

New study finds fastest-growing cities not the most prosperous

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As communities seek new ways to emerge from the recession, many may look to growing their population as a strategy. However, the belief that population growth will bring jobs and economic prosperity for local residents is a myth. These findings are published in a new study in the latest issue of *Economic Development Quarterly*.

"Growth may be associated with economic development success; however, it is not the cause of that success," wrote study author Eben Fodor.

Fodor examined the relationship between growth and [economic prosperity](#) in the 100 largest U.S. metropolitan areas from 2000 to 2009 to determine whether certain benefits commonly attributed to growth are supported by statistical data. He found that the slowest-growing [metro areas](#) had lower [unemployment rates](#), lower [poverty rates](#), higher income levels, and were less impacted by the recession than the fastest-growing areas. In fact, in 2009, local residents of slower-growing areas averaged \$8,455 more per capita in personal income than those of the fastest-growing areas.

"The successful economic development program is typically the one that creates new jobs," Fodor wrote. "The new jobs tend to stimulate [population growth](#) as people move into the area seeking to take advantage of the new employment opportunities ... But growth is not creating employment opportunities. Instead it is reducing them as newcomers fill job openings."

This new study used information taken from the U.S. Census to study 100 of the largest metro areas, representing 66% of the total U.S. population. It concluded with a comparison of the 25 slowest-growing metro areas with the 25 fastest growing from 2000 to 2009. The slowest growing areas were located in 13 different states, including Connecticut, New York, and Ohio while the fastest-growing areas came from 12 different states, dominated by California, Florida, and Texas.

More information: "Relationship between Growth and Prosperity in 100 Largest U.S. Metropolitan Areas" in *Economic Development Quarterly* edq.sagepub.com/

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