Center on Urban & Metropolitan Policy

Where Are The Jobs?:
Cities, Suburbs, and the Competition for Employment

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"As people have left the central cities, jobs have followed. In some places the central city has lost its role as the area's dominant economic engine."

An analysis of a new data set that covers private sector job growth in the cities and suburbs of 92 large metropolitan areas between 1993 and 1996 found that:

- More than half (52) of the cities had an increase in jobs, but their growth rates trailed the growth rates of their suburbs.
- One-quarter (23) of the central cities experienced employment losses while their suburbs enjoyed employment gains.
- Nearly 20 percent (17) of the cities had positive employment growth rates that exceeded the growth rates in their suburbs.
- Even though most of the central cities gained new jobs during this period, the vast majority of them—75 central cities, or 82 percent—lost private sector employment market share to their suburbs.
- The problem of decentralization, or cities' loss of market share, is not confined to older industrial cities of the Northeast and Midwest. Cities in the South and West that are rapidly gaining jobs—Austin, Phoenix, Charlotte, Nashville—are losing out to their suburbs, which have even faster growth rates and are increasing their market share of jobs.
- The cities that resisted decentralization and expanded their market share are not necessarily the ones deemed urban success stores. Unheralded cities like Wilmington, Jersey City, Little Rock, Greensboro, Wichita, along with familiar "comeback cities" like Boston and New York, gained jobs more rapidly than their suburbs from 1993 to 1996.

I. Introduction

For decades, the population of the United States has been moving away from urban cores and into suburbs, be they the streetcar suburbs of the early twentieth century, the Levittown tract-home developments of the 1950s, or the bucolically named new suburbs that now dot the very edges of metropolitan areas. As people have left the central cities, jobs have followed. In some places the central city has lost its role as the area's dominant economic engine. In 53 percent of the 92 metropolitan areas examined in this paper, the cities are home to less than half of the jobs in their metropolitan areas.

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Yet decentralization does not affect every city in the same way, and a close analysis of which cities are decentralizing and which ones are hanging on to their share of metropolitan area jobs turns conventional wisdom about strong and weak cities on its head.

This brief examines decentralization in 92 large U.S. metropolitan areas between 1993 and 1996, using data based on Social Security tax payments by employers.[2] The brief documents which central cities and suburbs gained or lost private sector jobs, and how the urban/suburban distribution of metropolitan jobs shifted during this period, which was one of remarkable employment expansion.

Looking at the job growth rates, and at the proportion of metropolitan area private sector jobs located in cities and in suburbs, it is clear that, on the whole, cities are not doing as well as their suburbs when it comes to attracting new jobs. In some cases, cities that experienced extremely strong employment growth between 1993 and 1996 were still outpaced by the surrounding suburban jurisdictions. This brief shows that the decentralization of employment affects cities in all parts of the country. However, there were a few cities that fought the decentralization trend, and outdid their suburbs—and they are not necessarily ones that are hailed as "comeback cities."

II. The Location of New Jobs

Table 1 lists all of the 92 metropolitan areas according to the differences in employment growth between central cities and suburbs. Listed first are the places where the central cities most outpaced employment growth in their suburbs, followed by the places where suburbs outpaced their central cities. Table 2 lists the metropolitan areas alphabetically, and shows the absolute number of jobs in each metropolitan area, its central city and its suburbs in 1993 and 1996, as well as the percentage changes.

The data reveals three types of metropolitan areas, based on their employment growth patterns: (1) central cities that gained jobs while their suburbs gained them faster; (2) central cities that lost jobs while their suburbs gained them; and (3) central cities that captured new jobs while their suburbs lagged.

1. Central Cities Gained Jobs, But Their Suburbs Gained Them Faster

Half (52) of America's largest central cities had positive employment growth rates from 1993 to 1996, but their suburbs grew at a faster rate. (See Table 3) The median growth rate for these central cities was 6.0 percent, but some had a much higher rate. Austin, Boise City, and Phoenix had job growth rates of 23.7 percent, 21.5 percent, and 18.8 percent, respectively, meaning that they were among the top ten job-growth cities in the country from 1993 to 1996. However, their suburbs grew even more ferociously, by 30.0 percent, 22.8 percent, and 31.9 percent, respectively.

The median difference between central city and suburban employment growth was -8.3 percent, meaning that half of the cities were outpaced by their suburbs by more than 8.3 percentage points and the other half by less than 8.3 percentage points. The biggest gaps between city and suburb growth were found in Lincoln, NE, with a gap of 47.8 percentage points; Fort Worth, with a gap of 20.2 percentage points; and Nashville-Davidson, with a gap of 17.4 percentage points. Even booming Atlanta's employment growth rate was 10 percentage points lower than the rate in its suburbs.

These growing central cities surrounded by even faster-growing suburbs are distributed across all regions, but not evenly. Half (26) were located in the South, 13 in the Midwest, 12 in the West and only one in the Northeast (Portland, Maine).

2. Cities Lost Jobs While Suburbs Gained Them

In one-quarter (23) of the 92 metropolitan areas studied, the central city had an employment growth rate that was close to stagnant and far below that of its suburbs during the first four years of the current economic expansion. (See Table 4) The median employment growth rate in these cities was -2.6 percent, while the suburban median growth rate was 15.6 percent. For example, the city of Richmond suffered an employment loss of 16.5 percent while its suburbs enjoyed a gain of 27.6 percent. Between 1993 and 1996, Richmond's suburban growth rate outpaced that of the city by 44.1 percent.

