

From the Austin Business Journal:

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Rare company: Austin one of few U.S. metros with 'inclusive' growth, report says

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Austin is one of only four U.S. cities that is achieving "inclusive economic growth" across racial and class lines, according to a report from the Brookings Institution.

Brookings's Metro Monitor report, released April 27, tracks how the 100 largest U.S. metro economies are growing, their relative prosperity (measured by productivity and standard of living), and their relative inclusivity (measured by how cities have "narrowed economic disparities.")

All 100 metros added jobs and increased economic output between 2010 and 2015, according to the report. Of those, 63 grew their economies through job growth at young firms while another 30 saw economic growth through prosperity, with increases in average wages and improvements to the standard of living.

But economic growth in those cities was not equitably distributed, according to the report:

"Few of these places achieved *inclusive* growth. Measured one way — by improving the employment rate, median earnings, and relative poverty — only 11 of the 30 metro areas achieved inclusive economic outcomes: Albany, Austin, Charleston, Columbus, Dayton, Denver, Oklahoma City, Omaha, San Antonio, Tulsa, and Worcester. Similarly, only eight of those 30 metro areas managed to improve inclusive economic outcomes for both whites *and* people of color: Albany, Austin, Charleston, Denver, Des Moines, Houston, Milwaukee, and San Francisco. The upshot, however, is that from 2010 to 2015, four of the nation's 100 largest metro areas (Albany, Austin, Charleston, Denver) achieved growth, prosperity, and inclusion that benefited a majority of workers of all races and ethnicities."

Austin Business Journal recently published an in-depth analysis showing how three neighborhoods in the city are among the most economically and racially inclusive in the region.

The Brookings report found similarities among the four cities that were able to achieve the "inclusive" economic growth that met the criteria when measuring employment rates, median earnings and relative poverty. Those traits included the addition of both high-skill and high-pay jobs alongside expansion in lower-paying jobs that require less skills within advanced industries such as professional services and manufacturing. Further, they also featured strong job growth in



NICK SIMONITE

Cities with "inclusive" economic growth, including Austin, expanded job opportunities for high- and low-skilled workers, according to a report from the Brookings Institution.

hospitality and retail sectors that provide job opportunities for low-skilled workers.

"These patterns indicate a 'high-road' economic development strategy that prioritizes both high-skilled, innovative sectors like technology and middle-skill traded sectors like manufacturing and logistics can facilitate inclusive growth," reads the report. "This balance may not be easy, as the number of places that accomplished it suggests. But the strategy also takes patience."

Michael Theis

Staff Writer

Austin Business Journal

