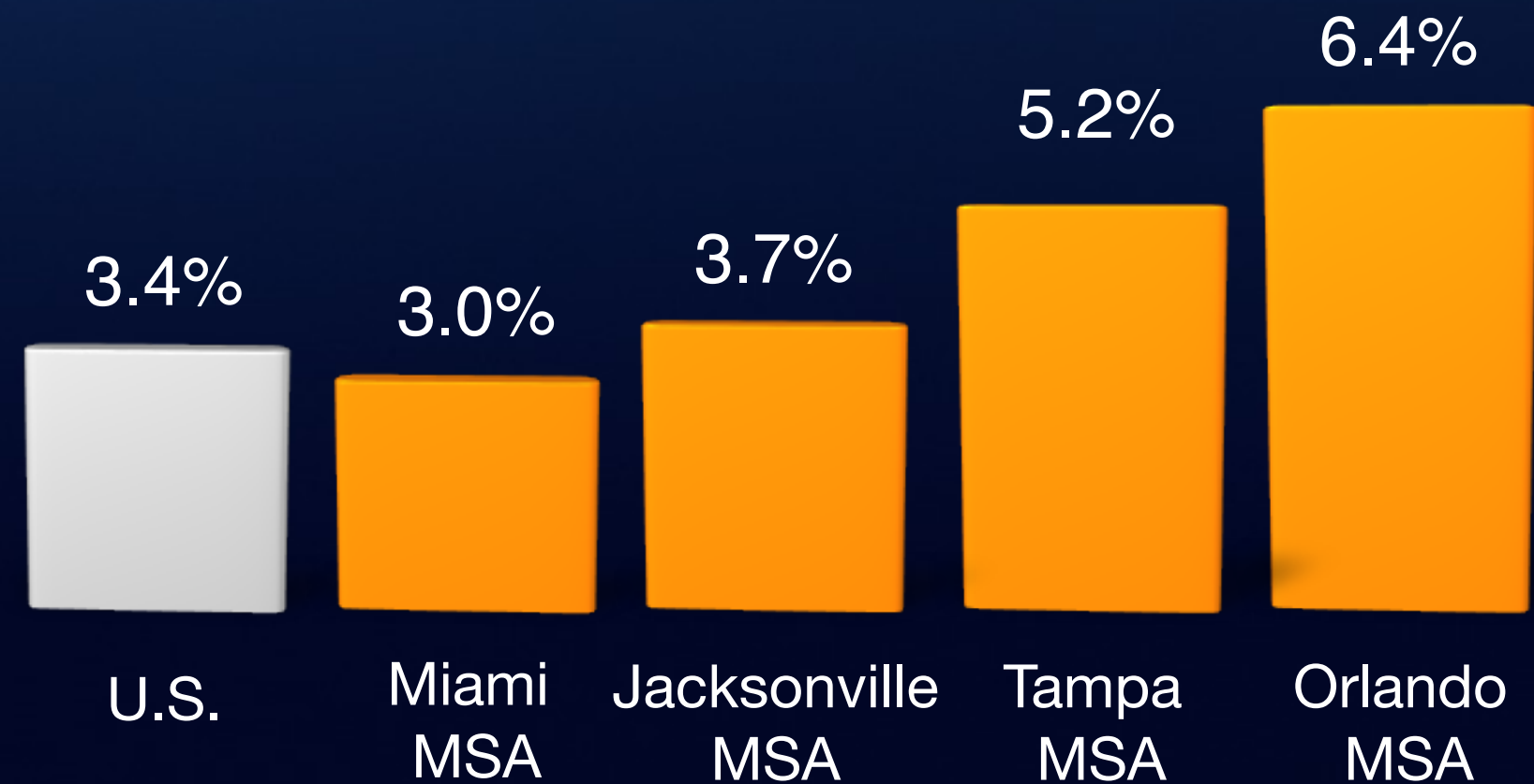
102,967

Florida clean economy jobs, 2010

7th

rank, Florida clean economy jobs,
2010

Annual Clean Economy Growth (2003-2010)



Leaders Will Harness the Potential of Global Trade



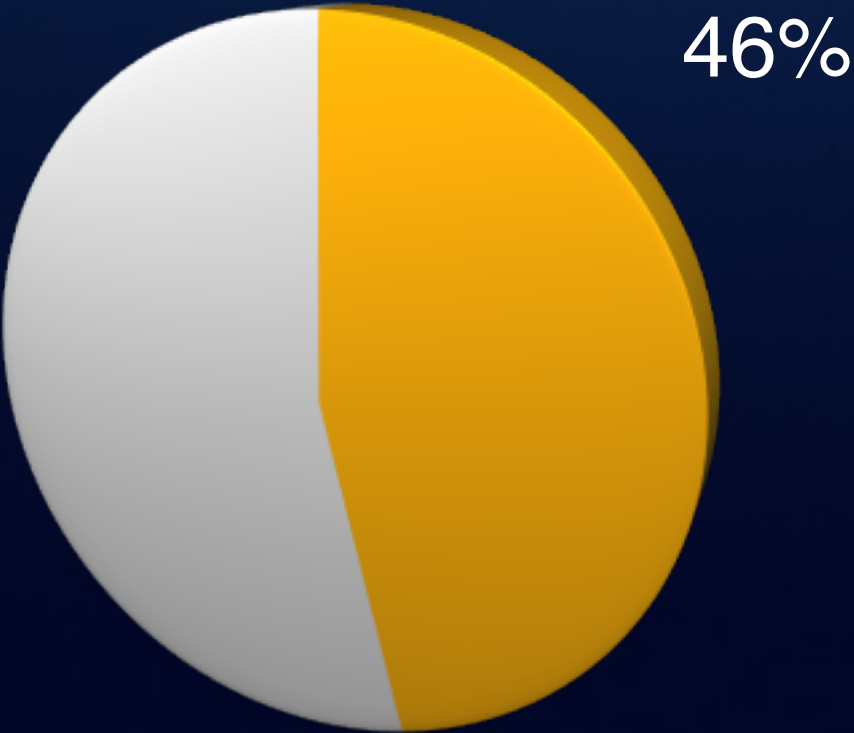
Global Exports Value (2009-2011, trillions)