Other large gaps between city and suburban growth appear in the Salt Lake City metropolitan area, where the suburbs outdistanced the city by 33.5 percentage points, Grand

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Table 1: Differences in City-Suburban Private Sector Employment Growth Rates

Rank	Primary Central City MSA/PMSA/NECMA	Census Region	Employment Percentage Growth Rates 1993 to 1996 Central City	Suburban	Point Difference (City - Suburb)
1	Jersey City, NJ	NE	20.9	-12.7	33.6
2	Wilmington, DE	S	29.6	0.4	29.2
3	Las Vegas, NV	W	44.7	19.6	25.0
4	Colorado Springs, CO	W	21.4	6.8	14.7
5	Bakersfield, CA	W	12.1	-1.3	13.4
6	San Antonio, TX	S	13.9	1.4	12.5
7	Albuquerque, NM	W	15.8	4.2	11.5
8	Fresno, CA	W	7.3	-2.1	9.4
9	Little Rock, AR	S	17.9	9.6	8.3
10	San Jose, CA	W	13.2	6.3	6.9
11	Anaheim, CA	W	9.0	2.5	6.5
12	Greensboro, NC	S	14.0	8.2	5.9
13	Omaha, NE	MW	10.5	6.7	3.8
14	Newark, NJ	NE	5.7	2.7	2.9
15	Boston, MA	NE	7.9	6.5	1.4
16	New York, NY	NE	2.6	1.5	1.1
17	Wichita, KS	MW	4.7	3.9	0.9
18	Seattle, WA	W	6.6	7.3	-0.7
19	Boise City, ID	W	21.5	22.8	-1.3
20	Portland, OR	W	15.8	17.4	-1.5
21	Oklahoma City, OK	S	10.6	12.9	-2.3
22	Stockton, CA	W	5.4	8.3	-2.9
23	Cleveland, OH	MW	4.5	8.4	-3.9
24	Tulsa, OK	S	6.0	10.0	-4.0
25	Spokane, WA	W	7.6	11.6	-4.0
26	San Francisco, CA	W	0.3	4.4	-4.1
27	Oakland, CA	W	4.6	8.7	-4.2
28	Newport News, VA	S	5.9	10.2	-4.3
29	San Diego, CA	W	5.2	9.5	-4.4
30	Birmingham, AL	S	5.8	10.2	-4.4
31	Baton Rouge, LA	S	12.8	17.6	-4.9
32	El Paso, TX	S	6.0	11.0	-5.1
33	Jacksonville, FL	S	11.0	16.3	-5.3
34	Pittsburgh, PA	NE	-0.1	5.4	-5.5
35	St. Louis, MO	MW	2.3	8.3	-6.0
36	Los Angeles, CA	W	-4.2	2.0	-6.2
37	Charlotte, NC	S	10.0	16.2	-6.2
38	Austin, TX	S	23.7	30.0	-6.3
39	Modesto, CA	W	-2.5	3.9	-6.3
40	Fort Wayne, IN	MW	5.3	11.7	-6.5
41	Philadelphia, PA	NE	-1.2	5.4	-6.6
42	Raleigh, NC	S	15.0	21.9	-6.9
43	Montgomery, AL	S	10.0	16.9	-6.9
44	Rochester, NY	NE	-1.2	5.9	-7.1
45	Houston, TX	S	5.0	12.2	-7.2
46	Tampa, FL	S	7.8	15.6	-7.8
47	Toledo, OH	MW	6.0	13.8	-7.8
48	Akron, OH	MW	5.4	13.4	-8.0
49	Providence, RI	NE	-3.2	4.9	-8.1
50	Buffalo, NY	NE	-2.3	6.1	-8.4
51	Hartford, CT	NE	-7.3	1.3	-8.5
52	Knoxville, TN	S	6.8	15.4	-8.6
53	Chicago, IL	MW	0.4	9.0	-8.6
54	Lexington-Fayette, KY	S	8.2	17.1	-8.9
55	Portland, ME	NE	2.5	11.7	-9.1
56	Honolulu, HI	W	-5.0	4.2	-9.2
57	Orlando, FL	S	9.1	18.4	-9.2
58	Columbus, OH	MW	8.9	18.4	-9.5
59	Sacramento, CA	W	3.1	12.6	-9.6
60	Atlanta, GA	S	9.8	20.0	-10.2
61	Kansas City, MO	MW	4.5	14.7	-10.3
62	Detroit, MI	MW	0.4	11.3	-10.9
63	Riverside, CA	W	-1.2	10.1	-11.3
64	Charleston, WV	S	1.3	13.4	-12.0
65	Indianapolis, IN	MW	4.7	16.9	-12.2
66	Miami, FL	S	-4.0	8.4	-12.3
67	Cincinnati, OH	MW	-0.6	12.3	-13.0
68	Shreveport, LA	S	9.6	22.5	-13.0
69	Phoenix, AZ	W	18.8	31.9	-13.1
70	New Orleans, LA	S	-2.5	10.7	-13.2
71	Baltimore, MD	S	-3.6	10.0	-13.6
72	Washington, DC	S	-4.2	10.1	-14.3
73	Memphis, TN	S	8.6	23.4	-14.8
74	Denver, CO	W	1.6	16.5	-14.9
75	Jackson, MS	S	3.4	18.6	-15.2
76	Minneapolis, MN	MW	0.6	16.0	-15.3
77	Columbia, SC	S	4.8	20.2	-15.4
78	Madison, WI	MW	5.7	21.1	-15.4
79	Dallas, TX	S	6.3	22.5	-16.1
80	Tucson, AZ	W	9.2	25.3	-16.1
81	Louisville, KY	S	1.7	18.0	-16.3
82	Milwaukee, WI	MW	-4.7	12.3	-17.1
83	Nashville-Davidson, TN	S	12.1	29.5	-17.4
84	Dayton, OH	MW	-2.6	15.3	-17.8
85	Fort Worth, TX	S	7.1	27.3	-20.2
86	Tacoma, WA	W	-6.8	15.6	-22.4
87	Mobile, AL	S	-1.1	21.8	-22.9
88	Des Moines, IA	MW	-2.3	23.6	-25.9
89	Grand Rapids, MI	MW	-7.9	22.3	-30.3
90	Salt Lake City, UT	W	-1.7	31.8	-33.5
91	Richmond, VA	S	-16.5	27.6	-44.1
92	Lincoln, NE	MW	7.9	55.7	-47.8

