

Texas cities among top in recovery

By David Hendricks - Express-News

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Four Texas metropolitan areas — Austin, Dallas, San Antonio and Houston — dominate the top 15 U.S. cities in a global study to determine the level of recovery from the recession.

The report from the Brookings Institution Metropolitan Policy Program ranks 150 cities: 50 in the United States, 50 in Europe and 50 in the rest of the world. Austin was the highest-ranked U.S. city and No. 26 in the world. Dallas ranks as the No. 4 U.S. city and No. 39 in the world.

San Antonio ranks No. 11 in the U.S. and No. 51 in the world. Houston is No. 15 in the U.S. and No. 61 in the world, according to the report, Global MetroMonitor, which received assistance from the [London School of Economics and Political Science](#).

San Antonio, Houston and Dallas rose in global rankings during the past two years from their pre-recession rankings. Austin stayed about the same, ranking No. 25 among the 150 metros before the recession.

The report found that income and job growth in metropolitan areas exceed those of their nations as a whole, which means large cities are leading the global recovery from the 2007-09 recession.

The cities recovering the fastest are outside the U.S. Twenty-nine of the 30 best-recovering cities are outside the U.S., with only Austin making that group.

Metros in Asia, Latin America and the Middle East are making the strongest recoveries. The top five metros, in order, are Istanbul; Shenzhen, China; Lima, Peru; Singapore and Shanghai.

The findings indicate the increased mobility of companies to lost-cost and low-income areas of the world, said [Keith Phillips](#), Federal Reserve senior economist in San Antonio.

The report measures incomes and employment back to 1993 and ranks metros in three time periods: pre-recession (1993-2007), recession (2007-09) and recovery (2009-2010).

San Antonio was ranked No. 78 in the world pre-recession, with 1.8 percent annual employment growth and 2.1 percent annual income growth. The city rose to No. 32 during the recession — making it the highest-ranked city in the U.S. then — with 0.2 percent employment growth and a 1.7 percent drop in total income.

The No. 51 ranking during the recovery came from a 0.2 percent increase in job growth and a 3.5 percent increase in income growth.

“We're very stable,” Phillips said of San Antonio. “We're less prone to swings.”

San Antonio's industry mix of health care, military and tourism that is not a “fly-to” destination makes the city resistant to large economic swings, Phillips said. “The data prove that, and it feels like that here,” he said.

San Antonio also possesses a low cost of living and doing business, making companies here less likely to reduce staff during economic downturns, Phillips said.

Just as low-wage and low-business-cost areas did well around the world, Texas dominated the U.S. metropolitan rankings for the same reasons, Phillips said.

Companies can move to Texas from high-cost areas of the U.S. and pay lower wages. But real wages, after housing and food, are higher for Texas workers than in high-cost U.S. metros, Phillips explained.

Ranking metro areas

A look at how Texas metro areas fared in a ranking of 150 metropolitan areas worldwide, based on employment and income growth.



	PRE-RECESSION (1993-2007)	RECESSION (2007-2009)	RECOVERY (2009-2010)
Austin	25	40	26
Dallas	71	75	39
SAN ANTONIO	78	32	51
Houston	91	84	61

Source: Brookings Institution

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Courtesy of JB Goodwin