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Best-Performing Cities China 2023–2024

The Nation's Most
Successful Economies

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INTRODUCTION

Since our *Best-Performing Cities China 2021* report, China has emerged as one of the last countries to lift its lockdown policies, and has been subjected to an intensification of trade wars, sanctions, and technology bans that triggered decoupling sentiments among global investors and a crisis in the property sector that pushed the housing market to the brink of collapse.

Further, the ongoing US-China competition in economics, the military, and technology has profoundly transformed the global geopolitical landscape and has impacted both the momentum and the trajectory of China's economic growth. In response to US bans that prevent China from obtaining high-tech products such as extreme ultraviolet (EUV) lithography equipment and high-performance artificial intelligence (AI) chips, China has refocused its efforts to build capacity in emerging industries related to such fields as AI, autonomous vehicles, and electric vehicles (EVs).

As the country's economic landscape has evolved, China's National Bureau of Statistics has adjusted the indicators for the China City Statistical Yearbook. Some indicators used for our previous rankings are no longer available, while some key indicators have changed. In response, we have

selected a different set of indicators and have reallocated weights for each indicator for this year's ranking, to better reflect the current state of China's urban economies and preserve the integrity of our ranking methodology.

As stated in our previous ranking reports, this report aims to provide businesses, investors, policymakers, and many others with a tool for better understanding and evaluation of the economic development of China's cities and regions to guide decision-making. This study uses the latest official annual data to assess the economic performance of cities in China that are at or above the prefecture level. It sorts 250 Chinese cities into two groups: (1) the largest-cities group, with 33 first- and second-tier cities, and (2) the small- and medium-sized group, with 217 third-tier cities. The two groups are ranked separately based on economic performance.

This report reviews China's recent economic conditions, describes three key determinants that have driven China's regional economic development in the past decade or so, and focuses on the top 10 ranked large and small cities. The Appendix presents full ranking tables and more details on data and methods for this ranking report.

CHINA'S ECONOMIC OVERVIEW

China's economy experienced a modest post-pandemic rebound of 5.2 percent in 2023, while nominal gross domestic product (GDP) growth was moderated because of deflationary pressure that was deeper and more persistent than expected. Rebound and growth were largely due to fiscal stimuli enacted by the Chinese government in October 2023 and March 2024, which helped mitigate the impact of declining manufacturing activity, deepening of the downturn in the property sector, and sluggish growth in consumption.

In the short term, the Chinese economy is expected to continue to slow throughout 2024 and beyond. However, stronger fiscal support from the central government, which we expect, could accelerate growth to a moderate pace in the longer term. The lower growth rate is structural. As China's demographics change, slower market reforms and lower growth in productivity are key factors that could overshadow the Chinese economy's growth potential. Lack of market reform weakens the business sentiment index, and restrictions on trade and tech transfer with the West could hamper China's productivity growth.

The downturn in the property sector has also been a major drag on China's economy. We expect stronger fiscal support from the central government to accelerate economic growth to a moderate pace. However, leadership appears to be focused more on improving the quality of growth than on a stimulus policy, which tightly constrains the policy space for stimulus in the property market.

The government's focus on tech is key to reinvigorating China's growth engine. China's tech industry (along with tech-related sectors) is one of only a few areas that have displayed high resiliency despite economic challenges. Beijing's affirmation of the role of high-tech firms in driving economic growth and innovation contributes to the strength and vibrancy of the industry and the economy. As a result, cities with a significant presence of tech hubs, such as Shenzhen (known as China's Silicon Valley) and Hangzhou (headquarters of tech conglomerates such as Alibaba Group, Ant Group, and NetEase), dominate city GDP growth, as reported below.

Regarding China's domestic market, the labor market is largely stable and healthy, and consumption is increasing moderately. In fact, during the last 24 months, the unemployment rate has steadily declined— from 6.1 percent in April 2022 to 5 percent in May 2024. Even the once-alarming youth unemployment rate of 21.3 percent in June 2023 had dropped to 14.7 percent by May 2024, which is better aligned with its historical level.

With an improved labor market, urban household disposable income per capita had risen by 5.1 percent in May 2024 (although lower than the previous decade's historic rate of 7 percent). As a result, retail sales have continuously expanded over the past 12 months, standing at 3.7 percent in May 2024. Among the top winners in retail sales are communications, home appliances, and personal care. Although not comparable to the "go-go" years of the past, these figures strongly

indicate that Chinese consumers still spend at a healthy pace on goods and services that may not be categorized as luxury and large items.

As a manufacturing powerhouse, China is facing weak global demand abroad. Shifts in geoeconomics and geopolitics burden policymakers and private producers, and create much uncertainty for investment. Exports from China declined from January to October 2023 (compared to the same period in 2022), but rebounded moderately during the pre-holiday season in November and December 2023. Foreign direct investments (FDIs) declined by 27.1 percent from May 2023 to May 2024. A sizable portion of the lost FDI (greater than 11 percent) is attributable to high-tech manufacturing.

Consumer confidence remains low and has yet to recover to the pre-pandemic level. Finally, China's property and construction sector is constrained by the high debt stress of many developers across regional markets together with a subdued demand for housing.

In February 2024, the central government's planned fiscal spending of RMB4.3 trillion—the highest historically—signaled its intention to restore economic growth at a sustainable pace for the intermediate term. In addition, under increasingly unpredictable geopolitical tension, the government has redoubled its commitment to China's self-reliance in high-tech development and to creating even larger urban clusters in China's existing massive production centers. Such policy guidance from the central government has been reflected in our Best-Performing Cities rankings in the past. An elevated role for the central cities in R&D functions, and expanded urban boundaries to provide ample space to build regional industrial capacity, will become the norm for years to come. A recent policy suggestion from the central government to build a supercluster centered in Shanghai and its surrounding cities will involve one of the largest cities in China and several provinces. The government intends to promote cross-regional cooperation, reduce income disparities, and—most importantly—provide extended domestic, regionally based supply chains.

REGIONAL ECONOMIC DEVELOPMENT

This year's first-and second-tier rankings reveal a fascinating trend. As China's economy continues to face various, significant domestic and international challenges, it has become evident that cities that strategically invested in industries centered around emerging technologies continue to thrive.

For example, China has made concerted efforts to bolster its capabilities in AI, chip design and manufacturing, and EV production. The majority of leading metropolises now house these high-tech sectors, resulting in robust economic performance. A prime example is Shenzhen, home to BYD, which holds a significant share of the global EV and battery market. Shenzhen's commitment to fostering innovation has consistently propelled it to the top of our annual rankings. Beijing provides another example, serving as a hub for advanced AI-driven companies such as Baidu, Megvii, Microsoft Research Asia, and Xiaomi.

Furthermore, our rankings underscore the enduring significance of regional clusters. Cities such as Hangzhou and Hefei, part of the large city group, and Huaibei in the small city group, are integral components of the Yangtze River Economic Zone. Chengdu is the linchpin of the Diamond Economic Zone, while Beijing resides at the core of the Jing-Jin-Ji Economic Zone. Shenzhen stands as the leading city within the Greater Bay Area. These regional clusters often feature China's most advanced industries and companies, propelling China's next-generation economy forward.

Notably, two first- and second-tier cities warrant special attention. Wuhan, the first city to undergo lockdown during the initial COVID outbreak, surged from 29th place in 2022 to second place in 2023. Although this year's remarkable ranking may

partly stem from a low baseline, Wuhan remains pivotal in driving key sectors such as the semiconductor industry. Another intriguing location to monitor is Haikou, which—in conjunction with other cities such as Danzhou—has emerged as a critical logistics hub facilitating China's international trade, particularly with the Association of Southeast Asian Nations and Regional Comprehensive Economic Partnership countries, under China's 21st-century Maritime Silk Road initiative.

Turning to third-tier cities, Danzhou is the sole coastal city in this category. The remainder are inland cities that can largely be grouped into two categories. One consists of cities situated near provincial economic powerhouses, such as Huanggang (No. 2), Ya'an (No. 3), Jincheng (No. 4), Xianyang (No. 6), and Ezhou (No. 10). The other category consists of resource-dependent cities such as Huaibei (No. 5), Xinzhou (No. 7), and Hezhou (No. 9). Rankings for most of these smaller cities tend to exhibit greater fluctuations in our reports.