Table 2: Central City and Suburban Employment, 1993–1996

	Primary Central City MSA/PMSA/NECMA*	Census Region	Total MSA Jobs 1996	Central City Jobs 1993	Central City Jobs 1996	Central City Jobs Percent Change 1993-1996	Suburban Jobs 1993	Suburban Jobs 1996	Suburban Jobs Percent Change 1993-1996
1	Akron, OH	MW	284,894	100,917	106,550	5.6	157,340	178,344	13.3
2	Albuquerque, NM	W	267,802	185,600	215,045	15.9	50,547	52,757	4.4
3	Anaheim, CA	W	1,169,947	251,003	273,768	9.1	873,677	896,179	2.6
4	Atlanta, GA	S	1,766,287	324,191	356,790	10.1	1,174,672	1,409,497	20.0
5	Austin, TX	S	427,140	260,067	322,064	23.8	80,688	105,076	30.2
6	Bakersfield, CA	W	134,544	61,566	69,021	12.1	66,354	65,523	-1.3
7	Baltimore, MD	S	943,986	297,376	286,972	-3.5	596,937	657,014	10.1
8	Baton Rouge, LA	S	236,369	128,512	145,131	12.9	77,569	91,238	17.6
9	Birmingham, AL	S	412,761	179,023	189,457	5.8	202,520	223,304	10.3
10	Boise City, ID	W	163,311	85,923	104,519	21.6	47,862	58,792	22.8
11	Boston, MA	NE	2,725,401	604,714	651,916	7.8	1,945,189	2,073,485	6.6
12	Buffalo, NY	NE	467,733	156,898	153,416	-2.2	296,193	314,317	6.1
13	Charleston, WV	S	101,269	52,012	52,761	1.4	42,766	48,508	13.4
14	Charlotte, NC	S	686,408	325,699	358,305	10.0	282,048	328,103	16.3
15	Chicago, IL	MW	3,560,343	1,147,816	1,153,551	0.5	2,206,772	2,406,792	9.1
16	Cincinnati, OH	MW	754,729	264,997	263,400	-0.6	437,108	491,329	12.4
17	Cleveland, OH	MW	1,002,631	272,073	284,747	4.7	662,359	717,884	8.4
18	Colorado Springs, CO	W	175,367	129,553	157,480	21.6	16,781	17,887	6.6
19	Columbia, SC	S	211,364	94,448	99,130	5.0	93,391	112,234	20.2
20	Columbus, OH	MW	680,730	333,451	362,829	8.8	268,160	317,901	18.5
21	Dallas, TX	S	1,578,136	711,108	755,927	6.3	670,601	822,209	22.6
22	Dayton, OH	MW	414,100	108,884	106,010	-2.6	267,034	308,090	15.4
23	Denver, CO	W	876,197	351,602	357,488	1.7	444,696	518,709	16.6
24	Des Moines, IA	MW	237,313	136,528	133,607	-2.1	83,924	103,706	23.6
25	Detroit, MI	MW	1,847,098	262,919	264,135	0.5	1,418,964	1,582,963	11.6
26	El Paso, TX	S	187,132	169,647	179,834	6.0	6,540	7,298	11.6
27	Fort Wayne, IN	MW	238,725	122,061	128,434	5.2	98,562	110,291	11.9
28	Fort Worth, TX	S	585,092	340,928	365,097	7.1	172,552	219,995	27.5
29	Fresno, CA	W	214,250	127,519	136,906	7.4	78,887	77,344	-2.0
30	Grand Rapids, MI	MW	481,743	139,717	128,625	-7.9	287,972	353,118	22.6
31	Greensboro, NC	S	572,985	135,513	154,706	14.2	386,373	418,279	8.3
32	Hartford, CT	NE	519,688	115,869	107,575	-7.2	407,043	412,113	1.2
33	Honolulu, HI	W	319,923	255,610	242,822	-5.0	73,801	77,101	4.5
34	Houston, TX	S	1,589,176	1,065,346	1,118,780	5.0	418,865	470,396	12.3
35	Indianapolis, IN	MW	713,667	452,405	473,875	4.7	204,985	239,792	17.0
36	Jackson, MS	S	182,999	113,866	117,851	3.5	54,838	65,148	18.8
37	Jacksonville, FL	S	427,685	322,805	358,400	11.0	59,326	69,285	16.8
38	Jersey City, NJ	NE	204,318	64,261	77,641	20.8	144,901	126,677	-12.6
39	Kansas City, MO	MW	776,757	335,518	350,317	4.4	371,220	426,440	14.9
40	Knoxville, TN	S	279,992	124,164	132,716	6.9	127,589	147,276	15.4
41	Las Vegas, NV	W	518,619	116,449	168,551	44.7	292,294	350,068	19.8
42	Lexington-Fayette, KY	S	204,055	127,866	138,349	8.2	56,013	65,706	17.3
43	Lincoln, NE	MW	110,355	93,161	100,533	7.9	6,269	9,822	56.7
44	Little Rock, AR	S	261,635	135,706	159,859	17.8	92,659	101,776	9.8
45	Los Angeles, CA	W	3,470,070	1,512,781	1,450,489	-4.1	1,980,468	2,019,581	2.0
46	Louisville, KY	S	475,638	195,480	198,912	1.8	234,423	276,726	18.0
47	Madison, WI	MW	201,340	122,750	129,703	5.7	59,089	71,637	21.2

