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Still in the game; Boston ranks second in Metro Area Competitiveness Report

BOSTON – For the second consecutive year, the Boston metropolitan area ranked in the top two spots in a measure of interstate economic competitiveness. According to Beacon Hill Institute’s latest *Metro Area Competitiveness Report*, Boston is second to Salt Lake City which moved up eight places from last year.

The Institute defines competitiveness as “the policies and conditions that ensure and sustain a high level of per capita income and its continued growth.” The Report assigns 39 variables to eight categories – government and fiscal policy, security, infrastructure, human resources, technology, business incubation, openness, and environmental policy – and combines these eight measures into a single “competitiveness index”.

“Looking at its long-term prospects and fundamental strengths, the Boston metropolitan area continues to perplex the pessimists,” said David G. Tuerck, BHI Executive Director. “Once again the facts are clear: on key measures Boston is a key leader.” He added, “Dwelling on the bad news based on one or two economic indicators such as the high cost of housing or the loss of population is certainly missing the forest for the trees. Diverse in its economic makeup, Boston continues to be an attractive place to live and work.”

Boston scores well on the BHI index based on its competitive advantages in technology, business incubation, human resources (HR) and environmental policy. For the five indicators comprising the technology sub-index, for example, Boston was in the top ten in four measures. The depth of these strengths more than offset areas in which the region traditionally performs poorly – for example, infrastructure (electricity prices and travel-time to work) and government policy (unemployment benefits and cost of doing business).

Raleigh-Durham, Seattle, Providence, Denver, Austin, Portland OR, Minneapolis and Hartford rounded out the top 10 this year. Metropolitan areas such as Phoenix (24) and San Diego (21) showed the greatest improvement year over year moving up 11 and 12 places respectively. Both regions did so mostly by maintaining their advantages in government and fiscal policy (Phoenix) and openness (San Diego) while not slipping in other categories.

Los Angeles, Detroit, Chicago, Memphis and New Orleans continue to rank at the bottom of the index. “The bottom five metropolitan areas would most benefit to emulate the policies and practices of regions such as Salt Lake City, Boston, Raleigh-Durham where exceptionally strong performances on key variables can outweigh poorer scores in other indicators.”

BHI published this year’s *Competitiveness Report* in conjunction with Suffolk University’s Centennial celebration. The complete report is available at www.beaconhill.org.



METRO AREA*	Overall index and rank		Subindexes, Rank (alphabetical)															
			Govt & fiscal policy		Security		Infrastru cture.		HR		Tech		Biz Incubation		Openness		Environ. policy	
	Overall	Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
Albany, NY	5.22	18	3.78	42	6.07	7	4.65	35	6.43	4	5.2	17	4.45	37	4.33	36	5.8	10
Atlanta, GA	5.18	19	6.07	5	5.2	23	5.21	27	4.2	40	4.5	37	5.75	9	4.64	29	5	27
Austin, TX	6.21	7	5.48	20	5.75	13	4.34	38	5.08	24	5.9	6	4.6	32	6.72	7	6.2	4
Boston, MA	7.40	2	4.85	29	6.59	2	2.9	49	6.89	2	8.6	1	6.89	2	5.43	12	6	6
Buffalo, NY	4.59	35	3.05	50	5.2	22	5.6	14	5.35	19	5.2	19	4.37	38	4.26	40	5.6	18
Charlotte, NC	5.15	20	6.05	6	3.93	46	6.19	5	4.56	36	4.4	40	5.71	10	5.07	19	4.6	36
Chicago, IL	3.43	48	4.66	33	3.27	48	4.16	41	4.57	34	4.8	25	3.81	46	5.44	11	3.9	42
Cincinnati, OH	4.43	37	4.53	34	5.4	20	6.26	3	4.49	37	5.8	7	3.96	45	4.47	31	3.1	47
Cleveland, OH	4.13	42	4.11	39	6.01	8	5.48	18	4.08	42	4.8	29	3.37	48	4.45	32	4.8	32
Columbus, OH	4.02	44	4.73	32	5.46	18	5.6	13	5.17	21	4.6	33	3.06	50	4.61	30	3.4	46
Dallas-Ft Worth	5.01	25	5.42	23	4.98	26	3.67	44	3.66	46	4.9	24	5.23	19	7.02	4	5.1	25
Denver, CO	6.26	6	5.08	27	4.59	36	6.2	4	5.83	11	5.8	8	6.24	4	4.15	43	6.4	2
Detroit, MI	3.48	47	4.26	38	4.3	41	5.21	28	2.52	50	4.9	23	3.56	47	5.21	16	4.8	31
Grand Rapids, MI	5.08	23	5.25	26	5.92	9	5.42	21	4.95	25	4.6	36	3.27	49	5.09	17	5.8	9
Greensboro, NC	4.88	28	5.83	11	4.62	35	5.55	15	3.98	43	4.7	31	5.57	13	4.28	38	5	28
Hartford, CT	5.69	10	4.41	36	5.89	10	5.17	29	6.39	6	5.3	15	5.08	22	4.82	20	5.3	23
Houston, TX	4.72	31	5.42	23	4.53	37	4.4	37	3.67	45	5.6	13	5.32	17	7.29	2	2.8	49
Indianapolis, IN	4.12	43	5.74	15	4.2	42	5.11	31	4.87	30	4.5	38	4.07	44	4.76	23	3.8	44
Jacksonville, FL	4.58	36	5.74	14	4.02	43	4.88	32	5.29	20	3.5	48	5.46	16	3.96	47	5.7	15
Kansas City, MO	4.98	27	6	9	4.37	40	5.65	10	5.12	23	4.7	32	4.33	40	3.98	46	5.8	12
Las Vegas, NV	4.69	32	5.73	16	3.91	47	7.22	1	3.76	44	3	50	4.91	25	4.79	21	5.6	17
Los Angeles, CA	3.88	46	3.45	46	5.67	14	3.22	47	4.74	31	4.7	30	5.1	21	6.86	6	2.4	50
Louisville, KY	4.15	40	4.8	30	4.94	28	4.87	33	4.57	35	3.9	45	4.91	26	4.72	24	4.4	40