Overall, in this year's ranking, we noted that cities with significant tech hub presence displayed a high level of economic resiliency (9 out of 10 for tier-1 and tier-2 top-performing cities). The central government's initiatives on fiscal stimulus policy mitigated numerous aspects of economic challenges that could have lasting impacts on cities' growth. With promising potential shown by China's vibrant tech sectors and the country's priority on financial reform to achieve high-quality growth, we remain cautiously optimistic about China's markets and economic outlook.

BEST PERFORMERS

This section reports our rankings' top 10 performers for both the large- and small-city groups.

Table 1. Best-Performing Cities China 2023

Rank	First- and Second-Tier Cities
1	Hangzhou, Zhejiang (浙江省杭州市)
2	Wuhan, Hubei (湖北省武汉市)
3	Jinan, Shandong (山东省济南市)
4	Changsha, Hunan (湖南省长沙市)
5	Chengdu, Sichuan (四川省成都市)
6	Nanchang, Jiangxi (江西省南昌市)
7	Hefei, Anhui (安徽省合肥市)
8	Beijing (北京市)
9	Shenzhen, Guangdong (广东省深圳市)
10	Haikou, Hainan (海南省海口市)

Rank	Third-Tier Cities
1	Danzhou, Hainan (海南省儋州市)
2	Huanggang, Hubei (湖北省黄冈市)
3	Ya'an, Sichuan (四川省雅安市)
4	Jincheng, Shanxi (山西省晋城市)
5	Huaipei, Anhui (安徽省淮北市)
6	Xianyang, Shaanxi (陕西省咸阳市)
7	Xinzhou, Shanxi (山西省忻州市)
8	Jingzhou, Hubei (湖北省荆州市)
9	Hezhou, Guangxi (广西壮族自治区贺州市)
10	Ezhou, Hubei (湖北省鄂州市)

Source: Milken Institute (2024)

Top 10 Best Performers (First- and Second-Tier Cities)

1. Hangzhou, Zhejiang

Hangzhou, situated in Zhejiang province, secured the top position in our 2023–2024 ranking. The city exhibits remarkable strengths across eight of the fifteen key components. It claims first and second place for one-year and five-year average wage growth, respectively. Hangzhou secures eighth place for one-year gross regional product (GRP) growth. Additionally, it demonstrates robust growth in the sales area of residential and commercial real estate, ranking first for one-year and second for three-year growth.

The city also holds the second position for the five-year growth of loan amounts provided by financial institutions. Furthermore, Hangzhou's commitment to science and technology is evident, ranking fourth for one-year and ninth for five-year public budget expenditure in this domain.

Located approximately 111 miles southwest of Shanghai, Hangzhou is home to a thriving community of approximately 12 million residents. Historically renowned for its tourism industry, the city has evolved into a hub for e-commerce, driven primarily by the Alibaba Group, one of the world's largest online commerce companies. Beyond e-commerce, Hangzhou boasts a diverse industrial landscape, hosting prominent companies in

sectors such as entertainment services (e.g., NetEase Cloud Music), financial services (e.g., Ant Group and HiThink), and manufacturing (e.g., Geely Automobile Holdings Limited, Hangzhou Wahaha Group, and Wanxiang Group). The presence of Zhejiang University further contributes to the city's appeal by providing a steady stream of high-quality talent to the local job market.

However, it is essential to remain attentive to three critical factors. First, despite its impressive performance in real estate indicators, Hangzhou, like many other Chinese cities, is experiencing a cooling trend in its real estate market, particularly in terms of prices. Second, the city's economy heavily relies on the burgeoning live-streaming e-commerce sector, which faces potential disruption from lower-cost AI-powered virtual hosts.¹ This situation could lead to a significant reduction in job opportunities within the live-streaming e-commerce industry. Third, Hangzhou faces competition from Shenzhen, which aims to establish itself as a global live-streaming e-commerce hub by 2025.² If successful, Shenzhen could emerge as a formidable competitor to Hangzhou in this sector.





2. Wuhan, Hubei

Wuhan takes a noteworthy second-place position in the ranking of first-and second-tier cities. This city scores particularly well in various one-year growth categories, notably in employment, average wage, GRP, and public expenditure dedicated to science and technology. Furthermore, it exhibits robust performance in a range of longer-term indicators, including five-year average wage growth, three-year expansion in the sales area of both residential and commercial real estate, five-year upswing in loan amounts extended by financial institutions, and a three-year surge in the number of patent authorizations.

As the epicenter of the coronavirus outbreak, Wuhan underwent an unprecedented 76-day lockdown in 2020. Therefore, Wuhan's remarkable performance in this year's overall ranking can be attributed to a comparatively low starting point from one year ago in terms of our one-year indicators. Nevertheless, Wuhan plays a pivotal role as a gateway to nine provinces and boasts the distinction of housing the world's largest population of college students, numbering approximately 1.2 million.³ The city

has cultivated a robust industrial foundation, traditionally recognized for its manufacturing sector, driven by key players such as China Construction Third Engineering Bureau Co. Ltd., China Gezhouba Group Corporation, Dongfeng Motor, Wuchang Ship Heavy Industry Group, Wuhan Xinxin Semiconductor Manufacturing, and Yangtze Memory Technologies. Beyond manufacturing, Wuhan has diversified its economic landscape by focusing on sectors such as optoelectronic information science and engineering, biomedicine, new energy, advanced equipment manufacturing, and high-tech services in the Optics Valley of China—a region that boasts the presence of Xiaomi, which has established a campus there.

State-owned enterprises dominate the economic landscape of Wuhan, constituting more than half of the top 100 companies in the city.⁴ To foster a more dynamic and diverse economic future, it is becoming imperative to actively attract and nurture a flourishing ecosystem of private enterprises.



3. Jinan, Shandong

Jinan has demonstrated commendable consistency in its rankings over the past two years, and the city has made a noteworthy advance by moving up one place over the previous year. The city particularly excels in various key categories, securing a spot in the top five for five-year employment growth, five-year GRP growth, one-year expansion in the sales area of both residential and commercial real estate, and three-year growth in the number of patent authorizations. These achievements underscore Jinan's positive trajectory and its commitment to fostering economic and innovative development.

Jinan's economic landscape has historically been centered on the secondary sector, featuring prominent entities such as Shandong Energy, Shandong Hi-Speed Group, and Shandong Steel. However, the city has proactively diversified its industries, particularly within the Jinan Innovation

Zone (JIZ). JIZ focuses on three pivotal sectors: big data and new technology, intelligent equipment, and biomedicine, thereby bolstering innovation and economic growth. Additionally, Jinan has taken significant steps in economic reform and development, exemplified by the establishment of the China (Shandong) Pilot Free Trade Zone and China's inaugural Technology Innovation Finance Reform Pilot Zone. These strategic zones have contributed to broadening the city's industrial diversity.

To enhance its competitiveness on a broader scale, Jinan can further cultivate iconic companies specializing in high-value-added, forward-looking industries. Such a move would not only bolster its economic prowess but also position the city as a dynamic player in the evolving regional economic landscape.



4. Changsha, Hunan

Changsha places fourth in our ranking. It distinguishes itself by claiming the top spot for one-year and second place for five-year average employment growth among all first- and second-tier cities. Moreover, its growth in the foreign enterprise share over one and five years, expansion in public expenditure devoted to science and technology, and a three-year surge in the number of patent authorizations all place it within the top 10 cities for these metrics.

Changsha stands as a regional industrial powerhouse renowned for its prominence in auto parts and materials manufacturing, as well as machinery and equipment production. The city proudly hosts the headquarters of heavy equipment manufacturers SANY Group and Zoomlion, while Chinese automaker BYD also operates a factory within its confines.