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Table 2: (continued) **Central City and Suburban Employment, 1993–1996**

	Primary Central City MSA/PMSA/NECMA*	Census Region	Total MSA Jobs 1996	Central City Jobs 1993	Central City Jobs 1996	Central City Jobs Percent Change 1993-1996	Suburban Jobs 1993	Suburban Jobs 1996	Suburban Jobs Percent Change 1993-1996
48	Memphis, TN	S	478,408	321,095	348,759	8.6	104,834	129,649	23.7
49	Miami, FL	S	820,851	199,884	192,407	-3.7	579,491	628,444	8.4
50	Milwaukee, WI	MW	741,685	287,534	273,682	-4.8	416,075	468,003	12.5
51	Minneapolis, MN	MW	1,449,209	455,231	457,950	0.6	853,729	991,259	16.1
52	Mobile, AL	S	188,063	113,252	112,086	-1.0	62,312	75,977	21.9
53	Modesto, CA	W	103,100	55,227	53,921	-2.4	47,365	49,179	3.8
54	Montgomery, AL	S	120,241	89,990	99,079	10.1	18,082	21,162	17.0
55	Nashville-Davidson, TN	S	580,207	332,228	372,493	12.1	159,943	207,714	29.9
56	New Orleans, LA	S	513,007	208,626	203,664	-2.4	279,047	309,343	10.9
57	New York, NY	NE	3,418,371	2,875,069	2,950,054	2.6	460,921	468,317	1.6
58	Newark, NJ	NE	848,430	130,373	137,446	5.4	691,490	710,984	2.8
59	Newport News, VA	S	509,128	292,611	310,059	6.0	180,555	199,069	10.3
60	Oakland, CA	W	825,846	137,356	143,697	4.6	627,009	682,149	8.8
61	Oklahoma City, OK	S	399,419	237,778	263,217	10.7	120,705	136,202	12.8
62	Omaha, NE	MW	342,629	242,132	267,593	10.5	70,245	75,036	6.8
63	Orlando, FL	S	666,338	146,004	159,255	9.1	427,697	507,083	18.6
64	Philadelphia, PA	NE	2,024,026	587,085	580,895	-1.1	1,368,656	1,443,131	5.4
65	Phoenix, AZ	W	1,138,646	595,359	707,099	18.8	326,650	431,547	32.1
66	Pittsburgh, PA	NE	976,832	303,516	303,795	0.1	638,813	673,037	5.4
67	Portland, OR	W	780,886	294,576	341,247	15.8	374,018	439,639	17.5
68	Portland, ME	NE	129,151	51,502	52,823	2.6	68,296	76,328	11.8
69	Providence, RI	NE	357,693	98,789	95,504	-3.3	249,552	262,189	5.1
70	Raleigh, NC	S	495,375	149,480	171,895	15.0	265,039	323,480	22.0
71	Richmond, VA	S	429,155	181,462	151,492	-16.5	217,430	277,663	27.7
72	Riverside, CA	W	694,779	132,165	130,618	-1.2	511,938	564,161	10.2
73	Rochester, NY	NE	450,509	184,349	182,006	-1.3	253,477	268,503	5.9
74	Sacramento, CA	W	462,321	160,476	165,511	3.1	263,181	296,810	12.8
75	Salt Lake City, UT	W	537,698	206,142	202,712	-1.7	254,053	334,986	31.9
76	San Antonio, TX	S	536,418	397,103	452,737	14.0	82,632	83,681	1.3
77	San Diego, CA	W	874,076	487,564	513,083	5.2	329,499	360,993	9.6
78	San Francisco, CA	W	884,568	487,637	489,166	0.3	378,557	395,402	4.4
79	San Jose, CA	W	845,089	274,000	310,148	13.2	503,029	534,941	6.3
80	Seattle, WA	W	1,072,477	361,391	386,092	6.8	639,776	686,385	7.3
81	Shreveport, LA	S	144,761	87,621	95,977	9.5	39,692	48,784	22.9
82	Spokane, WA	W	153,967	91,716	98,693	7.6	49,418	55,274	11.9
83	St. Louis, MO	MW	1,143,196	264,694	270,937	2.4	805,360	872,259	8.3
84	Stockton, CA	W	132,449	64,601	68,079	5.4	59,334	64,370	8.5
85	Tacoma, WA	W	182,656	88,520	82,561	-6.7	86,424	100,095	15.8
86	Tampa, FL	S	892,869	308,298	332,147	7.7	484,423	560,722	15.8
87	Toledo, OH	MW	272,853	136,619	144,885	6.1	112,280	127,968	14.0
88	Tucson, AZ	W	253,420	172,130	188,038	9.2	52,169	65,382	25.3
89	Tulsa, OK	S	321,016	229,440	243,330	6.1	70,683	77,686	9.9
90	Washington, DC	S	1,900,513	516,345	494,133	-4.3	1,273,744	1,406,380	10.4
91	Wichita, KS	MW	235,000	178,782	187,295	4.8	45,912	47,705	3.9
92	Wilmington, DE	S	264,508	64,288	83,320	29.6	180,122	181,188	0.6

*Metropolitan Stastical Area (MSA), Primary Metropolitan Statistical Area, and New England County Metropolitan Area as defined by the U.S. Census Bureau.

See http://www.census.gov/population/www/estimates/about metro.html

Rapids (a 30.3 percentage point difference), and Des Moines (25.9 percentage points). Not all the cities losing jobs while their suburbs add them are in the so-called rust belt: Los Angeles and Miami, for example, both lost employment as their suburbs gained.

The cities that lost jobs as their suburbs gained them are evenly spread throughout the country—six each in the Northeast, South, and West, and five in the Midwest.