Source: International Monetary Fund, Direction of Trade Statistics (December 2012)

Exports Drove 46 Percent of GDP Growth Between 2010 and 2011

Exports Share of GDP Growth 2010-2011



United States



Source: Brookings analysis of Bureau of Economic Analysis data



While Goods Exports Dominate, the Fastest Growth Is in Services



38%

real growth in U.S. goods
exports 2003-2010

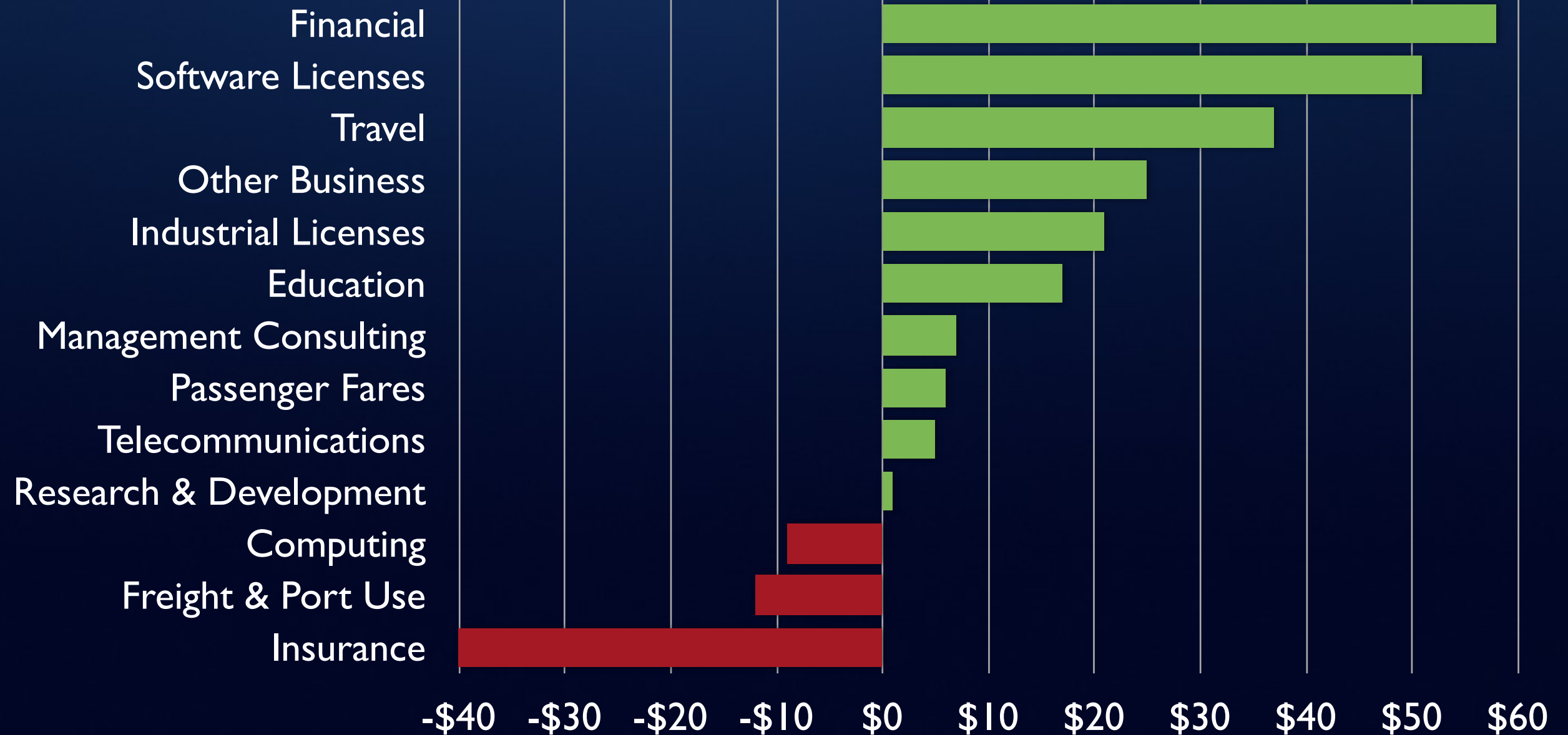
54%

real growth in U.S. services
exports 2003-2010

Source: Emilia Istrate and Nick Marchio, "Export Nation 2012," Brookings, 2012.

