

LR faring well, report says

It's in U.S. cities' top 20 for jobs, other rankings

By [David Smith](#)

Wednesday, March 17, 2010

LITTLE ROCK — Little Rock has held a steady course during the recession, according to a study of the 100 largest metropolitan areas by the Brookings Institution.

It had the eighth-lowest unemployment rate, 6.5 percent, in the fourth quarter of 2009, the report states. The U.S. average was 9.7 percent and the top 100 metro areas' average was 9.6 percent.

“We know that Little Rock has been much more successful than the average metro area through this recession,” said Kathy Deck, director of the Center for Business and Economic Research at the University of Arkansas at Fayetteville.

In other categories for the fourth quarter of 2009, Little Rock had:

The 11th-best change in employment, a 2.1 percent decline, since the first quarter of 2008, when the country's employment was the highest of the recession, which began in December 2007.

The 15th-best one-year change in housing prices, a 2.8 percent decline from a year earlier.

The 19th-best change in gross metropolitan product, up 0.7 percent from the recessionary peak in the second quarter of 2008.

The 22nd-best rate of foreclosures per 1,000 mortgages at 1.74.

“This shows that the recovery is well under way in the nation, and Arkansas and in Little Rock in particular are a little bit ahead of the curve,” said Michael Pakko, state economic forecaster and chief economist for the Institute for Economic Advancement at the University of Arkansas at Little Rock. “It confirmed what we were already seeing piecemeal.”

He wasn't surprised at Little Rock's performance, Pakko said. The better-performing metro areas are clustered in the middle of the country, Pakko said.

“The lowest-ranking MSAs [metropolitan statistical areas] on this list are the ones on the East Coast and West Coast and Florida,” Pakko said. “The higher-ranking ones tend to be toward the center of the country.”

The 100 metro areas collectively represent three-fourths of the U.S. economy.

Considering all five categories, Little Rock was rated among the 20 best-performing areas in the report, said the Brookings Institution.

“In most metro areas, increased economic output is juxtaposed with continued high unemployment,” Howard Wial, a fellow with the Metropolitan Policy Program at Brookings and a co-author of the report, said in a prepared statement. “Even though each of the 100 largest regional economies expanded in the past quarter, most of them continued to lose jobs.”

The Brookings Institution is a nonprofit Washington, D.C., public-policy organization with a mission of conducting independent research to foster economic and social welfare.

Two years into the recession, the largest 100 metro areas have lost 4.6 percent of the jobs they had when the recession began in 2007 - far worse than previous loss rates of 1.9 percent in the 2001 recession and 1.8 percent in the 1990 recession. In the 1981 recession, the top 100 metros actually had 0.1 percent more jobs two years after the recession started than they did when it began.

“The country is recovering much more slowly from this recession than it did from others over the past three decades,” Wial said.

The Brookings report also shows that while the country as a whole had almost no job growth during the last decade, that stagnation was not constant across the country; 17 metropolitan areas had double digit job growth and 34 metros lost jobs during that time.

Business, Pages 25 on 03/17/2010