

Regions and Cities: Where Policies and People Meet

Third Ministerial Meeting of the Territorial Development Policy Committee



OECD Regions at a Glance 2013 - United States Profile

http://rag.oecd.org

Did you know?

The United States had the largest regional disparities in GDP per capita in OECD countries.

US states and local governments spent 54% of their budget on education and health in 2011, compared to the OECD's 45% average.

200

180

160

120

100

80

2000

The share of GDP, population and employment in metropolitan areas was OECD countries.

Regional dynamics

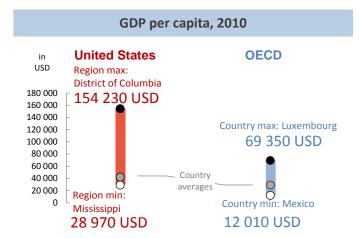


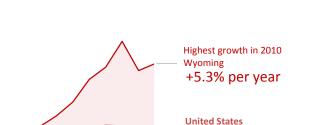
OFCD

Michigan

Lowest growth in 2010

-1.4% per year





GDP growth (year 2000=100)

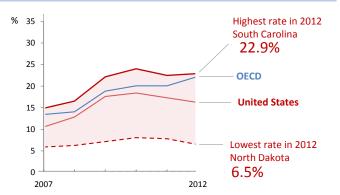
The United States had the largest regional disparities in GDP per capita in OECD countries in 2010. In the past decade regional growth was as diverse as +5.3% annually in Wyoming and -1.4% in Michigan.

Unemployment rate, 2012

United States OECD Country max: Spain 30 25% 25 Region max: Nevada 20 11% 15 10 Country averages 5 0 0 Region min: Country min: Norway North Dakota 3.1% 3.3%

Youth unemployment rate, 15-24 years old, 2007-12

2005



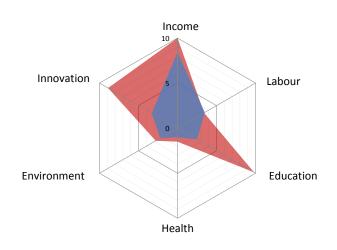
In recent years, the unemployment rate has soared in some states such as Nevada (11%) and the youth unemployment rate has reached 23% in South Carolina.

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Regional dynamics



How do the richest and poorest regions fare on social and environmental dimensions?



Highest GDP per capita region:

District of Columbia



Lowest GDP per capita region:

Mississippi



How to read the graph: For each dimension, regions have been assigned values from 0 to 10 based on their rank among all OECD regions and on the latest available data: 10 is the best performance and 0 is the lowest. The OECD median region is equal to 5. The more the radar graph is covered, the better the performance of the region among OECD regions.

Compared to the other OECD regions, District of Columbia ranks at the top of the distribution for education and income, above the OECD median region for innovation, and below for labour, environment and health. Mississippi, the American state with the lowest GDP per capita, fares better than the OECD median region for income, but below for the other dimensions.

| Dimensions | Indicators | District of Columbia | Mississippi | United States | OECD average |
|-------------|---|----------------------|-------------|------------------|--------------|
| Income | Household income per capita, 2010 (USD PPP per capita) | 56 359 | 24 410 | 30 182 | 18 775 |
| Labour | Unemployment rate, 2012 (%) | 9.1 | 8.9 | 8.1 | 8.1 |
| Education | Share of work force with tertiary education, 2012 (%) | 52.8 | 19.5 | 28.6 | 28.4 |
| Health | Life expectancy, 2007 (years) | 75.6 | 74.8 | 78.7 | 79.8 |
| Environment | CO ₂ per capita, 2008 (tonnes per person) | 12.7 | 15.0 | 17.8 | 10.7 |
| Innovation | No. of patents per million people, 2010 | 201.3 | 18.7 | 132.4 | 108.8 |

Source: OECD Regional database. Household disposable income per capita data are based on USD constant PPP, constant prices (year 2005).

Note: OECD regions refer to the first administrative tier of sub-national government; the United States are composed by 51 regions (States).