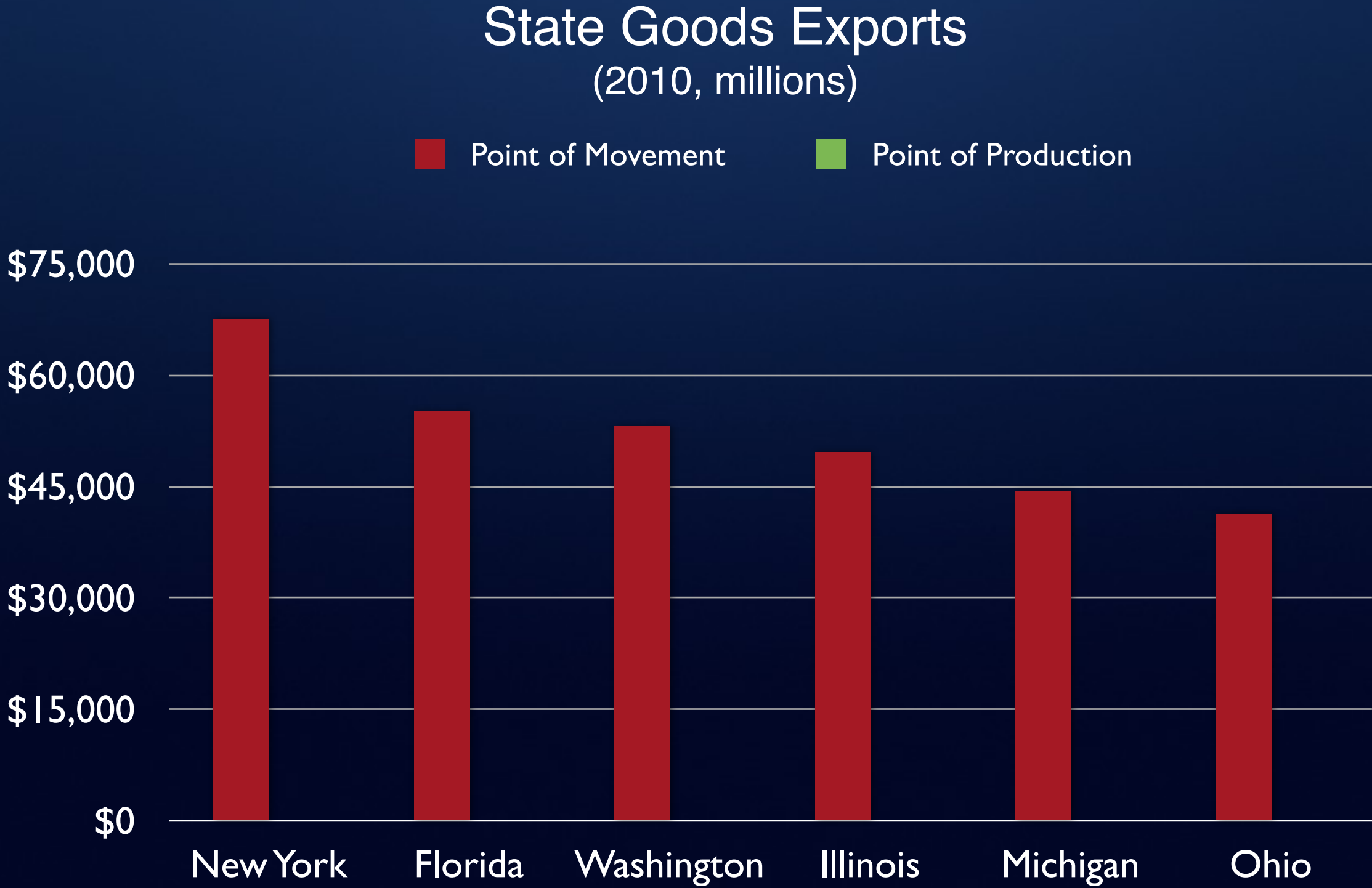
The U.S. Has a \$194 Billion Trade Surplus in Services

U.S. Balance of Trade by Services Sector (2011, billions)



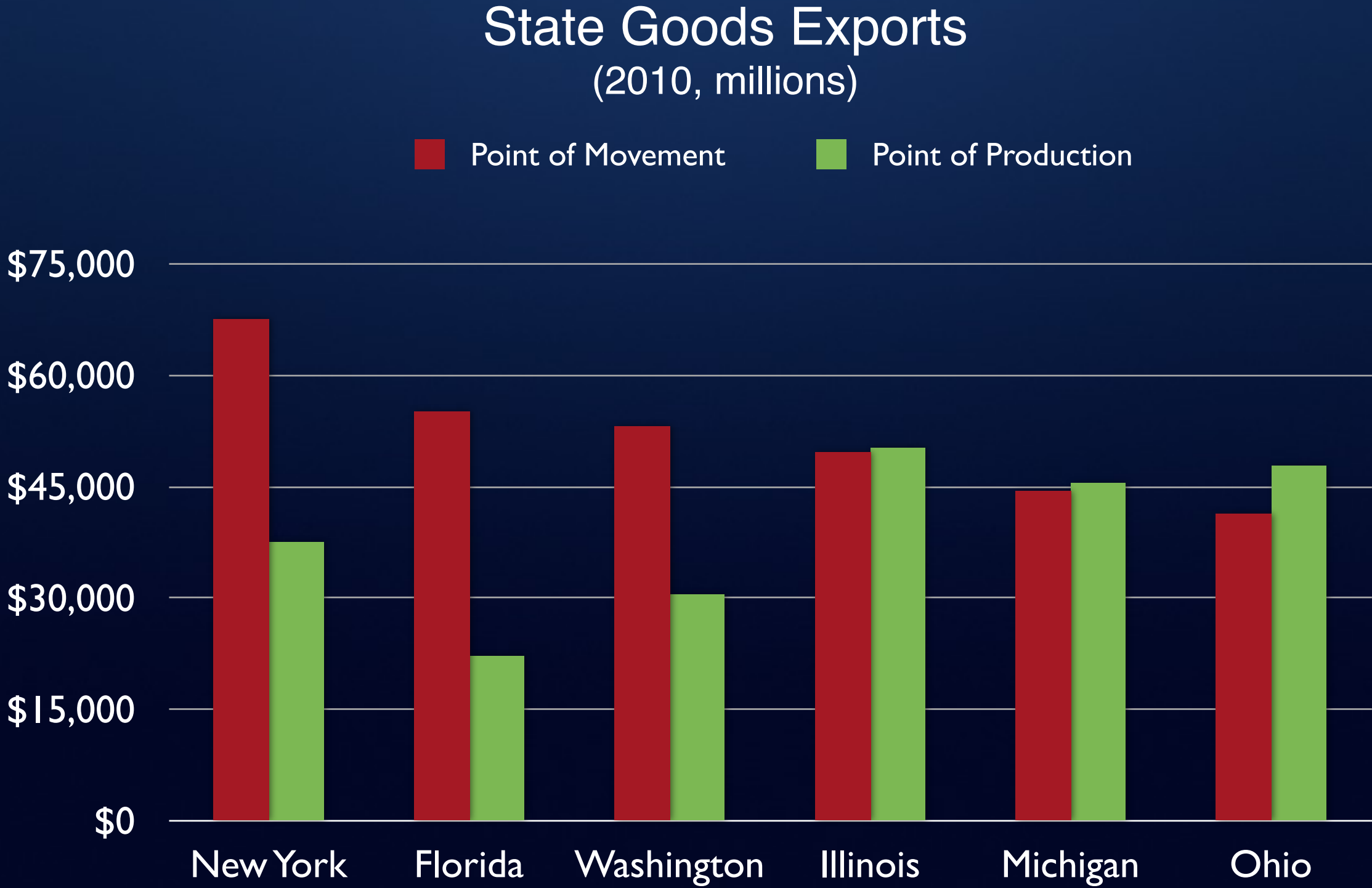
Source: Economics and Statistics Administration, 2011, "U.S. Trade in Private Services," Washington, DC

