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New Study Shows Metro Areas are Economic Engine for State Economy
Tennessee's Ten Metro Areas Account for More than 70% of State Residents, Jobs, GDP and State Revenue

In a first-ever analysis of the role of ten metropolitan areas in the state economy, a study by the Chattanooga-based Ochs Center for Metropolitan Studies finds that metropolitan areas account for more than 70% of population, jobs, human capital and State tax revenue.

Highlights of the study include:

- Nearly three quarters (73.3%) of Tennesseans now reside in metropolitan areas and 58.2% live in the four largest metropolitan areas. Nearly half of all rural residents (47%) live in one of the ten metropolitan areas.
- More than eighty percent of net population growth in the state between 2000 and 2008 occurred in metropolitan areas. The Nashville MSA – where population was up by more than eighteen percent – accounted for nearly half of the state's net population gain.
- Tennessee's ten metropolitan areas – home to 71.4% of all business establishments in the state – account for 92.5% of the State GDP.
- 79% of jobs in the state were in the ten metropolitan areas. Between 2000 and 2008, the number of jobs increased statewide by 54,520. In the ten metropolitan areas, there was a net increase of 119,409; the rest of the state lost more than 65,000 jobs.
- The ten metropolitan areas account for 82% of aggregate wages in the state and more than 90% of the growth in wages statewide since 2000.
- The state's ten metropolitan areas are home to more than 85% of state residents with a college degree. The Nashville MSA is home to one-quarter of all residents in the state, but 31.6% of all college educated adults.
- The ten metropolitan areas are home to 49 out of the 58 institutions of higher education that grant baccalaureate, graduate or professional degrees. Colleges and universities in metropolitan areas account for 84.4% of statewide undergraduate enrollment and 86.5% of enrollment in graduate or professional schools.

- The ten metropolitan areas that drive the State economy also produce 77.8% of all tax revenue collected by the State inside of Tennessee. Per capita state revenue is 27.9% higher in metropolitan than in non-metropolitan areas.

Memphis Mayor A.C. Wharton Jr. said that "this study confirms what I have long believed: that our cities and metro areas are going to play an increasingly significant role in shaping the economic destiny of our region. Urbanization is not merely a statewide trend - it is a national trend. These findings sharply underscore the need to make sure that Memphis is positioned to be as competitive as possible in all of these economic drivers: college attainment, workforce development, talent retention, and small business growth."

Nashville Mayor Karl Dean noted that, "the study highlights how metropolitan areas cut across urban, suburban and rural areas. By working together, we can ensure the strength of metropolitan areas and the long term prosperity of all state residents."

Ochs Center President and CEO David Eichenthal explained that the report was done in response to concerns expressed by elected, business and civic leaders from metropolitan areas across Tennessee. Eichenthal said that, "over the last year, the Ochs Center held meetings with leaders from fifty leaders from the Bristol-Kingsport, Chattanooga, Johnson City, Knoxville, Memphis, Morristown and Nashville MSAs. As a result of those meetings, it became clear that the state's metro areas had more in common than what set them apart. Yet, too often, metropolitan areas were not recognized for the degree to which they drive the state economy."

Eichenthal, who is also a Nonresident Senior Fellow at the Brookings Institution Metropolitan Policy Program, cited Brookings' Blueprint for American Prosperity initiative as a model for how research on the role of metropolitan areas can drive new policies that build on metropolitan assets.

Brookings Metropolitan Policy Program Deputy Director Amy Liu said that, "***Metropolitan Tennessee*** comes at an optimal moment. With strained state and local budgets grappling to grow jobs while boosting opportunities for workers and families, it is best to target existing taxpayer funds in ways that leverage market activity and enhances the economic assets of the state, which are highly concentrated in our metropolitan job centers. State leaders should heed this report's findings."

Ralph Schulz, president and CEO of the Nashville Area Chamber of Commerce, cited the report as "evidence of the important role of metropolitan areas in the state economy. It makes clear that what is good for Nashville or Knoxville or Cleveland is not only good for Tennessee, it is essential to our competitiveness."

Tennessee's ten metropolitan areas include thirty eight counties in the state:

- Bristol-Kingsport: Hawkins and Sullivan Counties
- Chattanooga: Hamilton, Marion and Sequatchie Counties
- Clarksville: Montgomery and Stewart Counties
- Cleveland: Bradley and Polk Counties

- Jackson: Chester and Madison Counties
- Johnson City: Carter, Unicoi and Washington Counties
- Knoxville: Anderson, Blount, Knox, Loudon and Union Counties
- Memphis: Fayette, Shelby and Tipton Counties
- Morristown: Grainger, Hamblen and Jefferson Counties
- Nashville: Cannon, Cheatham, Davidson, Dickson, Hickman, Macon, Robertson, Rutherford, Smith, Sumner, Trousdale, Williamson and Wilson Counties

A copy of the report and fact sheets for the ten metropolitan areas are attached.

About the Ochs Center

The Ochs Center conducts independent data analysis and policy research to improve the quality of life in the Chattanooga region. It provides a full array of research and data analysis services for local non-profit organizations and local government.

The Ochs Center's core product is the [State of Chattanooga Region Report](#). Funded by local foundations and released for the first time in 2006, the *State of Chattanooga Region Report* offers a comprehensive look at conditions in Hamilton County in the areas of health, public safety, the local economy, education and community development. In addition to its efforts in the Chattanooga region, the Ochs Center has also worked at the regional, state and national level with support from the Brookings Institution, the Annie E. Casey Foundation, the Robert Wood Johnson Foundation and the Alfred P. Sloan Foundation.

More information on the Ochs Center is available at www.ochscenter.org.

Brookings Institution Blueprint for American Prosperity

The Blueprint for American Prosperity is a multi-year initiative to promote an economic agenda for the nation that builds on the assets and centrality of American's metropolitan areas.

Grounded in empirical research and analysis, the Blueprint offers an integrated policy agenda and specific federal reforms designed to give metropolitan areas the tools they need to generate economically productive growth, to build a strong and diverse middle class, and to grow in environmentally sustainable ways.

More information is available at www.blueprintprosperity.org.