Additionally, Changsha has attracted several prominent multinational corporations. Bosch, for instance, maintains a branch dedicated to automotive product manufacturing, and TigerGraph, a company in the field of graph database technology, has established a presence within the city.

In comparison to other first- and second-tier cities, Changsha does not boast iconic companies such as Alibaba, and its salary levels tend to be relatively modest. However, the city is actively pursuing the diversification of its economic landscape by welcoming high-value-added industries. Notably, Wondershare Software, a Chinese developer renowned for its PDF Editor application, inaugurated its new campus in Changsha during winter 2022.



5. Chengdu, Sichuan

Chengdu is fifth among top-tier cities, ranking in the second and third spots for one-year and five-year growth in public expenditure on science and technology, respectively. It also posts strong performance in five-year employment growth, one- and five-year GRP growth, and one-year growth in loan amounts by financial institutions. Since we inaugurated our rankings in 2015, Chengdu has mostly stayed in the top 10 list.

As a regional industrial and services hub, compared with most second-tier cities in our top 10 list, Chengdu has a relatively diverse industry composition. It has developed some capacity in semiconductor assembly, packaging, and testing. Diodes, Intel, and Texas Instruments have facilities in the city.

Chengdu also has an industry cluster in information and technology. Lenovo and SAP have research and development facilities in the city. The city also hosts the Siemens Industrial Software Global R&D Center and the Siemens Smart Manufacturing Innovation Center Chengdu in the Chengdu High-tech Zone, which provides the most advanced and complete digital enterprise solutions for manufacturing and helps companies achieve digital transformation and upgrading.

In 2022, Chengdu's GRP surpassed 2 trillion yuan. The city has been expanding its economic landscape. In June 2023, Siemens announced that it had invested 140 million euros to expand its digital factory in Chengdu.⁵



6. Nanchang, Jiangxi

Nanchang takes sixth place in our index. The capital city of Jiangxi province has posted robust one-year growth in GRP, the sales area of residential and commercial real estate, the share of foreign industrial enterprises, and public expenditure devoted to science and technology. It also boasts a remarkable five-year growth in loan amounts granted by financial institutions. Particularly noteworthy is its top rank in five-year public expenditure devoted to science and technology growth.

Nanchang serves as a prominent regional manufacturing hub, with aerospace and automobile manufacturing standing out as key sectors. The city houses a thriving aerospace cluster that hosts esteemed institutions such as Beihang University Jiangxi Aerospace Research Institute, Commercial Aircraft Corporation of China, Jiangxi Aerospace Research Institute, Jiangxi Hongdu Aviation Industry Group, and Nanchang Hangkong

University. These entities contribute significantly to research, development, and manufacturing in the aerospace field. Moreover, Nanchang is nurturing ambitions to establish a technology and innovation cluster centered around virtual reality.

Despite its impressive economic performance, Nanchang maintains a relatively modest population size—approximately 6 million residents—putting it in a unique position compared to most other second-tier cities in our top 10 list. Nanchang faces fierce competition from regional competitors owing to its proximity to major cities in the Zhejiang, Fujian, and Guangdong provinces. However, the city's substantial investments in transportation infrastructure, including the expansion of highways and high-speed rails since the early 2010s, and its dedication to nurturing new industries such as virtual reality may serve as crucial drivers to sustain its growth momentum.



7. Hefei, Anhui

Hefei secures the seventh position among major cities, demonstrating impressive performance in key growth indicators, including one- and five-year GRP and the presence of foreign industrial enterprises, as well as one- and three-year growth in the sales area of residential and commercial real estate. Notably, Hefei has been a recurrent member of our top 10 list since our rankings were introduced in 2015.

Hefei is home to iFlytek, an information technology (IT) company specializing in AI-driven voice recognition software development. Moreover, Hefei has strategically positioned itself as a stronghold for manufacturing new-energy automobiles, particularly EVs. Renowned EV manufacturers such as BYD, NIO, and Volkswagen have established a strong presence within the city. Complementing their operations, key suppliers such as China Aviation Lithium Battery, Gotion High-Tech, and JEE Technology have chosen Hefei as their operational base. Volkswagen, in particular, made significant investments in

Hefei, commencing with the construction of a battery-system production factory for all-electric vehicles in 2021. In April 2023, Volkswagen further committed approximately 1 billion euros to establish a center dedicated to the development, innovation, and procurement of fully connected electric cars, solidifying Hefei's role in the EV industry.

Beyond its prowess in manufacturing, Hefei has cultivated substantial research capabilities. It proudly hosts several nationally recognized research facilities, including the Hefei National Laboratory for Physical Sciences at Microscale, the National Laboratory for Magnetic Confinement Nuclear Fusion, the National Laboratory for Quantum Information Science, and the National Synchrotron Radiation Laboratory. Furthermore, Hefei is home to the prestigious University of Science and Technology of China, further enhancing its status as a hub for cutting-edge research and innovation.



8. Beijing

Beijing ranks eighth among China's top-tier cities, showcasing strong performance in various key areas. It holds the first and second positions in terms of three-year growth in the sales area of residential and commercial real estate and one-year foreign enterprise share. Additionally, the city exhibits robust one-year employment rates, a healthy five-year average wage growth, strong one-year GRP, and notable growth in the sales area of residential and commercial real estate over the last year.

Serving as the nation's capital, Beijing stands out with its thriving financial services and information technology sectors. It hosts several significant financial institutions, including the Agricultural Development Bank of China, China Development Bank, People's Bank of China,

and People's Insurance Company of China. Moreover, Beijing is home to a cluster of renowned information technology giants, including Baidu, ByteDance, iQIYI, Microsoft Research Asia, and Xiaomi.

Beijing has been actively nurturing industries that leverage cutting-edge technologies such as AI and autonomous vehicles. Since 2021, the city has permitted companies such as Baidu and Pony.ai to launch pilot programs for commercial robo-taxis in areas such as Tongzhou District and Yizhuang. Notably, in 2023, Pony.ai successfully introduced driverless services in Beijing, marking a significant milestone in the city's autonomous vehicle development initiatives.



9. Shenzhen, Guangdong

Shenzhen places ninth in our ranking, holding strong positions for one-year (first) and five-year (third) growth in loan amounts granted by financial institutions (first), and one-year (seventh) and five-year (third) growth in average wage.

Shenzhen achieved a significant milestone in 1980 when it became the first Special Economic Zone and earned the nickname “China’s Silicon Valley.” It stands out among Chinese cities as a place primarily shaped by private enterprise.⁶ Shenzhen is renowned for hosting prominent Chinese tech giants, including BYD, DJI, Huawei, Kaifa, Skyworth, Tencent, and ZTE. Moreover, it serves as the headquarters for several major financial institutions, such as China Merchants Bank, Ping An Insurance, Shenzhen Development Bank, and Vanke, a prominent real estate developer.

Shenzhen’s economic influence extends to being the key city in the Greater Bay Area, with its GDP surpassing the RMB three trillion mark in 2021.

Despite facing challenges stemming from geopolitical and economic factors, Shenzhen remains committed to fortifying and diversifying its economic foundation. In fall 2023, Shenzhen introduced a plan allowing autonomous vehicles to operate on designated sections of city highways, indicating its readiness for cutting-edge technological advancements. Furthermore, in August 2023, Intel inaugurated a new AI chip center in Shenzhen, a testament to the city’s endeavors to nurture its next-generation growth engine.



10. Haikou, Hainan

Haikou rounds off our top 10 large-cities list. The city holds strong positions for one-and five-year growth in employment, one-year GRP growth (second), one-year growth in foreign enterprise share, and three-year growth in the number of patent authorizations (first).

Beyond its rankings, Haikou is a prominent domestic tourist destination in China. During the seven-day Spring Festival holiday in 2023, the city welcomed more than 1.22 million tourists, reflecting an impressive year-on-year increase of 26.2 percent in visitor numbers.⁷ Apart from its flourishing tourism sector, Haikou's key industries encompass food processing and the production of rubber goods, electronics, and machinery. Notably, Haikou is home to Haima Automobile and has recently positioned itself as an attractive hub for international conferences and exhibitions.