3. Central Cities Outpaced Suburbs In Job Growth

Nearly 20 percent (17) of the 92 largest central cities had positive employment growth rates that exceeded the growth rates in their suburbs, making them exceptions to the decentralization trends described above. (See Table 5)

Some unexpected cities appear in Table 5. Jersey City and Wilmington outpaced their suburbs in job growth by 33.6 percent and 29.2 percent—no other cities were that far ahead of their suburbs. Even Newark, long synonymous with urban decline, gained slightly more private sector jobs than its suburbs.

To be sure, not every city in this category was a surprise. Las Vegas' employment growth from 1993 to 1996 was 44.7 percent, a number that is very hard to match. Besides Las Vegas, six other Western cities, four Southern cities, four Northeastern cities, and two Midwestern cities had higher job growth rates than their suburbs.

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Table 3: Central Cities Gained Jobs, But Suburbs Gained Them Faster

Primary Central City MSA/PMSA/NECMA	Census Region	Employment Growth Rates 1993 to 1996		Percentage Point Difference (City - Suburb)
		Central City	Suburban	
Austin, TX	S	23.7	30	-6.3
Boise City, ID	W	21.5	22.8	-1.3
Phoenix, AZ	W	18.8	31.9	-13.1
Portland, OR	W	15.8	17.4	-1.5
Raleigh, NC	S	15.0	21.9	-6.9
Baton Rouge, LA	S	12.8	17.6	-4.9
Nashville-Davidson, TN	S	12.1	29.5	-17.4
Jacksonville, FL	S	11.0	16.3	-5.3
Oklahoma City, OK	S	10.6	12.9	-2.3
Charlotte, NC	S	10.0	16.2	-6.2
Montgomery, AL	S	10.0	16.9	-6.9
Atlanta, GA	S	9.8	20.0	-10.2
Shreveport, LA	S	9.6	22.5	-13.0
Tucson, AZ	W	9.2	25.3	-16.1
Orlando, FL	S	9.1	18.4	-9.2
Columbus, OH	MW	8.9	18.4	-9.5
Memphis, TN	S	8.6	23.4	-14.8
Lexington-Fayette, KY	S	8.2	17.1	-8.9
Lincoln, NE	MW	7.9	55.7	-47.8
Tampa, FL	S	7.8	15.6	-7.8
Spokane, WA	W	7.6	11.6	-4.0
Fort Worth, TX	S	7.1	27.3	-20.2
Knoxville, TN	S	6.8	15.4	-8.6
Seattle, WA	W	6.6	7.3	-0.7
Dallas, TX	S	6.3	22.5	-16.1
Toledo, OH	MW	6.0	13.8	-7.8
El Paso, TX	S	6.0	11.0	-5.1
Tulsa, OK	S	6.0	10.0	-4.0
Newport News, VA	S	5.9	10.2	-4.3
Birmingham, AL	S	5.8	10.2	-4.4
Madison, WI	MW	5.7	21.1	-15.4
Stockton, CA	W	5.4	8.3	-2.9
Akron, OH	MW	5.4	13.4	-8.0
Fort Wayne, IN	MW	5.3	11.7	-6.5
San Diego, CA	W	5.2	9.5	-4.4
Houston, TX	S	5.0	12.2	-7.2
Columbia, SC	S	4.8	20.2	-15.4
Indianapolis, IN	MW	4.7	16.9	-12.2
Oakland, CA	W	4.6	8.7	-4.2
Cleveland, OH	MW	4.5	8.4	-3.9
Kansas City, MO	MW	4.5	14.7	-10.3
Jackson, MS	S	3.4	18.6	-15.2
Sacramento, CA	W	3.1	12.6	-9.6
Portland, ME	NE	2.5	11.7	-9.1
St. Louis, MO	MW	2.3	8.3	-6.0
Louisville, KY	S	1.7	18.0	-16.3
Denver, CO	W	1.6	16.5	-14.9
Charleston, WV	S	1.3	13.4	-12.0
Minneapolis, MN	MW	0.6	16.0	-15.3
Chicago, IL	MW	0.4	9.0	-8.6
Detroit, MI	MW	0.4	11.3	-10.9
San Francisco, CA	W	0.3	4.4	-4.1

Total number of cities = 52

III. Cities and Market Share

The relationship between a city's employment growth and that of its suburbs can be expressed simply in terms of market share, which is the percentage of metropolitan area employment located within the municipal borders of central cities. If a city gained jobs but the suburbs gained them faster, or if a city was stagnant or declining in jobs while suburbs added them, then the city lost market share. Of the 92 cities examined in this brief, only the 17 that gained jobs faster than their suburbs increased their market share. Seventy-five central cities, or 82 percent of the total, suffered a decline in their share of jobs between 1993 and 1996.

This loss of market share, while affecting a substantial majority of cities, was not large—averaging 0.35 percent per year. The median market share of metropolitan area private sector employment for all 92 large central cities was 46 percent for 1996, and the average was 49 percent, compared to a median market share of 47 percent and an average share of 50 percent in 1993.