Florida Is a Leading Mover of Exported Goods



Source: Emilia Istrate and Nick Marchio, "Export Nation 2012," Brookings, 2012; Brookings Analysis of U.S. Census Bureau State Origin of Movement Export Data

But Florida's Lead Drops as a Producer of Exported Goods



Source: Emilia Istrate and Nick Marchio, "Export Nation 2012," Brookings, 2012; Brookings Analysis of U.S. Census Bureau State Origin of Movement Export Data

Florida Metros Are Low Export-Intensive Economies

2012 Exports				
	Volume (billions)	Rank		Intensity Rank
Miami	16,634	19		
Tampa	9,838	36		
Orlando	8,669	43		
Jacksonville	4,549	64		

Sources: Emilia Istrate and Nick Marchio, "Export Nation 2012," Brookings

Florida Metros Are Low Export-Intensive Economies

2012 Exports

	Volume (billions)	Rank	Intensity	Rank
Miami	16,634	19	6.8%	96
Tampa	9,838	36	7.9%	88
Orlando	8,669	43	8.0%	87
Jacksonville	4,549	64	7.4%	91

Sources: Emilia Istrate and Nick Marchio, "Export Nation 2012," Brookings

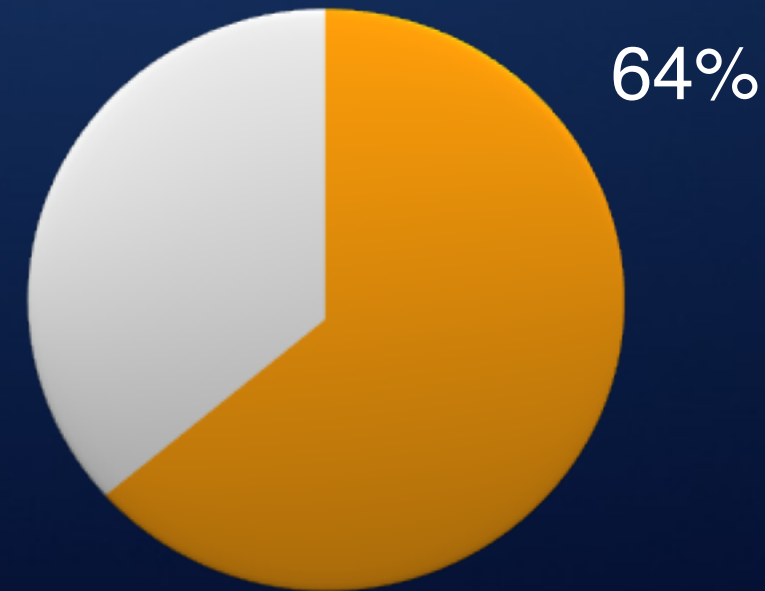
...Perhaps Driven by the State's High Service Orientation