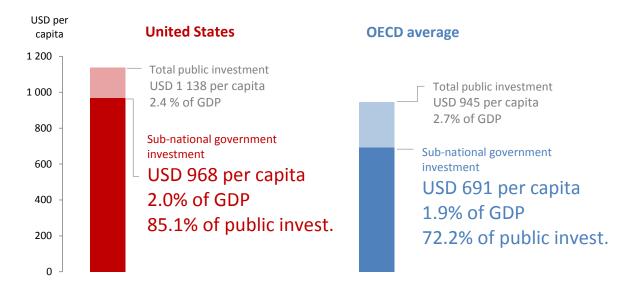
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Sub-national government finance



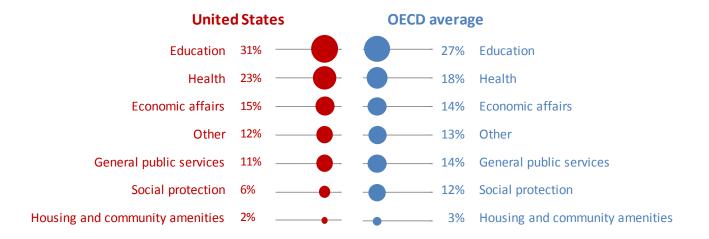
Sub-national governments have a key role in public investment

Sub-national government public investment per capita, 2011



In the United States **85%** of the **total public investment** was carried out by sub-national governments (SNG) compared to **72%** in the **OECD area**. SNG investment has decreased in the United States from **USD 1 085 per capita** in 2007 to **USD 970 per capita** in 2011.

Sub-national government expenditure by function, 2011 As a share of total SNG expenditure



Sub-national expenditure per capita: USD 9 232 USD 6 173

Sub-national government expenditure accounts for **46%** of the **total public expenditure** and **19%** of **GDP** in the United States, compared to 40% and 17% respectively, in the OECD area. It corresponds to **USD 9 232 per capita** and USD 6 173 in the OECD area. Education and health are the two largest spending items for SNGs in the United States: together they represent **54%** of sub-national expenditure compared to **45%** in the **OECD area**.

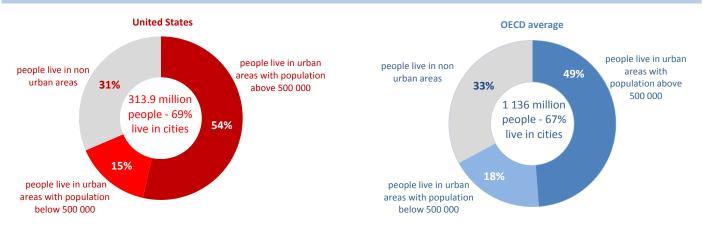
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Metropolitan areas in the national economy



OECD population is increasingly concentrated in cities, 2012

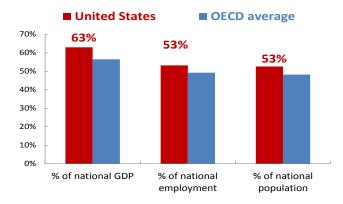
Percentage of population in cities of different sizes and in non-urban areas



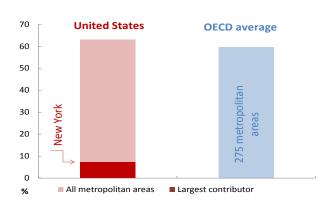
Source: OECD Metropolitan areas database. Number of urban areas internationally comparable according to OECD definition: 262 in the United States and 1.179 in the OECD.

In the United States, **68%** of the population lives in **cities of different sizes**: the share of population in metropolitan areas (urban areas with more than 500 000 people) is **53%** compared to 49% in the OECD area.

Concentration in metropolitan areas, 2010



Metropolitan areas' contribution to national GDP growth, 2000-10



Source: OECD Metropolitan areas database. Number of metropolitan areas (urban areas with a population of over 500 000): 70 in the United States compared to 275 in the OECD.

Metropolitan areas in the United States concentrate **63%** of national **GDP** and **53%** of **employment**. In 2000-10 they accounted for over **60%** of **GDP growth**.

OECD Regions at a Glance 2013

This edition of OECD Regions at a Glance shows how regions and cities contribute to national growth and the well-being of societies. It updates its regular set of region-by-region indicators, examining a wide range of policies and trends and identifying those regions that are outperforming or lagging behind in their country.

New to this edition:

- The role of OECD metropolitan areas in countries' development
- Recent trends in public investment, revenues and the debt of subnational governments

Consult this publication on line: http://dx.doi.org/10.1787/reg_glance-2013-en