The city's economic vitality is significantly driven by its four industrial parks: Jiangdong New Area, National High-Tech Industrial Development Zone, Comprehensive Bonded Zone, and Fullsinging Internet Industrial Park. These industrial hubs collectively contribute 46.9 percent of the city's overall investment and generate 41.3 percent of its tax revenue.⁸

Moreover, Haikou serves as a pivotal gateway in China's 21st-century Maritime Silk Road initiative. The city strategically harnesses its well-equipped air and seaports to foster economic connections with the Association of Southeast Asian Nations (ASEAN) and countries participating in the Regional Comprehensive Economic Partnership (RCEP).



Top 10 Performers (Third-Tier Cities)

Danzhou holds the crown in our third-tier cities ranking. Domestically, the city is known for its tourism sector. Danzhou is developing other economic growth engines. According to the Chinese government's plan, the Yangpu port in Danzhou will become a logistics hub that distributes goods overseas by 2025.⁹

The city's recent development has centered around the Hainan Free Trade Port that includes Danzhou, Sanya, and Haikou, which ranks 10th in our large-city ranking. From a regional planning perspective, China is shaping cities in Hainan to be pivotal points of international trade with other countries.

Three cities—Huanggang (No. 2), Jingzhou (No. 8), and Ezhou (No. 10)—in Hubei province are in the top 10 list. Geographically, Huanggang and Ezhou face each other across the Yangtze River, and both cities are only 50 miles from Wuhan, which ranks second in our large-city ranking. Huanggang's ranking in 2022 was 149, and this year's high rank can be partly attributed to the low base period from last year. Yet Huanggang has recently been attempting to rebrand itself as part of the Wuhan metropolitan area so that it can attract more people who work in Wuhan to

live in Huanggang. The fact that the city ranks 11th in our one-year growth in the indicator, sales area of commercial and residential real estate, underscores this point.

Ezhou's ranking has been relatively stable over the past four years, always in the top 40 list. This year, Ezhou holds first place in the one-year average wage growth measurement. Although the city's industry pillars are the petrochemical, steel, and metallurgical sectors, Ezhou has recently put more effort into upgrading its innovation capability. It ranks 10th and 14th in the growth of public expenditure on science and technology, and the number of patent authorizations, respectively. Jingzhou's economy is largely built around manufacturing related to auto parts and steel. Auto parts manufacturers, including Remy International and Valeo, have a presence in the city.

The strong performance of cities including Ya'an (No. 3), Jincheng (No. 4), and Xianyang (No. 6) may be partly due to their proximity to provincial economic powerhouses and being part of regional economic clusters. These three cities share some commonality in terms of

industry composition. Ya'an is about 82 miles southwest of Chengdu, which is one of the major cities of the Diamond Economic Zone. The economic pillars include tourism and industries built around natural resources such as coal and electricity. Jincheng is 89 miles northwest of Zhengzhou. A certain part of Jincheng's economy also centers around natural resources such as coal, metal, and building materials. Xianyang is adjacent to Xi'an, which is also a major city forming the Diamond Economic Zone. The main industries in Xianyang include textile and electronics manufacturing. The city is home to IRICO, which is one of China's major manufacturers of solar photovoltaic glass and luminescent materials.

Huaibei (No. 5), Xinzhou (No. 7), and Hezhou (No. 9) are resource-dependent cities. Huaibei's economy relies upon building material production, coal mining, electricity generation, textiles, and winemaking. Xinzhou's industry composition includes chemical engineering, coal mining, electricity generation, equipment manufacturing, and metallurgy. Hezhou's economy relies heavily on the extraction and processing of natural resources, including calcium carbonate, marble, and rosin.

APPENDIX

Appendix A. Full Ranking Tables

Table A1. Large Cities

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
1	8	7	Hangzhou	Zhejiang	16	19	1	2	8	11	1	2	10	2	16	20	4	9	13
2	29	27	Wuhan	Hubei	3	29	3	5	1	21	17	8	20	6	12	18	3	12	3
3	4	1	Jinan	Shandong	10	4	12	19	19	4	3	6	9	9	10	21	18	6	4
4	10	6	Changsha	Hunan	1	2	20	27	18	24	12	17	16	11	7	6	5	7	7
5	14	9	Chengdu	Sichuan	14	7	15	20	6	9	20	20	7	18	15	14	2	3	18
6	6	0	Nanchang	Jiangxi	28	23	18	18	5	18	7	16	23	7	3	13	6	1	12
7	1	-6	Hefei	Anhui	29	11	27	17	4	3	2	3	13	21	9	4	16	19	14
8	27	19	Beijing	-	8	22	17	9	7	14	6	1	32	27	2	10	14	20	28
9	16	7	Shenzhen	Guangdong	12	10	7	3	21	12	25	13	1	3	24	27	10	30	22
10	23	13	Haikou	Hainan	6	8	10	13	2	10	16	10	29	30	8	33	28	32	1
11	12	1	Taiyuan	Shanxi	22	21	9	23	3	5	15	21	24	25	18	22	23	2	6
12	20	8	Urumqi	Xinjiang	20	9	4	22	28	19	13	5	12	17	6	17	24	29	10
13	19	6	Xi'an	Shaanxi	31	18	8	7	32	6	32	31	5	12	17	19	1	14	11
14	11	-3	Xiamen	Fujian	26	28	11	4	16	1	23	14	4	13	29	29	7	10	25
15	13	-2	Guangzhou	Guangdong	11	1	26	12	15	22	9	15	14	4	23	25	27	18	29
16	18	2	Nanjing	Jiangsu	15	16	23	8	17	16	5	9	8	8	30	30	15	15	24
17	21	4	Ningbo	Zhejiang	18	13	2	21	13	7	26	19	6	19	26	23	9	11	31
18	25	7	Qingdao	Shandong	21	20	14	6	10	25	19	23	3	10	32	32	13	13	2
19	9	-10	Fuzhou	Fujian	32	25	6	14	9	2	8	7	25	20	25	24	26	5	33
20	30	10	Shanghai	-	4	14	5	11	14	17	14	18	11	24	31	31	17	24	20
21	15	-6	Shijiazhuang	Hebei	9	15	31	31	24	30	11	28	18	1	4	7	22	23	16
22	3	-19	Zhengzhou	Henan	7	12	25	16	31	15	30	30	22	5	14	9	8	4	23
23	2	-21	Nanning	Guangxi	5	3	28	26	27	26	27	25	19	15	19	11	20	8	8
24	17	-7	Hohhot	Inner Mongolia	2	6	13	1	25	32	31	29	28	32	1	2	33	33	30
25	26	1	Chongqing	-	27	33	19	15	11	13	18	22	15	16	13	5	11	17	21
26	5	-21	Guiyang	Guizhou	24	17	32	25	22	20	4	4	26	14	20	8	31	26	32
27	7	-20	Lanzhou	Gansu	17	5	33	32	29	23	24	11	27	22	5	12	30	21	26
28	24	-4	Shenyang	Liaoning	13	26	29	24	20	27	29	26	31	29	22	1	19	27	5
29	28	-1	Changchun	Jilin	23	30	22	28	26	28	21	27	17	23	27	3	21	16	27
30	22	-8	Kunming	Yunnan	25	31	16	10	33	8	33	32	21	26	11	15	12	25	19
31	32	1	Tianjin	-	19	27	24	29	23	31	10	12	30	31	28	26	29	31	17
32	31	-1	Dalian	Liaoning	30	24	21	30	12	29	22	24	33	33	33	28	25	28	9
33	33	0	Harbin	Heilongjiang	33	32	30	33	30	33	28	33	2	28	21	16	32	22	15

Source: Milken Institute (2024)

