



NEWS The United States Conference of Mayors

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In Election Year, The U.S. Conference of Mayors' Metro Economies Report Underscores U.S. Metros As Drivers of Nation's Economy

Washington, D.C. – Today, the U.S. Conference of Mayors issued their sixth annual metro economies report demonstrating that the nation's 318 metro areas are indeed the engines that drive the American economy and significantly contribute to the country's total economic output in 2003.

Authored by Global Insight, Inc., the report showed that U.S. metros in 2003 accounted for 85.4% of the nation's Gross Domestic Product (GDP) and 88.6% of the labor income.

In 2003, the output from the ten largest metro areas (\$2.7 trillion) was greater than the combined gross state product of the 31 smallest states (\$2.6 trillion). In 30 states alone, the combined metro economies contribute 75% or more of the state's total economic output. In nine of the largest states, metro economy account for more than 90% of the total gross state product.

Further, U.S. metros are forecast to play an increasingly important role in the nation's growth in the coming years. In fact, by 2029, 87% of the U.S. gross domestic product -- approximately \$39.5 trillion -- will be derived from the nation's metro areas. The top twenty metros in the nation accounted for 36% of national output in 2003 and 42% of total gross metropolitan product (GMP*) output. Real GMP growth for 2004 is forecast to be 4.6% for the top 20 metros, and 3.7% in 2005.

The report also includes 2003 and 2004 employment growth figures, revealing that as of August 2004, the nation still had lost over 1 million jobs since its peak employment level in March 2001.

"In the current economic climate, job growth is a very real concern for mayors that we all watch very closely," said Detroit Mayor Kwame Kilpatrick, Chair of the Conference of Mayors Council for Investment in the New American City, who releases the report. "As the engines of the economy, we rely on our metro areas to lead our country into long-term growth."

In 2003, a total of 109 million workers were employed in metro areas, amounting to 84% of total national employment. Through 2005, 90% of the nation's job growth will occur within metro areas.

Among the top twenty metros, 13 saw zero or negative job growth in 2003, compared to only 4 metros in 2004. Eight of the top 20 metros are expected to see job growth of greater than 1% in 2004 with sunbelt metros of San Diego, Phoenix, Dallas and Atlanta leading the way.

The report also highlights how U.S. metro areas compete internationally in the global market place with nations. Of the world's 100 largest economies 47 are U.S. metro areas.

“Contrary to popular belief, it's not the economy of the 50 states that drives this nation. It's the 318 metro economies - made up of cities - that are the strength of this nation,” added Tom Cochran, Executive Director of the U.S. Conference of Mayors.

The complete report is available online at www.usmayors.org

[*Gross Metropolitan Product (GMP) is a measure of the total value of goods and services produced in a metro area.]

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The U.S. Conference of Mayors is the official nonpartisan organization of cities with populations of 30,000 or more. There are more than 1,100 such cities in the country today. Each city is represented in the Conference by its chief elected official, the mayor.

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