Table 6 lists the private employment metropolitan market shares of central cities, from those with the largest share to the smallest for 1996, and their change from 1993 to 1996. Most of the twenty central cities with the highest market shares are either located in the deep South or are west of the Mississippi River. An important exception is New York—the city of New York contains 86 percent of its Primary Metropolitan Statistical Area's (PMSA) employment. The metropolitan areas in the bottom twenty come from all four census regions. The central city with the largest share of metropolitan area employment is El Paso, with 96 percent, and the city with the smallest is Detroit, with 14 percent.[3]

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Table 4: Central Cities Lost Jobs While Suburbs Gained Them

Primary Central City MSA/PMSA/NECMA	Census Region	Employment Growth Rates 1993 to 1996 Central City	Suburban	Percentage Point Difference (City - Suburb)
Pittsburgh, PA	NE	-0.1	5.4	-5.5
Cincinnati, OH	MW	-0.6	12.3	-13.0
Mobile, AL	S	-1.1	21.8	-22.9
Riverside, CA	W	-1.2	10.1	-11.3
Philadelphia, PA	NE	-1.2	5.4	-6.6
Rochester, NY	NE	-1.2	5.9	-7.1
Salt Lake City, UT	W	-1.7	31.8	-33.5
Des Moines, IA	MW	-2.3	23.6	-25.9
Buffalo, NY	NE	-2.3	6.1	-8.4
New Orleans, LA	S	-2.5	10.7	-13.2
Modesto, CA	W	-2.5	3.9	-6.3
Dayton, OH	MW	-2.6	15.3	-17.8
Providence, RI	NE	-3.2	4.9	-8.1
Baltimore, MD	S	-3.6	10.0	-13.6
Miami, FL	S	-4.0	8.4	-12.3
Washington, DC	S	-4.2	10.1	-14.3
Los Angeles, CA	W	-4.2	2.0	-6.2
Milwaukee, WI	MW	-4.7	12.3	-17.1
Honolulu, HI	W	-5.0	4.2	-9.2
Tacoma, WA	W	-6.8	15.6	-22.4
Hartford, CT	NE	-7.3	1.3	-8.5
Grand Rapids, MI	MW	-7.9	22.3	-30.3
Richmond, VA	S	-16.5	27.6	-44.1

Total number of cities = 23

Table 5: Central Cities Outpaced Suburbs in Job Growth

Primary Central City MSA/PMSA/NECMA	Census Region	Employment Growth Rates 1993 to 1996 Central City	Suburban	Percentage Point Difference (City - Suburb)
Las Vegas, NV	W	44.7	19.6	25.0
Wilmington, DE	S	29.6	0.4	29.2
Colorado Springs, CO	W	21.4	6.8	14.7
Jersey City, NJ	NE	20.9	-12.7	33.6
Little Rock, AR	S	17.9	9.6	8.3
Albuquerque, NM	W	15.8	4.2	11.5
Greensboro, NC	S	14.0	8.2	5.9
San Antonio, TX	S	13.9	1.4	12.5
San Jose, CA	W	13.2	6.3	6.9
Bakersfield, CA	W	12.1	-1.3	13.4
Omaha, NE	MW	10.5	6.7	3.8
Anaheim, CA	W	9.0	2.5	6.5
Boston, MA	NE	7.9	6.5	1.4
Fresno, CA	W	7.3	-2.1	9.4
Newark, NJ	NE	5.7	2.7	2.9
Wichita, KS	MW	4.7	3.9	0.9
New York, NY	NE	2.6	1.5	1.1

Total number of cities = 17

(This market share figure is not a valid way to make comparisons between cities. Instead it is a way to evaluate how a city performs relative its suburbs. See note 3 for more explanation.)

IV. Implications

Four out of five major cities were not able to stage a "comeback" relative to their suburbs in one of the most exuberant periods of job growth in the post-war era. With a few exceptions, cities are losing ground even in good times. This should be a sobering realization for urban elected officials and other policymakers who care about strong cities. It means that they face an unexpected challenge, which is the challenge of continued prosperity. A handful of policymakers have warned that an economic downturn could be devastating for urban centers, but this brief suggests further employment expansion could also erode their competitive position vis a vis their suburbs.

Very few city officials can avoid this issue. As noted above, employment decentralization, which is essentially another term for a city's loss of market share, is not a rust belt or Northeastern problem. It is by and large a city problem, no matter where in the country that city happens to be located.

Table 3 makes it clear that decentralization also affects cities that are enjoying healthy job growth, and have reputations for being economic dynamos, like Austin (job growth of 23.7 percent), Phoenix (18.8 percent), and Portland, OR. (15.8 percent). These cities are obviously competitive enough to attract large numbers of new jobs, but are losing market share to their suburbs, as Table 6 demonstrates. At the same time, why are other cities, including some that have nearly identical or even slower rates

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Table 6: Central City Share of Metropolitan Private Employment Ranked by 1996 Central City Share of MSA Employment