Table A2. Small Cities

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
1	2	1	Danzhou	Hainan	1	217	6	70	1	1	12	217	1	1	217	149	1	146	170
2	149	147	Huanggang	Hubei	4	112	1	2	6	89	11	190	30	35	70	76	179	151	102
3	1	-2	Ya'an	Sichuan	99	1	86	76	87	64	164	172	74	112	157	23	114	32	147
4	36	32	Jincheng	Shanxi	109	64	93	173	18	15	3	2	4	90	178	176	189	41	28
5	12	7	Huaibei	Anhui	167	148	139	8	210	67	74	25	138	132	28	21	4	2	17
6	192	186	Xianyang	Shaanxi	108	149	80	80	81	194	2	1	82	61	85	32	51	196	32
7	76	69	Xinzhou	Shanxi	101	37	98	60	23	12	23	96	161	163	72	60	3	33	16
8	104	96	Jingzhou	Hubei	181	140	3	12	16	56	49	88	115	58	80	62	36	122	77
9	20	11	Hezhou	Guangxi	9	7	216	196	5	22	185	103	16	23	176	37	2	77	109
10	24	14	Ezhou	Hubei	203	215	74	1	10	94	41	48	65	57	117	145	10	87	14
11	10	-1	Meishan	Sichuan	90	13	49	9	85	119	56	11	18	11	143	130	22	85	41
12	64	52	Tongchuan	Shaanxi	119	84	55	182	139	110	14	23	81	72	1	1	210	212	18
13	38	25	Yulin	Shaanxi	40	9	35	120	122	5	18	4	133	193	65	87	37	177	13
14	13	-1	Chuzhou	Anhui	11	3	69	138	34	2	53	82	108	14	103	88	127	71	40
15	14	-1	Baise	Guangxi	104	45	160	47	36	112	93	46	8	77	16	33	46	144	2
16	33	17	Yibin	Sichuan	95	18	91	92	63	8	142	129	7	9	43	69	52	28	23
17	8	-9	Luohe	Henan	187	194	53	30	45	49	86	15	171	134	193	8	33	3	29
18	123	105	Shiyan	Hubei	22	207	103	7	19	72	9	24	131	149	50	43	73	61	81
19	17	-2	Ningde	Fujian	117	132	45	34	8	6	79	56	45	129	63	16	196	15	165
20	170	150	Yichang	Hubei	60	211	67	6	2	130	10	43	40	81	55	86	118	149	179
21	113	92	Chizhou	Anhui	20	28	47	29	26	29	51	136	22	75	8	105	123	105	195
22	3	-19	Shanwei	Guangdong	25	110	64	26	12	60	38	31	12	21	195	47	23	117	208
23	67	44	Erdos	Inner Mongolia	201	67	157	163	154	197	6	3	203	203	5	12	69	20	50
24	31	7	Changzhi	Shanxi	126	24	43	82	20	16	40	19	153	114	74	117	195	211	6
25	134	109	Wuhu	Anhui	5	6	40	116	17	48	30	175	66	155	17	49	41	127	105
26	131	105	Mianyang	Sichuan	98	135	97	178	70	14	117	65	43	86	30	146	6	16	163
27	66	39	Lvliang	Shanxi	71	55	48	94	43	4	42	17	173	183	87	82	84	171	8
28	101	73	Baoding	Hebei	62	172	114	134	124	154	98	14	13	25	153	160	7	30	57
29	78	49	Anqing	Anhui	173	76	21	31	168	25	78	167	60	66	11	18	78	91	62
30	11	-19	Xianning	Hubei	57	106	214	4	11	53	46	109	72	65	77	46	122	80	96
31	16	-15	Bozhou	Anhui	24	35	38	69	74	11	155	108	58	4	69	121	153	74	158
32	23	-9	Guigang	Guangxi	165	19	165	141	173	58	196	86	52	17	24	153	32	4	34
33	111	78	Xuzhou	Jiangsu	29	162	32	33	53	116	137	54	39	30	160	100	61	139	21
34	50	16	Ji'an	Jiangxi	54	44	51	144	59	27	29	79	42	15	156	157	100	68	63
35	106	71	Huangshi	Hubei	156	96	133	19	9	104	43	116	110	143	27	19	72	92	99
36	32	-4	Ganzhou	Jiangxi	31	58	63	133	44	10	60	49	71	20	165	192	112	55	58
37	69	32	Huai'an	Jiangsu	145	198	87	114	31	80	28	64	17	13	149	15	24	131	117
38	30	-8	Shangrao	Jiangxi	73	71	147	187	53	34	36	28	62	12	101	120	89	29	140
39	46	7	Nanchong	Sichuan	97	75	17	28	125	55	99	37	106	78	150	113	26	143	125
40	174	134	Xiaogan	Hubei	43	212	68	11	7	43	31	166	55	123	62	39	82	145	211

Table A2. Small Cities (Continued)

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
41	99	58	Jingmen	Hubei	112	205	159	3	22	117	19	158	172	136	21	14	193	147	76
42	28	-14	Puyang	Henan	64	163	30	17	87	165	91	61	50	27	79	84	172	48	161
43	6	-37	Fuyang	Anhui	171	15	119	62	53	3	127	113	120	3	93	83	104	107	205
44	147	103	Karamay	Xinjiang	191	142	156	72	201	28	4	6	193	179	118	31	98	162	92
45	92	47	Huangshan	Anhui	102	43	41	79	49	35	64	143	98	68	130	17	107	90	91
46	88	42	Huzhou	Zhejiang	63	42	76	46	39	47	149	111	9	5	47	194	66	57	202
47	94	47	Maanshan	Anhui	137	10	12	44	47	40	97	208	111	101	33	34	111	138	148
48	56	8	Qijiang	Yunnan	55	180	181	24	14	7	172	50	64	165	56	126	68	182	79
49	84	35	Lu'an	Anhui	37	216	58	42	21	24	54	101	86	10	86	101	202	155	135
50	208	158	Baicheng	Jilin	58	203	138	41	127	211	1	8	183	211	205	10	174	188	137
51	25	-26	Yichun	Jiangxi	103	79	188	149	62	19	94	52	67	22	89	119	108	39	90
52	22	-30	Jiujiang	Jiangxi	100	62	209	157	64	20	63	39	69	24	18	104	128	42	180
53	75	22	Lishui	Zhejiang	67	12	10	67	99	109	73	127	21	49	163	123	60	67	199
54	51	-3	Xuancheng	Anhui	13	2	126	198	27	26	67	181	44	84	111	80	146	104	94
55	89	34	Heze	Shandong	53	83	81	104	4	61	82	72	78	100	154	111	79	175	157
56	26	-30	Chongzuo	Guangxi	15	48	173	118	35	149	39	21	6	16	197	189	18	179	95
57	205	148	Sanya	Hainan	35	8	84	77	13	21	8	212	197	201	164	213	101	22	3
58	153	95	Taizhou	Zhejiang	14	77	25	57	102	85	76	133	26	74	116	155	44	75	191
59	161	102	Taizhou	Jiangsu	217	213	2	13	30	90	21	38	49	70	166	186	30	124	126
60	54	-6	Laibin	Guangxi	81	27	195	212	25	108	202	197	5	38	25	58	11	163	38
61	21	-40	Xingtai	Hebei	39	94	158	153	183	163	25	9	83	39	48	114	130	113	115
62	77	15	Pingxiang	Jiangxi	146	178	15	20	99	193	138	77	73	32	51	41	91	79	200
63	4	-59	Qitaihe	Heilongjiang	110	89	177	205	200	198	20	97	2	207	91	134	208	1	207
64	91	27	Deyang	Sichuan	92	95	102	183	72	71	47	16	68	115	36	124	154	76	114
65	199	134	Yichun	Heilongjiang	17	196	28	96	145	153	88	32	162	198	3	142	48	160	55
66	74	8	Qinzhou	Guangxi	149	99	72	83	29	78	169	138	27	48	106	165	121	202	11
67	61	-6	Jingdezhen	Jiangxi	144	181	104	74	68	142	55	36	14	18	170	170	92	36	156
68	73	5	Yancheng	Jiangsu	12	179	22	23	120	99	116	78	53	42	183	181	120	181	111
69	57	-12	Jiaxing	Zhejiang	19	74	88	65	81	37	203	187	10	19	129	162	71	63	169
70	135	65	Jinhua	Zhejiang	74	165	14	102	37	96	85	44	51	105	135	159	59	130	185
71	68	-3	Luzhou	Sichuan	96	11	162	71	78	44	120	73	96	53	114	125	87	136	75
72	71	-1	Liupanshui	Guizhou	80	16	99	145	105	188	105	58	79	83	42	67	135	135	27
73	178	105	Wuhai	Inner Mongolia	48	136	19	27	202	157	7	68	213	216	2	44	35	169	113
74	90	16	Yuncheng	Shanxi	150	33	65	169	46	33	16	26	32	152	142	179	178	83	149
75	53	-22	Baoshan	Yunnan	121	161	141	36	185	9	175	134	130	87	57	103	173	195	9
76	43	-33	Yiyang	Hunan	51	53	175	202	99	131	131	135	25	8	52	59	95	34	123
77	105	28	Linyi	Shandong	61	160	52	139	71	128	108	84	41	60	144	171	86	134	25
78	137	59	Yangquan	Shanxi	87	119	95	103	163	88	58	94	97	127	192	187	40	65	5
79	187	108	Xiangyang	Hubei	28	210	199	58	3	101	24	154	123	142	161	54	206	199	24
80	138	58	Neijiang	Sichuan	216	145	4	5	83	160	110	91	148	133	64	91	192	192	101

