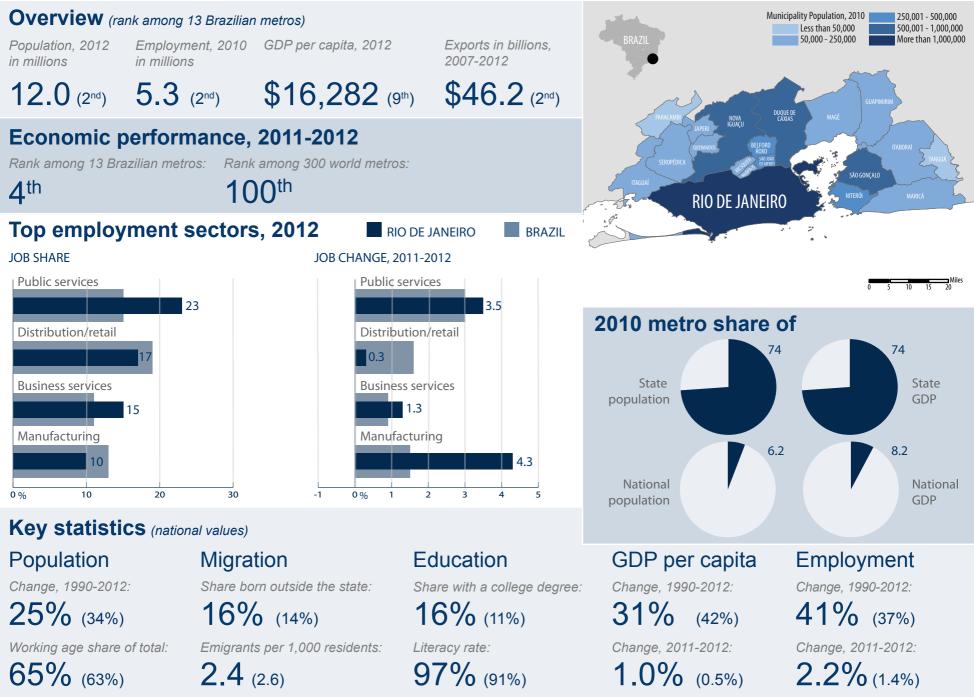
Rio de Janeiro metropolitan area profile

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OVERVIEW

Situated on the southeastern coast where Guanabara Bay meets the Atlantic Ocean, Rio de Janeiro is an important port and the second largest metropolitan area in Brazil. Nicknamed the "marvelous city," it is the cultural capital of Brazil (and was the national capital until 1960), its largest tourist destination, and a global icon. A center of commerce, finance, and manufacturing, its role as upcoming host to both the 2014 World Cup and the 2016 summer Olympics ensures that Rio will remain in the international spotlight.

POPULATION

The capital of Rio de Janeiro state (the third most populous state in Brazil), metropolitan Rio accounts for three-quarters of the state's population. Its 11.9 million inhabitants, just over half of whom reside in the city proper, place it between the U.S. metro areas of Chicago and Los Angeles in size. Fourteen (14) percent of metro Rio's population lives in *favelas* (irregular settlements), the fifth highest share among the 13 large metropolitan areas.

Rio de Janeiro was the capital of Brazil until 1960, when Brasília—the new, planned city closer to the center of the country—was designated as the national capital. After that, Rio's prominence as a destination for domestic migrants dipped and by 1990, growth had begun to taper off. By the late 1990s, however, development to the west of the city had expanded, supporting 13 percent population growth over the 1990 to 2000 period. In the 2000s, Rio continued to grow but at a slower pace: 10 percent, ranking behind every other major metro area except Porto Alegre.

Metro Rio has a somewhat older population than Brazil generally. One-quarter (26 percent) of Cariocas (residents of

Rio) are children compared to 30 percent nationally, while 9 percent of the local population is over age 65 compared to 7 percent nationally. Only Baixada Santista has a senior population share to match Rio's.

Rio de Janeiro's population is relatively well educated. It ranks fourth among large metro areas for its share of residents age 25 and above who have completed tertiary education (16 percent) and third for its literacy rate (97 percent).

Rio is a destination for migrants, both domestic and foreign. Sixteen (16) percent of metro Rio residents were born in another state, and Rio ranks third among large metro areas for the share of its population born abroad (0.7 percent). More than half of these immigrants are from Portugal, with Italy and Spain each accounting for an additional 6 percent. The 2010 census counted about 28,000 people who "resided" in Rio de Janeiro but who were currently living in another country, ranking it 11th for the proportion of its residents who have emigrated, about 2.4 per 1,000. The United States is the destination of choice for 30 percent of them, followed by Portugal (9 percent) and Italy (7 percent).

ECONOMY

One of the largest employment centers in Brazil, Rio's 5.3 million workers rank second only to São Paulo, accounting for more than 6 percent of nationwide employment. Rio ranks last among profiled metros for long-term employment growth (41 percent from 1990 to 2012), but still above the national growth rate of 37 percent. Recent growth (2.2 percent over the last year) is more impressive, ranking third among profiled metros. In addition, a combination of recent offshore pre-salt oil discoveries, the 2014 World Cup, and 2016 Olympics have brought a significant amount of foreign investment to Rio. Rio de Janeiro is also the nation's second city by GDP. Rio's \$195 billion GDP accounts for three-quarters of the state's GDP. Its long- and short-term GDP growth rates rank 12th and seventh, respectively, among major Brazilian metro areas. Rio de Janeiro's GDP per capita of \$16,282 ranks just ninth, and has grown sluggishly over the long term (13th from 1990 to 2012), but somewhat faster in the past year (third overall).

Industry sector shares in Rio de Janeiro reflect compositions similar to other larger Brazilian metropolitan economies. Public services is the largest sector (23 percent), followed by distribution and retail (17 percent) and business services (15 percent). Based on 2012 Gross Value Added (GVA), mining is the metro's industry specialization. Despite slow growth since 1990 (eight of 13 sectors are ranked 11th, 12th, or 13th nationally; declines occurred in manufacturing and agriculture), last year Rio saw significant growth in mining and manufacturing. Major metropolitan employers include Petrobras (energy), BR Distribuidora, Shell, and Ipiranga (fuel), Telemar (telecommunications), and Vale do Rio Doce (mining).

Rio de Janeiro is the second largest merchandise exporter in Brazil, with the highest share of its \$46 billion in goods exports from 2007 to 2012 going to the United States (17 percent). Top exports include mineral fuels and oils (34 percent), ores, slag, and ash (14 percent), and iron and steel (12 percent), and exports to the United States are even more concentrated in these commodities.