METRO AREA*	Overall index and rank		Subindexes, Rank (alphabetical)															
			Govt & fiscal policy		Security		Infrastructure		HR		Tech		Biz Incubation		Openness		Environ. policy	
	Overall	Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
Memphis, TX	3.17	49	5.83	12	1.52	50	5.51	17	3.28	48	4.1	42	4.47	36	4.35	35	4.7	35
Miami, FL	5.27	17	5.5	19	4.85	30	4.13	43	3.34	47	3.4	49	5.7	11	7.21	3	6.8	1
Milwaukee, WI	4.85	29	4.75	31	5.04	25	5.62	12	4.91	28	5.3	16	4.08	43	4.42	33	5.4	21
Minneapolis-St. Paul, MN	5.82	9	4.49	35	5.83	11	5.82	7	6.98	1	5.1	21	4.31	41	4.7	26	5.6	19
Nashville, TN	5.00	26	6.25	4	3.96	44	5.21	26	4.89	29	4.6	34	4.92	24	4.71	25	5.4	22
New Orleans, LA	2.75	50	3.24	48	2.72	49	4.3	39	3.14	49	4.3	41	4.84	28	5.26	14	4.6	38
New York, NY (N. NJ-LI)	4.14	41	3.56	44	6.43	4	2.18	50	5.14	22	4.8	26	4.5	35	5.96	9	4.5	39
Oklahoma City, OK	4.62	33	5.41	25	5.05	24	5.79	9	4.45	38	4	44	4.23	42	3.81	49	5.9	8
Orlando, FL	4.83	30	5.87	10	3.94	45	5.82	8	4.93	27	3.6	46	6	6	4.26	41	5	29
Philadelphia, PA	4.19	39	3.87	41	4.95	27	4.26	40	4.37	39	5.2	18	5.61	12	4.15	42	4.8	30
Phoenix, AZ	5.08	24	6.37	3	4.66	33	5.54	16	5.71	14	4.1	43	4.53	34	4.76	22	4.6	37
Pittsburgh, PA	5.28	16	3.95	40	5.78	12	5.46	19	5.36	18	5.7	9	4.55	33	4.05	45	6.1	5
Portland-OR	5.88	8	5.44	22	6.48	3	6.1	6	5.43	17	5	22	5.5	14	4.32	37	4.7	33
Providence, RI	6.28	5	4.37	37	6.09	6	4.66	34	6.23	7	5.6	12	5.97	7	5.63	10	5.8	11
Raleigh-Durham, NC	6.87	3	6.01	8	6.21	5	5.42	20	5.78	13	6.7	4	6.44	3	4.27	39	5.5	20
Richmond, VA	5.12	22	6.76	1	4.90	29	5.31	23	5.79	12	4.8	28	5.31	18	4.11	44	3.5	45
Rochester, NY	5.68	11	3.6	43	6.72	1	5.12	30	6.49	3	7	2	4.37	39	3.76	50	5.3	24
Sacramento, CA	4.21	38	3.5	45	5.51	15	4.14	42	4.95	26	4.8	27	4.77	30	5.22	15	4.4	41
Salt Lake City, UT	7.80	1	6.05	7	5.49	17	6.48	2	6.39	5	5.6	14	8.87	1	5.08	18	5.6	16
San Antonio, TX	3.97	45	5.48	20	4.7	32	4.58	36	4.08	41	4.5	39	5.5	15	4.66	28	3	48
San Diego, CA	5.14	21	3.21	49	5.5	16	3.6	45	5.61	15	5.7	11	4.75	31	7.44	1	4.7	34
San Francisco- San Jose, CA	5.34	15	3.45	46	4.43	38	3.52	46	5.95	9	6.2	5	4.96	23	6.92	5	5.7	13
Seattle-Tacoma-Bellevue, WA	6.30	4	5	28	4.39	39	5.63	11	5.88	10	5.7	10	6.11	5	5.41	13	6.3	3
St. Louis, MO	5.68	12	5.59	18	4.75	31	5.25	25	4.72	32	5.1	20	4.9	27	6.23	8	5.7	14
Tampa, FL	4.61	34	5.62	17	5.45	19	5.3	24	4.64	33	3.6	47	5.85	8	4.42	34	3.8	43
Virginia Beach-Norfolk, VA	5.46	13	6.58	2	4.63	34	5.37	22	5.43	16	4.6	35	5.15	20	3.85	48	6	7
Washington, DC	5.39	14	5.8	13	5.21	21	2.95	48	5.98	8	6.8	3	4.8	29	4.67	27	5.1	26