Table A2. Small Cities (Continued)

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
81	37	-44	Yunfu	Guangdong	41	150	34	18	112	92	198	182	178	146	60	5	200	184	43
82	146	64	Sanmenxia	Henan	59	157	46	39	141	173	103	85	192	186	107	13	75	44	37
83	45	-38	Wuzhou	Guangxi	30	102	182	126	32	183	143	29	31	69	158	152	25	47	131
84	109	25	Anshun	Guizhou	79	91	56	200	50	65	111	170	164	73	53	51	45	24	190
85	126	41	Tongling	Anhui	200	101	39	90	146	166	65	92	160	171	7	9	50	108	129
86	86	0	Chenzhou	Hunan	190	63	111	174	65	156	112	112	94	55	12	29	143	53	138
87	132	45	Longyan	Fujian	210	122	11	49	131	42	154	150	104	98	88	73	21	54	209
88	211	123	Hegang	Heilongjiang	213	202	5	203	153	134	35	214	15	192	127	53	34	158	1
89	55	-34	Jinzhong	Shanxi	16	17	85	107	158	32	174	35	57	128	151	185	166	99	56
90	114	24	Wenzhou	Zhejiang	70	60	8	54	130	84	209	193	48	85	94	163	58	56	173
91	110	19	Chifeng	Inner Mongolia	33	88	194	195	196	199	144	107	99	135	13	6	14	78	15
92	44	-48	Shaoyang	Hunan	148	21	26	137	77	45	45	55	207	111	100	150	182	45	133
93	124	31	Ziyang	Sichuan	89	105	149	129	116	207	33	198	140	44	141	2	136	43	42
94	181	87	Huainan	Anhui	158	167	27	10	195	73	124	183	119	158	44	131	131	123	85
95	115	20	Yingtian	Jiangxi	47	123	110	175	42	38	134	160	11	40	148	141	150	52	176
96	119	23	Hanzhong	Shaanxi	157	104	201	204	109	68	62	40	156	148	26	42	16	50	97
97	122	25	Xinyang	Henan	195	168	170	180	172	76	72	93	169	170	90	78	15	5	136
98	35	-63	Suining	Sichuan	93	59	37	192	107	74	145	120	158	144	45	40	158	88	64
99	145	46	Zhangzhou	Fujian	23	97	9	38	132	46	176	186	33	103	184	79	156	186	201
100	27	-73	Hengyang	Hunan	155	90	178	166	117	132	125	63	134	37	66	151	126	8	189
101	140	39	Binzhou	Shandong	183	139	44	112	94	184	102	27	195	195	122	144	19	18	78
102	49	-53	Yongzhou	Hunan	131	34	146	210	142	100	184	174	112	50	61	55	54	9	164
103	15	-88	Zhongwei	Ningxia	153	82	148	22	175	82	81	83	190	190	110	57	70	97	33
104	60	-44	Tianshui	Gansu	123	57	100	159	144	152	26	18	128	110	99	94	137	133	172
105	9	-96	Yuxi	Yunnan	34	195	208	43	48	18	190	71	177	125	115	11	213	102	60
106	185	79	Guangyuan	Sichuan	88	68	18	185	108	31	70	165	124	124	35	118	161	194	184
107	63	-44	Loudi	Hunan	178	65	83	78	129	143	156	119	93	119	59	89	183	12	192
108	42	-66	Changde	Hunan	105	32	189	197	128	124	168	130	61	29	145	85	155	17	103
109	87	-22	Handan	Hebei	194	192	121	130	156	162	32	10	38	118	147	99	113	95	121
110	59	-51	Bazhong	Sichuan	94	4	109	119	211	127	215	209	114	92	6	22	9	120	160
111	70	-41	Luoyang	Henan	204	141	113	53	204	105	150	67	165	80	49	71	49	25	116
112	158	46	Weifang	Shandong	141	14	118	181	38	129	44	100	35	120	95	173	116	116	130
113	144	31	Leshan	Sichuan	75	118	96	21	104	57	135	89	142	160	67	127	177	209	151
114	62	-52	Quzhou	Zhejiang	77	46	128	84	73	77	163	194	29	45	198	122	63	58	153
115	166	51	Hebi	Henan	184	200	70	124	167	120	173	169	59	175	31	63	29	7	196
116	52	-64	Fuzhou	Jiangxi	76	72	137	189	120	86	152	104	84	26	68	154	129	40	188
117	5	-112	Bijie	Guizhou	118	25	191	167	160	133	95	51	63	36	73	74	212	38	124
118	173	55	Zaozhuang	Shandong	56	173	59	89	94	209	104	57	47	121	22	135	159	111	144
119	163	44	Shaoxing	Zhejiang	65	154	13	51	67	106	180	121	54	97	167	190	65	103	203
120	19	-101	Lincang	Yunnan	36	85	212	32	143	36	114	59	139	167	81	168	214	125	30

Table A2. Small Cities (Continued)