	Primary Central City MSA/PMSA/NECMA	Census Region	Employment Share 1993	Employment Share 1996	1993-1996 Percentage Change
1	El Paso, TX	S	96.3	96.1	-0.2
2	Lincoln, NE	MW	93.7	91.1	-2.6
3	Colorado Springs, CO	W	88.5	89.8	1.2
4	New York, NY	NE	86.2	86.3	0.1
5	San Antonio, TX	S	82.8	84.4	1.6
6	Jacksonville, FL	S	84.5	83.8	-0.6
7	Montgomery, AL	S	83.3	82.4	-0.9
8	Albuquerque, NM	W	78.6	80.3	1.7
9	Wichita, KS	MW	79.6	79.7	0.1
10	Omaha, NE	MW	77.5	78.1	0.6
11	Honolulu, HI	W	77.6	75.9	-1.7
12	Tulsa, OK	S	76.4	75.8	-0.7
13	Austin, TX	S	76.3	75.4	-0.9
14	Tucson, AZ	W	76.7	74.2	-2.6
15	Memphis, TN	S	75.4	72.9	-2.4
16	Houston, TX	S	71.8	70.4	-1.4
17	Lexington-Fayette, KY	S	69.5	67.8	-1.7
18	Indianapolis, IN	MW	68.8	66.4	-2.4
19	Shreveport, LA	S	68.8	66.3	-2.4
20	Oklahoma City, OK	S	66.3	65.9	-0.5
21	Madison, WI	MW	67.5	64.4	-3.1
22	Jackson, MS	S	67.5	64.4	-3.1
23	Nashville-Davidson, TN	S	67.5	64.2	-3.2
24	Spokane, WA	W	65.0	64.1	-1.0
25	Boise City, ID	W	64.2	64.0	-0.3
26	Fresno, CA	W	61.8	63.9	2.1
27	Fort Worth, TX	S	66.4	62.4	-4.0
28	Phoenix, AZ	W	64.6	62.1	-2.4
29	Baton Rouge, LA	S	62.4	61.4	-1.0
30	Little Rock, AR	S	59.4	61.1	1.8
31	Newport News, VA	S	61.8	60.9	-0.9
32	Mobile, AL	S	64.5	59.6	-4.9
33	San Diego, CA	W	59.7	58.7	-1.0
34	Des Moines, IA	MW	61.9	56.3	-5.7
35	San Francisco, CA	W	56.3	55.3	-1.0
36	Fort Wayne, IN	MW	55.3	53.8	-1.5
37	Columbus, OH	MW	55.4	53.3	-2.1
38	Toledo, OH	MW	54.9	53.1	-1.8
39	Modesto, CA	W	53.8	52.3	-1.6
40	Charlotte, NC	S	53.6	52.2	-1.4
41	Charleston, WV	S	54.9	52.1	-2.8
42	Stockton, CA	W	52.1	51.4	-0.7
43	Bakersfield, CA	W	48.1	51.3	3.2
44	Dallas, TX	S	51.5	47.9	-3.5
45	Knoxville, TN	S	49.3	47.4	-1.9
46	Columbia, SC	S	50.3	46.9	-3.4
47	Birmingham, AL	S	46.9	45.9	-1.0
48	Tacoma, WA	W	50.6	45.2	-5.4
49	Kansas City, MO	MW	47.4	45.1	-2.3
50	Portland, OR	W	44.0	43.7	-0.3
51	Louisville, KY	S	45.5	41.8	-3.6
52	Los Angeles, CA	W	43.3	41.8	-1.5
53	Portland, ME	NE	43.0	40.9	-2.1
54	Denver, CO	W	44.2	40.8	-3.3
55	Rochester, NY	NE	42.1	40.4	-1.7
56	New Orleans, LA	S	42.8	39.7	-3.1

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of growth—Colorado Springs (21.4 percent), Little Rock (17.9 percent), Boston (7.9 percent)—gaining market share of employment? (See Tables 5 and 6.)

The critical task ahead is understanding what cities can do to be more competitive and reverse or resist job decentralization. What policy lessons can cities that are gaining jobs teach those that are losing them? Are local policies the most important, or do state and federal programs also play a decisive role? Does the gradual loss of market share foreshadow eventual decline for thriving cities, or have the rules changed somehow, so that a metropolitan area can have both decentralization and a strong, competitive central city? Now that we have a clearer understanding of employment trends, we can begin to find the answers to these questions.

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Table 6: (continued) **Central City Share of Metropolitan Private Employment Ranked by 1996 Central City Share of MSA Employment**

	Primary Central City MSA/PMSA/NECMA	Census Region	Employment Share 1993	Employment Share 1996	1993-1996 Percentage Change
57	Jersey City, NJ	NE	30.7	38.0	7.3
58	Salt Lake City, UT	W	44.8	37.7	-7.1
59	Akron, OH	MW	39.1	37.4	-1.7
60	Tampa, FL	S	38.9	37.2	-1.6
61	Milwaukee, WI	MW	40.9	36.9	-3.9
62	San Jose, CA	W	35.3	36.7	1.4
63	Seattle, WA	W	36.1	36.0	-0.1
64	Sacramento, CA	W	37.9	35.8	-2.1
65	Richmond, VA	S	45.5	35.3	-10.2
66	Cincinnati, OH	MW	37.7	34.9	-2.8
67	Raleigh, NC	S	36.0	34.7	-1.3
68	Buffalo, NY	NE	34.6	32.8	-1.8
69	Las Vegas, NV	W	28.5	32.5	4.0
70	Chicago, IL	MW	34.2	32.4	-1.8
71	Minneapolis, MN	MW	34.8	31.6	-3.1
72	Wilmington, DE	S	26.3	31.5	5.2
73	Pittsburgh, PA	NE	32.2	31.1	-1.2
74	Baltimore, MD	S	33.3	30.4	-2.9
75	Philadelphia, PA	NE	30.0	28.7	-1.3
76	Cleveland, OH	MW	29.1	28.4	-0.8
77	Greensboro, NC	S	26.0	27.0	1.0
78	Providence, RI	NE	28.4	26.7	-1.6
79	Grand Rapids, MI	MW	32.7	26.7	-5.9
80	Washington, DC	S	28.8	26.0	-2.8
81	Dayton, OH	MW	29.0	25.6	-3.3
82	Boston, MA	NE	23.7	23.9	0.2
83	Orlando, FL	S	25.4	23.9	-1.5
84	St. Louis, MO	MW	24.7	23.7	-1.0
85	Miami, FL	S	25.6	23.4	-2.2
86	Anaheim, CA	W	22.3	23.4	1.1
87	Hartford, CT	NE	22.2	20.7	-1.5
88	Atlanta, GA	S	21.6	20.2	-1.5
89	Riverside, CA	W	20.5	18.8	-1.7
90	Oakland, CA	W	18.0	17.4	-0.6
91	Newark, NJ	NE	15.9	16.2	0.4
92	Detroit, MI	MW	15.6	14.3	-1.3

Endnotes:

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The authors thank Bruce Katz, Amy Liu, and Dao Nguyen for their help, advice, encouragement, and above all patience. They also thank Kurt G. Usowski, who answered many of their questions about the SOCDS.

2 See the Brookings Center on Urban and Metropolitan Policy website (www.brookings.edu/urban) for the appendix, which gives more detail on the way the authors constructed the data and the source of the data.