Services Share of Exports

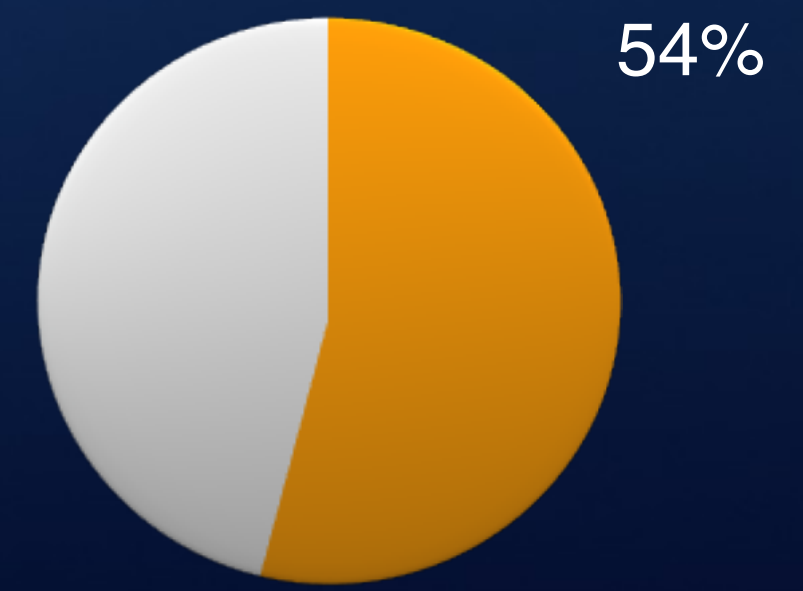
2012



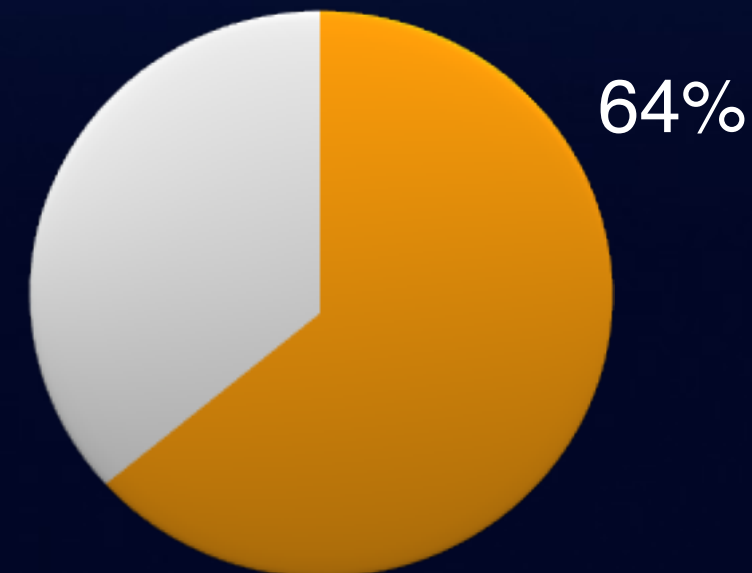
Miami



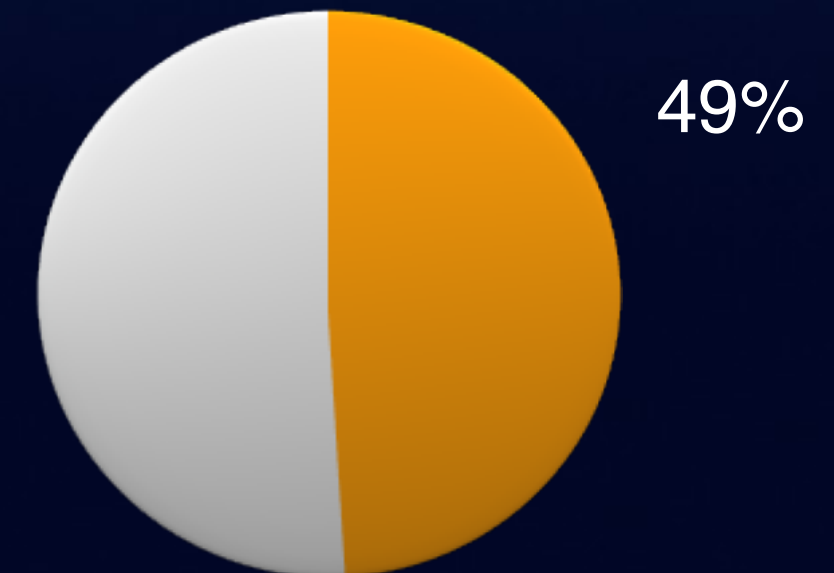
Jacksonville



Orlando



Tampa



Global Air Connectivity May Matter More to Florida's Trade Economy

International Air Passengers, 2011

	Passengers (thousands)	Rank
Miami	15,020	2
Orlando	5,441	7
Tampa	1,274	21
Jacksonville	283	46



Leaders Will Close the Skills Gap, Boosting Employment



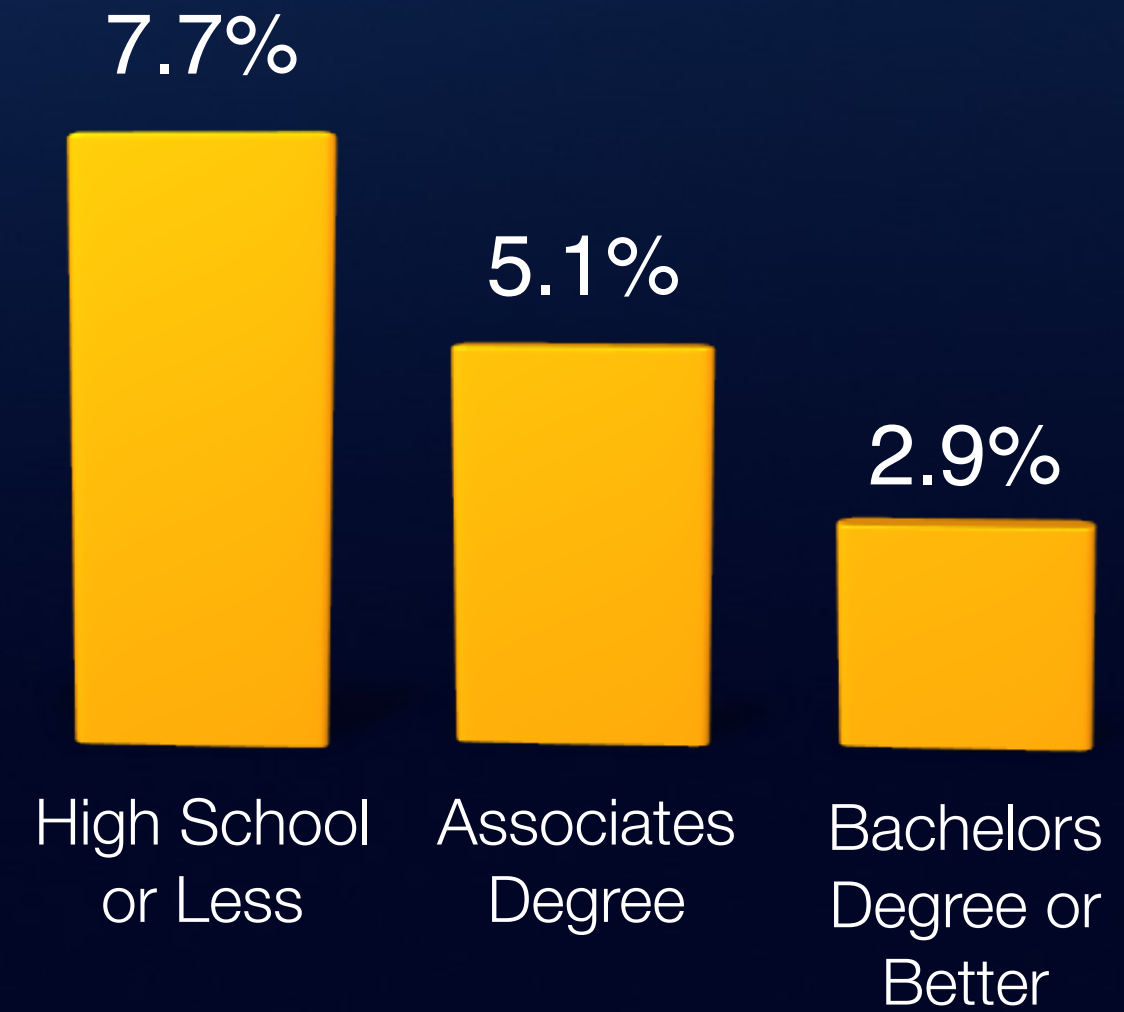
43%

jobs in metropolitan areas
that require at least a
bachelor's degree (2012)