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
121	186	65	Beihai	Guangxi	52	50	120	87	65	79	136	192	23	54	23	196	56	215	168
122	112	-10	Rizhao	Shandong	21	47	78	63	160	164	171	106	107	174	152	183	175	35	45
123	154	31	Changzhou	Jiangsu	160	80	82	110	60	69	153	74	70	91	182	205	20	112	69
124	98	-26	Yulin	Guangxi	122	93	154	117	33	136	133	114	87	33	105	68	187	204	127
125	80	-45	Zhoukou	Henan	185	151	202	213	178	63	147	80	76	63	131	48	28	23	67
126	165	39	Dezhou	Shandong	38	174	172	148	98	175	109	161	75	140	123	36	110	96	36
127	82	-45	Zhuzhou	Hunan	124	86	151	127	103	122	199	204	89	46	46	137	170	11	198
128	41	-87	Huaihua	Hunan	197	66	167	161	85	145	189	191	117	108	39	109	191	10	48
129	167	38	Ulanqab	Inner Mongolia	72	70	206	214	212	205	89	5	180	184	20	64	12	81	88
130	34	-96	Suqian	Jiangsu	215	199	101	109	51	52	160	95	28	28	120	97	80	70	139
131	188	57	Benxi	Liaoning	83	146	20	66	194	181	58	178	210	180	19	28	13	213	59
132	130	-2	Jiangmen	Guangdong	8	30	143	106	91	83	159	117	105	59	169	202	105	82	118
133	193	60	Jiamusi	Heilongjiang	7	26	185	217	138	204	13	30	191	194	174	96	17	14	128
134	150	16	Jinzhou	Liaoning	199	188	210	155	182	192	15	139	3	2	82	158	102	156	183
135	85	-50	Shaoguan	Guangdong	138	130	50	16	75	150	130	199	90	89	180	24	204	185	181
136	169	33	Sanming	Fujian	170	29	71	93	193	51	123	53	141	178	75	90	164	206	86
137	107	-30	Anyang	Henan	163	155	62	52	203	171	141	147	36	88	133	92	76	93	107
138	96	-42	Cangzhou	Hebei	134	109	124	136	151	180	87	20	118	150	125	45	125	121	146
139	40	-99	Maoming	Guangdong	172	49	144	55	133	114	200	162	91	52	29	93	57	64	214
140	155	15	Songyuan	Jilin	143	186	196	86	134	216	5	13	200	213	196	4	151	176	7
141	157	16	Langfang	Hebei	2	56	107	199	171	141	52	132	184	164	126	188	124	137	47
142	39	-103	Zhanjiang	Guangdong	127	124	205	14	76	121	183	148	179	94	10	26	207	214	193
143	139	-4	Nanyang	Henan	169	190	140	201	52	118	50	97	144	138	113	66	139	72	98
144	97	-47	Datong	Shanxi	113	87	73	140	136	39	34	75	166	159	108	139	209	129	177
145	168	23	Liaocheng	Shandong	86	121	166	115	84	208	69	47	175	181	71	61	163	119	26
146	190	44	Zhenjiang	Jiangsu	32	158	29	113	58	159	83	45	88	71	194	191	169	159	186
147	83	-64	Hengshui	Hebei	49	127	115	152	162	172	188	149	157	145	128	81	165	26	54
148	202	54	Zibo	Shandong	130	147	122	156	40	206	107	153	147	177	34	115	133	165	20
149	127	-22	Huizhou	Guangdong	42	20	54	101	28	93	186	145	24	6	214	209	147	154	89
150	121	-29	Jining	Shandong	161	108	215	147	78	178	80	62	37	79	92	50	141	164	104
151	142	-9	Suizhou	Hubei	6	54	217	111	15	95	48	207	143	109	173	136	176	166	106
152	182	30	Nanping	Fujian	177	81	89	125	174	97	115	126	126	162	54	138	188	110	66
153	164	11	Zhoushan	Zhejiang	82	214	16	99	90	123	194	210	19	43	202	102	39	98	194
154	79	-75	Zhangjiakou	Hebei	133	92	168	143	179	177	195	76	136	56	137	107	152	106	35
155	172	17	Jixi	Heilongjiang	151	209	60	176	149	182	106	32	185	187	112	106	190	60	22
156	18	-138	Shizuishan	Ningxia	139	137	106	25	148	170	157	189	214	196	32	148	144	21	19
157	125	-32	Zhuhai	Guangdong	179	22	23	50	156	23	122	22	113	31	200	214	148	114	197
158	162	4	Tai'an	Shandong	3	144	200	193	187	210	151	81	85	113	171	25	97	153	39
159	171	12	Foshan	Guangdong	46	103	61	85	96	111	177	180	101	96	199	203	132	37	119
160	159	-1	Shantou	Guangdong	142	116	198	81	186	113	27	123	103	95	136	180	53	150	167

Table A2. Small Cities (Continued)

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
161	129	-32	Xinxiang	Henan	152	193	155	121	169	81	148	171	80	76	159	182	106	69	65
162	72	-90	Xiangtan	Hunan	106	191	145	209	126	126	191	144	132	93	162	112	185	19	80
163	177	14	Ankang	Shaanxi	180	40	203	207	140	103	61	69	122	147	37	56	199	178	72
164	29	-135	Zhumadian	Henan	192	177	169	186	146	59	205	195	174	82	146	65	96	13	110
165	151	-14	Weinan	Shaanxi	111	107	192	211	110	115	92	12	102	172	41	75	115	157	215
166	141	-25	Gullin	Guangxi	18	78	161	158	170	187	170	115	163	99	104	98	160	191	51
167	128	-39	Pingdingshan	Henan	114	125	150	151	150	87	129	146	125	156	189	143	142	59	70
168	179	11	Nantong	Jiangsu	107	152	117	194	53	41	90	66	46	62	209	211	47	62	74
169	95	-74	Pu'er	Yunnan	159	153	136	97	166	17	182	125	159	137	185	140	74	170	145
170	136	-34	Baiyin	Gansu	162	69	132	132	89	148	84	42	201	191	119	147	162	148	61
171	152	-19	Tangshan	Hebei	85	117	79	122	165	146	201	164	129	168	97	172	85	101	71
172	196	24	Suzhou	Jiangsu	66	41	42	64	68	91	118	99	56	126	211	216	83	51	73
173	148	-25	Yangzhou	Jiangsu	68	126	66	179	152	75	128	110	100	67	139	197	55	141	210
174	156	-18	Chaoyang	Liaoning	206	133	180	146	199	139	37	60	208	208	121	27	77	126	10
175	117	-58	Liuzhou	Guangxi	205	98	116	98	213	161	165	122	135	122	15	30	62	140	143
176	93	-83	Shangqiu	Henan	207	169	171	208	209	62	181	173	181	102	96	95	81	6	150
177	47	-130	Chengde	Hebei	176	115	33	88	190	176	211	196	152	131	172	35	145	152	46
178	133	-45	Yan'an	Shaanxi	50	51	127	206	113	13	213	157	194	161	134	20	198	201	84
179	160	-19	Putian	Fujian	196	164	57	154	177	54	68	87	127	176	132	132	201	183	155
180	120	-60	Baoji	Shaanxi	140	100	112	150	191	138	132	90	167	106	155	128	203	173	83
181	7	-174	Zhangjiajie	Hunan	136	31	197	215	205	179	212	152	77	7	84	52	168	27	141
182	103	-79	Heyuan	Guangdong	10	38	186	61	118	107	178	188	187	104	175	167	171	200	182
183	48	-135	Qingyuan	Guangdong	135	39	193	168	114	98	192	128	121	41	201	133	215	189	68
184	195	11	Wuxi	Jiangsu	132	23	142	165	57	70	138	105	92	154	204	210	38	89	82
185	143	-42	Meizhou	Guangdong	125	61	204	170	197	158	161	155	145	51	14	110	216	193	108
186	100	-86	Bengbu	Anhui	168	114	129	108	217	102	208	200	151	117	4	7	138	132	122
187	116	-71	Zhaoqing	Guangdong	115	131	190	75	24	151	166	124	189	64	203	204	90	46	162
188	206	18	Yantai	Shandong	26	138	77	128	119	155	126	163	137	169	208	198	109	128	44
189	210	21	Jilin	Jilin	69	120	94	160	155	213	121	179	199	205	40	3	88	205	52
190	180	-10	Dongying	Shandong	147	129	152	91	80	203	75	139	202	214	78	72	134	73	142
191	191	0	Xinyu	Jiangxi	175	134	135	40	93	190	77	206	95	130	177	195	167	161	175
192	102	-90	Xuchang	Henan	193	166	179	162	198	66	162	156	149	151	102	108	93	31	213
193	176	-17	Tieling	Liaoning	188	176	207	37	189	167	17	70	212	215	168	178	184	180	4
194	203	9	Liaoyuan	Jilin	198	206	176	142	135	214	71	7	176	199	109	38	140	198	174
195	108	-87	Yangjiang	Guangdong	164	185	184	35	92	174	146	177	116	116	98	161	217	216	152
196	209	13	Jiaozuo	Henan	189	204	123	135	207	200	66	131	196	153	83	77	103	86	120
197	198	1	Jiuquan	Gansu	120	111	125	100	61	137	119	41	168	206	181	169	27	94	217
198	183	-15	Jieyang	Guangdong	45	197	108	73	184	186	158	137	150	188	140	166	181	187	100
199	184	-15	Dongguan	Guangdong	78	5	36	95	111	50	207	151	34	34	210	217	149	142	134
200	200	0	Panzhihua	Sichuan	91	52	75	123	97	189	113	118	170	212	190	70	211	210	187

Table A2. Small Cities (Continued)