3 The measure of market share presented here is used only to show how cities compare with their suburbs, and not how cities compare with each other. Cities have greatly different land areas, for example, and decentralization in a large city like Fort Worth is different from decentralization in a physically smaller city like Cleveland. Also, cities have different population bases, meaning that the number of jobs needed to serve their resident populations vary, and this has an impact on comparative competitiveness.

Appendix

A Note on the Data

The data for this analysis were obtained from the Department of Housing and Urban Development's State of the Cities Data Systems (SOCDS).[1] The SOCDS contains employment information on the largest 100 central cities in the United States, out of approximately 400 municipalities that have been designated central cities by the U.S. Bureau of the Census, and their related metropolitan areas from 1993 to 1996. In the 14 states that did not have a central city among the largest 100, the state's largest central city and its metropolitan area were included. We made several alterations to the dataset to improve our ability to interpret the results of the analysis. Twenty central cities were analyzed as part of 9 central city groups for those metropolitan areas that had more than one dominant central city (for example: Arlington-Fort Worth, Los Angeles-Long Beach, and Minneapolis-St. Paul).[2] (see Appendix Table 1) Three metropolitan areas and their central cities were excluded due to missing data.[3] We excluded another six metropolitan areas because the number of people employed in 1996 was less than 100,000.[4] After performing these exclusions and combinations we analyzed data for 92 metropolitan areas in the SOCDS.

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[1] Data were downloaded from: http://webprod.aspensys.com/socds and are for Metropolitan Statistical Areas (MSA), Primary Metropolitan Statistical Areas (PMSA), and New England Consolidated Metropolitan Areas (NECMA). Consolidated Metropolitan Statistical Areas (CMSAs) are not included. Some of the NECMAs, especially Boston, are closer to Consolidated Metropolitan Statistical Areas (CMSA) than to a MSA or PMSA, so that they are not directly comparable to the other places in the SOCDS.

[2] While many metropolitan areas have up to three central cities in them, the SOCDS only contains the central cities that meet its criteria. Those central cities that do not meet these criteria are considered to be in the "suburban" portion of the MSA. For example, the dataset contains both Washington, D.C. and Alexandria, VA because they are both among the nation's 100 largest central cities. This allowed us to combine them to become the statistical central city of the region. The more typical case is that of the Cleveland Primary Metropolitan Statistical Area (PMSA). The Cleveland PMSA contains three central cities: Cleveland, Lorain, and Elyria. The last two municipalities are not included in this portion of the SOCDS because they are not among the 100 largest central cities in the United States. Therefore, their employment numbers are lumped in with the non-central city data for Cleveland's PMSA. For more on the definition of central cities see Dahmann and Fitzsimmons (1995), Hill, Brennan, and Wolman (1998), and Ottensmann (1996).

[3] We were unable to include Corpus Christi, Texas, Anchorage, Alaska, and Columbus, Georgia due to missing 1993 employment data.

[4] The inclusion of the 14 central cities that are not among the 100 largest in the United States makes it difficult to say what the data represent in terms of being a sample or universe. It would make more analytical sense to include the central cities of all metropolitan areas, or all metropolitan areas above a specific employment size. While any cut-off point is arbitrary, we

Appendix Table 1

Cites with Merged Employment Data and their Respective Metropolitan Areas

Cities with Merged Data	**Metro Area**
Boston city-Worcester city-Manchester city	Boston-Worcester-Lawrence-Lowell-Brockton, MA-NH NECMA
Fort Worth city-Arlington city	Fort Worth-Arlington, TX PMSA
Los Angeles city-Long Beach city	Los Angeles-Long Beach, CA PMSA
Minneapolis city-St. Paul city	Minneapolis-St. Paul, MN-WI MSA
Newport News city-Norfolk city-Virginia Beach city	Norfolk-Virginia Beach-Newport News, VA-NC MSA
Anaheim city-Santa Ana city	Anaheim (Orange County), CA PMSA
Phoenix city-Mesa city	Phoenix-Mesa, AZ MSA
Riverside city-San Bernardino city	Riverside-San Bernardino, CA PMSA
Tampa city-St. Petersburg city	Tampa-St. Petersburg-Clearwater, FL MSA
Washington city-Arlington CDP	Washington, DC-MD-VA-WV PMSA

The employment data in the SOCDS are from a special extract of the Standard Statistical Establishment List (SSEL) provided by the Bureau of the Census to the U.S. Department of Housing and Urban Development. The data begin in 1993 and conclude in 1996. (These are the same data used in the County Business Patterns publications of the U.S. Department of Commerce.) Employment is defined as the number of full and part-time workers whose employers pay Social Security taxes on earnings. The data are recorded by place of work. The data do have a major limitation however. They exclude employment in units of government that do not pay Social Security taxes. This is a limitation to this analysis because public employment is often exempt from social security tax payments and is disproportionately located in central cities and a number of the central cities in this data set are state capitols and the headquarters of federal districts. From 1993 to 1996 total state and local government employment increased by 4.0%; local government employment increased by 4.5% and state government employment by

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choose 100,000 because metropolitan areas with smaller employment bases play substantially different economic roles than those played by larger places.

2.9%.[5] These figures compare to an overall increase in employment in the United States of 10.1%. Unfortunately, we do not know how this gap in the data biases our results.[6]

[5] These data are from the Bureau of Economic Analysis, Regional Economic Information Service (REIS) and can be found at http://www.fisher.lib.virginia.edu/reis

[6] ES-202 data would be a superior source of data. These are state-maintained data that are derived from unemployment compensation tax filings and are more complete in coverage than are the County Business Patterns data. The national repository is the Bureau of Labor Statistics but a special extract is not available.

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