32%

adults who have earned a
bachelor's degree (2012)

Unemployment Rate 2011



Leaders Will Close the Skills Gap, Boosting Employment



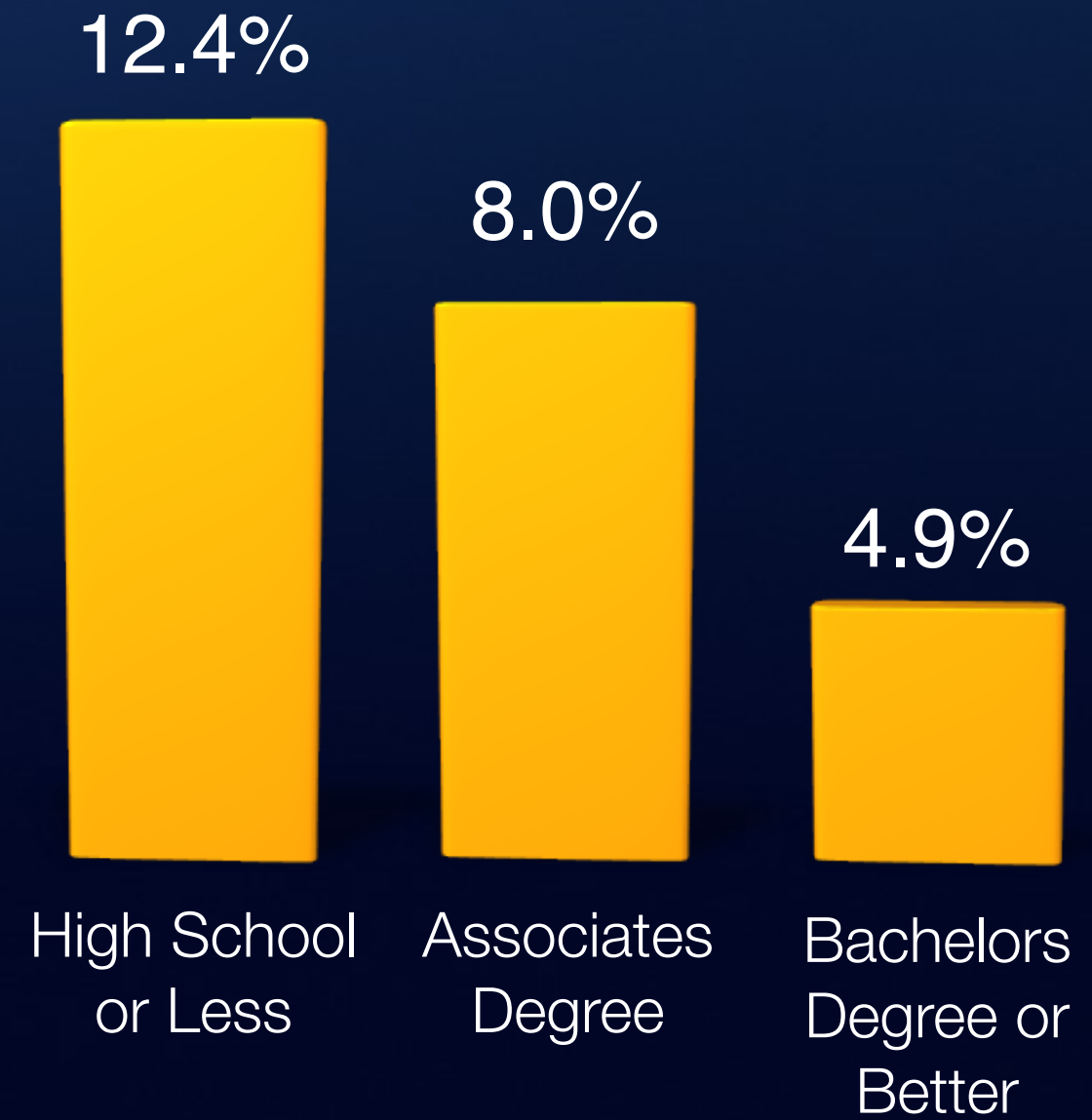
42%

jobs in Tampa region that require at least a bachelors degree (2012)

26%

adults in Tampa region with at least a bachelors degree (2012)