2023 Rank	2022 Rank	Rank Change	City	Province	One-Year Employment Growth (2020–2021)	Five-Year Employment Growth (2016–2021)	One-Year Average Wage Growth (2020–2021)	Five-Year Average Wage Growth (2016–2021)	One-Year GRP Growth (2020–2021)	Five-Year GRP Growth (2016–2021)	One-Year Real Estate Sales Growth (2020–2021)	Three-Year Real Estate Sales Growth (2018–2021)	One-Year Loan Amount Growth (2020–2021)	Five-Year Loan Amount Growth (2016–2021)	One-Year Foreign Industrial Enterprise Share Growth (2020–2021)	Five-Year Foreign Industrial Enterprise Share Growth (2016–2021)	One-Year Public Expenditure on Science and Technology Growth (2020–2021)	Five-Year Public Expenditure on Science and Technology Growth (2016–2021)	Three-Year Patent Authorization Growth (2018–2021)
201	65	-136	Fangchenggang	Guangxi	209	175	213	56	41	169	204	215	154	141	179	193	31	190	31
202	216	14	Daqing	Heilongjiang	211	187	153	190	181	202	22	168	186	189	58	175	43	115	171
203	189	-14	Quanzhou	Fujian	174	171	31	131	114	30	101	102	146	173	212	208	117	118	216
204	214	10	Weihai	Shandong	129	143	131	184	136	195	167	213	20	47	216	207	157	203	12
205	118	-87	Huludao	Liaoning	166	183	183	188	192	144	214	205	206	166	124	184	5	109	212
206	58	-148	Liaoyang	Liaoning	182	36	7	68	216	140	57	176	217	157	138	200	99	100	49
207	194	-13	Zhongshan	Guangdong	27	73	187	105	106	191	193	184	109	107	213	206	94	172	206
208	215	7	Dandong	Liaoning	44	170	24	15	180	185	179	202	205	202	186	212	194	217	159
209	201	-8	Anshan	Liaoning	212	201	105	59	206	147	100	159	211	209	38	129	205	197	132
210	81	-129	Bayannur	Inner Mongolia	202	113	134	48	208	196	206	185	188	197	206	164	64	84	166
211	207	-4	Yingkou	Liaoning	154	182	130	45	214	168	96	142	215	204	191	201	119	66	87
212	175	-37	Fuxin	Liaoning	208	159	92	191	176	135	187	203	204	200	207	177	197	168	53
213	204	-9	Qinhuangdao	Hebei	116	128	163	164	158	125	216	201	155	139	188	215	42	167	178
214	197	-17	Fushun	Liaoning	128	156	211	171	215	201	197	141	209	185	9	199	180	174	93
215	212	-3	Siping	Jilin	84	184	90	172	123	217	138	34	216	217	76	116	186	207	112
216	217	1	Mudanjiang	Heilongjiang	186	189	164	216	188	212	210	211	198	210	187	174	8	49	204
217	213	-4	Tonghua	Jilin	214	208	174	177	164	215	217	216	182	182	215	156	67	208	154

Source: Milken Institute (2024)

Appendix B. Data, Variables and Methods

Our main data sources were the China City Statistical Yearbooks for 2017, 2019, 2021, and 2022. Each yearbook publishes data from the year before (e.g., the 2022 edition provides data for 2021). In this section, we first describe how we identified and processed missing data and outliers. Next, we discuss the variables and methods used to arrive at our rankings.

Data

Classification and designation of cities in China vary dramatically in population size, geography, strategic significance to the national economy, and central government policy influence. Under the central planning regimen, cities can also differ from one another in development, according to the influence of various government policies and industrial legacy. Hence, this ranking report classifies Chinese cities into three categories—first-, second-, and third-tier cities—that follow the conventional designation and hierarchy of cities in China.

There is a broad consensus, but no universal agreement, as to which cities sit atop this hierarchy in the first tier. This report focuses on cities classified as prefecture-level cities or above.¹⁰ It defines first-tier cities as the municipalities directly

governed by the Chinese central government (Beijing, Chongqing, Shanghai, and Tianjin). The second-tier cities consist of the capital cities of provinces and five cities (Dalian, Ningbo, Qingdao, Shenzhen, and Xiamen) with special plans approved by the Chinese central government. The rest of the cities in our sample naturally fall into the third-tier city category.

It is widely accepted that first- and second-tier cities have typically received more resources from the Chinese central government.¹¹ They are shaped more heavily by central policies and, hence, tend to possess more economic power than third-tier cities. Therefore, to make cities more comparable with their peers, we rank the first- and second-tier cities as one group and the third-tier cities as a separate group.

Variables and Methods

In this edition of the Best-Performing Cities China ranking report, we have adjusted the variables and their corresponding weights. This section details the changes we have made.

Variables

Because the National Bureau of Statistics of China no longer publishes data on foreign direct investment (FDI) and employment for subtypes of industries, we removed the measures of three-year FDI growth, FDI/GRP ratio, and location quotient (LQ) for high-value-added industry employment. In addition, we replaced the city's total wage with the city's average wage and substituted gross regional product (GRP) for per-capita GRP to construct new indicators.

The new Best-Performing Cities China composite index consists of 15 indicators. Specifically, the index measures the growth in jobs in non-private enterprises, average wages of workers in non-private enterprises, GRP, sales area of commercial and residential real estate, loan amounts issued by financial institutions, the share of foreign-funded industrial enterprises, public expenditure for science and technology, and the number of patent authorizations over one- (2020–2021), three- (2018–2021), and five-year (2016–2021) periods.

The average wage variable is intended to capture individual purchasing power. GRP is used to gauge the overall economic influence of a particular city. If FDI was the key driver of China's sensational economic growth from the 1980s to the mid-2010s, real estate investment largely drove China's urban development until the onset of the coronavirus outbreak. We therefore incorporated the sales area of commercial and residential real estate to examine its impact on Chinese urban economies. Loan amounts issued by financial institutions allow us to track the vitality of business activities in a society. We use the share of foreign-funded industrial enterprises as a proxy for FDI to evaluate the influence of foreign enterprises on urban economic development. We incorporate public expenditure for science and technology and the number of patent authorizations to examine how innovation plays a role in determining China's urban future.

Methods

This report adopts a weighted z-score approach with five steps. First, we calculated the arithmetic mean and the standard deviation for each indicator. Second, we took the value for each indicator and subtracted from it the arithmetic mean for that indicator and divided this differential by the standard deviation, yielding a z-score. Third, we assigned weights for each of the 15 indicators (Table B.1). Our index allocates equal

weight to all variables. Multiplying the z-scores for each indicator for all cities by assigned weight for each indicator yields the weighted z-scores. Fourth, we summed the z-scores associated with each of the nine variables for each city, which gave us a sum of weighted z-scores for each city. Finally, based on the total weighted z-scores, we ranked 33 first-and second-tier cities in one group and 217 third-tier cities in another group.

Table B.1. Indicators and Their Respective Weights

Indicator	Weight
One-year employment growth (2020–2021)	0.067
Five-year employment growth (2016–2021)	0.067
One-year average wage growth (2020–2021)	0.067
Five-year average wage growth (2016–2021)	0.067
One-year GRP growth (2020–2021)	0.067
Five-year GRP growth (2016–2021)	0.067
One-year real estate sales growth (2020–2021)	0.067
Three-year real estate sales growth (2018–2021)	0.067
One-year loan amount growth (2020–2021)	0.067
Five-year loan amount growth (2016–2021)	0.067
One-year foreign industrial enterprise share growth (2020–2021)	0.067
Five-year foreign industrial enterprise share growth (2016–2021)	0.067
One-year public expenditure on science and technology growth (2020–2021)	0.067
Five-year public expenditure on science and technology growth (2016–2021)	0.067
Three-year patent authorization growth (2018–2021)	0.067

Source: Milken Institute (2024)

ENDNOTES

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8. Bowen Chen, "Haikou Expects Stronger Economic Growth this Year."
9. "Hainan's Industrial Center Danzhou Up 12.1 Percent in January-June," TASS, August 2, 2023, <https://tass.com/economy/1658025>.
10. These cities include prefecture-level cities, vice-provincial cities, and municipalities directly under the central government.
11. These cities are so-called "cities with special plans."

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