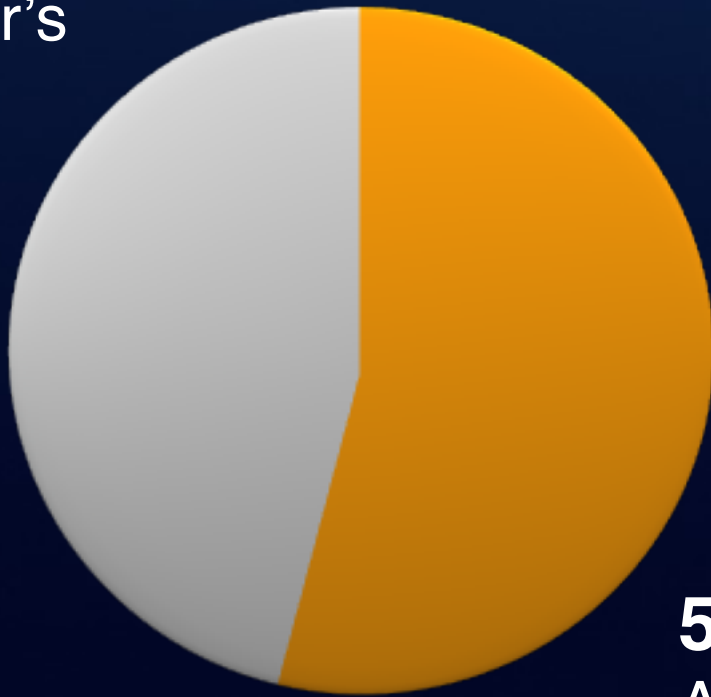
Unemployment Rate Tampa MSA, 2011



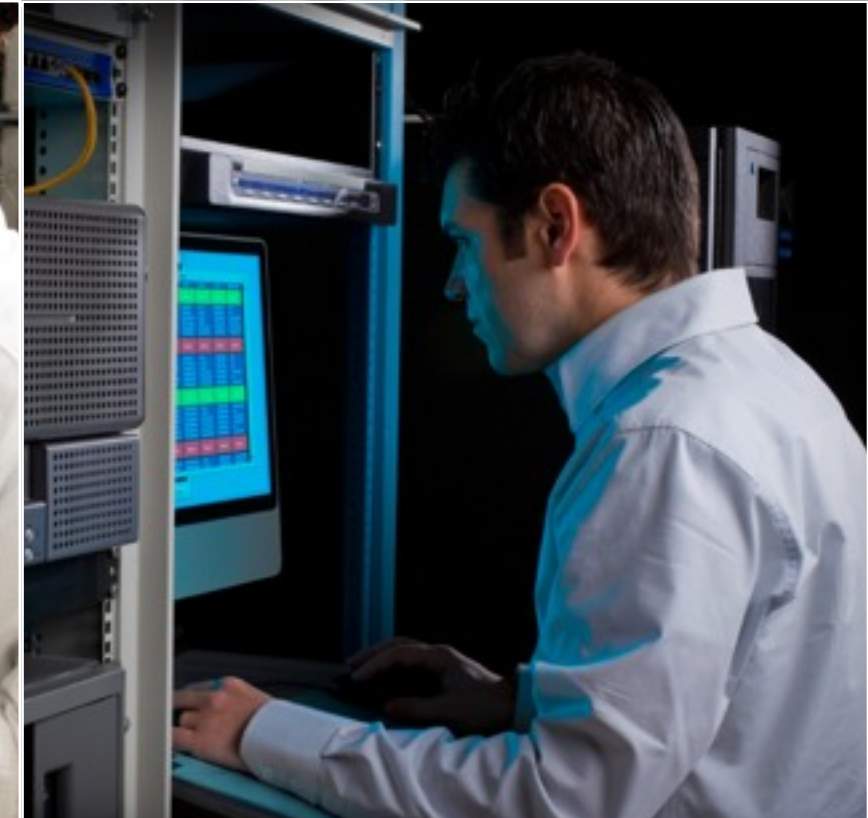
Leaders Will Provide STEM Training at All Levels

STEM Jobs by Degree Required Tampa MSA, 2011

48%
Bachelor's
or more



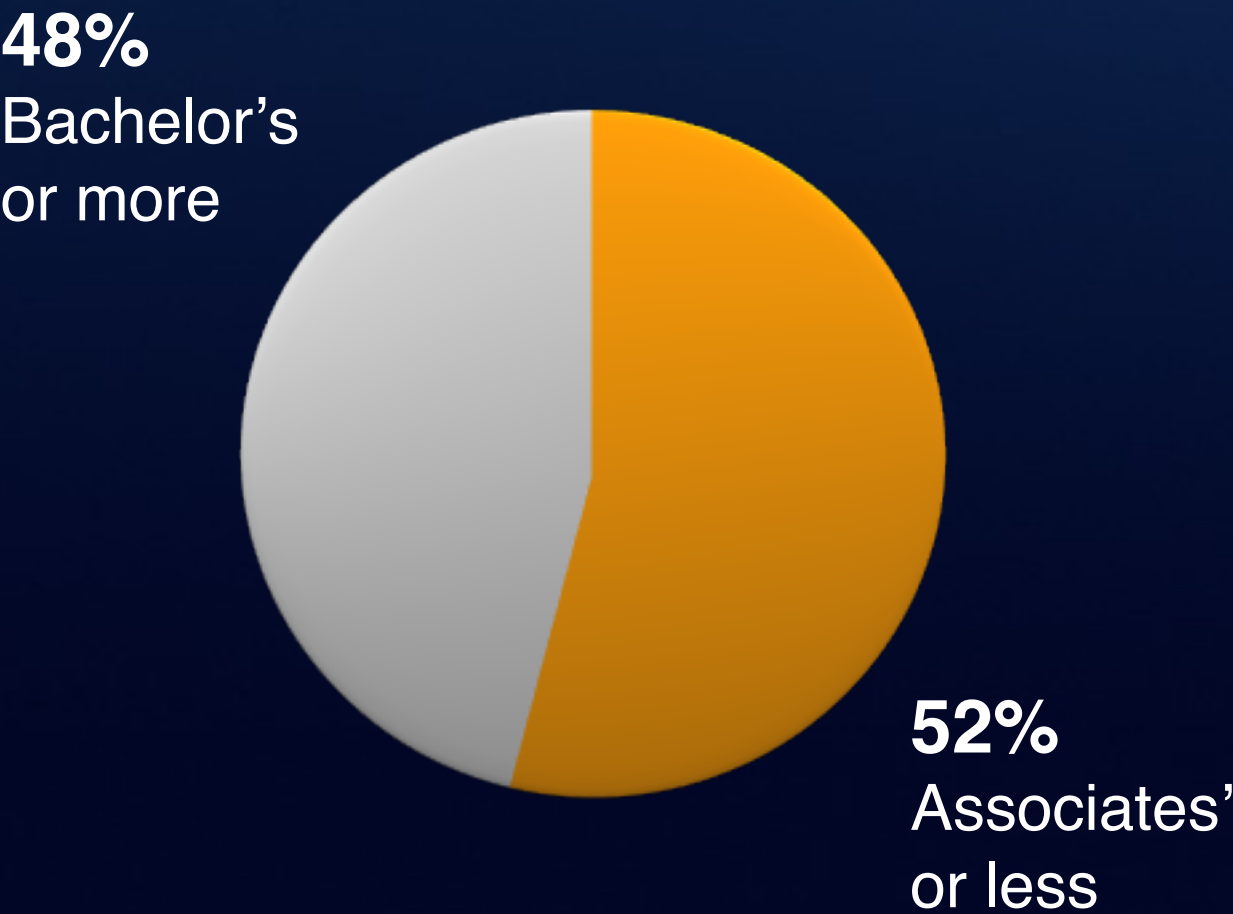
52%
Associates'
or less



Leaders Will Provide STEM Training at All Levels

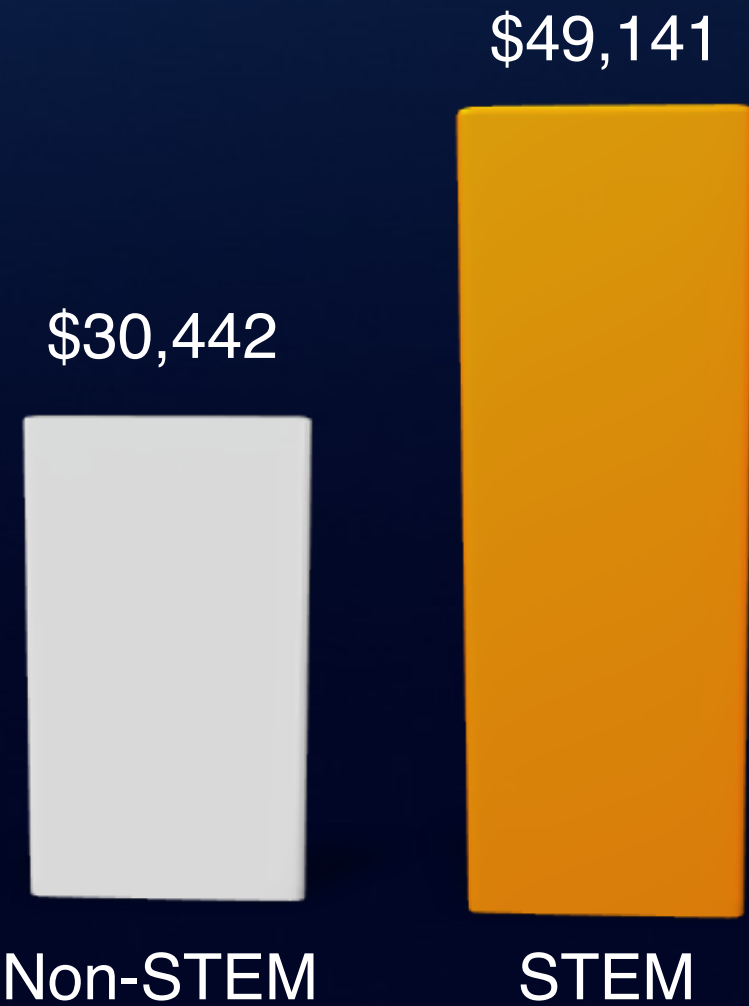
STEM Jobs by Degree Required

Tampa MSA, 2011



Wages for Jobs Requiring an Associates' or Less

Tampa MSA, 2011



Source: Jonathan Rothwell, "The Hidden STEM Economy," Brookings

Leaders Will Increase Transit Access to Jobs



Transit Accessibility, 2011

	Share of Jobs	Rank
Tampa	16%	93
Orlando	16%	95
Miami	16%	94
Jacksonville	23%	78

Source: Brookings, Missed Opportunity, 2011.

1 2 3

3 Regional leaders must adopt
transformative strategies to
position Florida for global success



Many Metro Areas Are Adopting Transformative Strategies for Growth



Of These, a Dozen Are Pursuing Global Trade Strategies



Metropolitan Export Initiative

- Portland
- Los Angeles
- Minneapolis-St. Paul
- Syracuse
- Charleston
- Chicago
- Columbus
- Des Moines
- Louisville/Lexington
- San Antonio
- San Diego
- Tampa Bay

Metros Have a Critical Role to Play in Exports



Federal

Open **new markets** through free trade agreements

Finance exports through Ex-Im and SBA

Provide **on-the-ground expertise** in foreign markets

Produce **export data** to inform state and regional efforts

Metros Have a Critical Role to Play in Exports



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Produce **export data** to inform state and regional efforts



State

Organize and facilitate **trade missions**

Support and coordinate metro-level efforts

Prioritize exports in state economic strategy

Metros Have a Critical Role to Play in Exports



Federal

Open **new markets** through free trade agreements

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State

Organize and facilitate **trade missions**

Support and coordinate metro-level efforts

Prioritize exports in state economic strategy



Metro

Increase the number of export-ready firms through **direct relationships**

Coordinate federal, state, and local programs

Catalyze **cultural shift** by mainstreaming exports and trade

Metropolitan Export Planning



Goal: Double exports in the next five years

Target industries: computers and electronics, clean technology & innovation

Strategies:

1. Leverage primary exporters in computer and electronics
2. Catalyze under-exporters in manufacturing
3. Improve the export pipeline for small business
4. “We Build Green Cities” - brand and market Greater Portland’s global edge

Metropolitan Export Planning



Goal: Double exports in the next five years

Target industries: computers and electronics, clean technology & innovation

GREATER PORTLAND INC

PDC | PORTLAND
DEVELOPMENT
COMMISSION



**City of
Portland
Mayor's Office**



METRO



PORT OF PORTLAND



**PORTLAND BUSINESS
ALLIANCE**



O B C
Oregon Business Council

Metropolitan Export Planning



Export Plan Co-Chairs



Exports Should Be Part of a Larger Global Engagement Strategy



Exports Should Be Part of a Larger Global Engagement Strategy



The Ten Traits of Globally Fluent Metro Areas

1. **Leadership** with a Worldview

2. **Legacy** of Global Orientation

3. **Specializations** with Global Reach

4. **Adaptability** to Global Dynamics

5. Culture of **Knowledge** and Innovation

6. **Opportunity** and Appeal to the World

7. International **Connectivity**

8. **Investment** in Strategic Priorities

9. **Government** as Global Enabler

10. Compelling Global **Identity**

A GLOBALLY COMPETITIVE FLORIDA

Regional Opportunities in the Next Economy

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