*Metro area names abbreviated



METRO AREA*	Overall index and rank		Subindexes, by Ranking															
			Govt & fiscal policy		Security		Infrastr.		HR		Tech		Biz Incubation		Openness		Environ. policy	
	Overall	Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
Salt Lake City, UT	7.80	1	6.05	7	5.49	17	6.48	2	6.39	5	5.58	14	8.87	1	5.08	18	5.60	16
Boston, MA	7.40	2	4.85	29	6.59	2	2.90	49	6.89	2	8.60	1	6.89	2	5.43	12	6.04	6
Raleigh, NC	6.87	3	6.01	8	6.21	5	5.42	20	5.78	13	6.73	4	6.44	3	4.27	39	5.51	20
Seattle, WA	6.30	4	5.00	28	4.39	39	5.63	11	5.88	10	5.69	10	6.11	5	5.41	13	6.32	3
Providence, RI	6.28	5	4.37	37	6.09	6	4.66	34	6.23	7	5.64	12	5.97	7	5.63	10	5.79	11
Denver, CO	6.26	6	5.08	27	4.59	36	6.20	4	5.83	11	5.78	8	6.24	4	4.15	43	6.42	2
Austin, TX	6.21	7	5.48	20	5.75	13	4.34	38	5.08	24	5.94	6	4.60	32	6.72	7	6.21	4
Portland-OR	5.88	8	5.44	22	6.48	3	6.10	6	5.43	17	4.99	22	5.50	14	4.32	37	4.72	33
St. Paul, MN	5.82	9	4.49	35	5.83	11	5.82	7	6.98	1	5.09	21	4.31	41	4.70	26	5.57	19
Hartford, CT	5.69	10	4.41	36	5.89	10	5.17	29	6.39	6	5.31	15	5.08	22	4.82	20	5.27	23
Rochester, NY	5.68	11	3.60	43	6.72	1	5.12	30	6.49	3	7.02	2	4.37	39	3.76	50	5.25	24
St. Louis, MO	5.68	12	5.59	18	4.75	31	5.25	25	4.72	32	5.14	20	4.90	27	6.23	8	5.74	14
Virginia Beach, VA	5.46	13	6.58	2	4.63	34	5.37	22	5.43	16	4.60	35	5.15	20	3.85	48	5.95	7
Washington, DC	5.39	14	5.80	13	5.21	21	2.95	48	5.98	8	6.81	3	4.80	29	4.67	27	5.10	26
San Jose, CA	5.34	15	3.45	46	4.43	38	3.52	46	5.95	9	6.17	5	4.96	23	6.92	5	5.74	13
Pittsburgh, PA	5.28	16	3.95	40	5.78	12	5.46	19	5.36	18	5.70	9	4.55	33	4.05	45	6.09	5
Miami, FL	5.27	17	5.50	19	4.85	30	4.13	43	3.34	47	3.38	49	5.70	11	7.21	3	6.81	1
Albany, NY	5.22	18	3.78	42	6.07	7	4.65	35	6.43	4	5.23	17	4.45	37	4.33	36	5.80	10
Atlanta, GA	5.18	19	6.07	5	5.20	23	5.21	27	4.20	40	4.52	37	5.75	9	4.64	29	5.03	27
Charlotte, NC	5.15	20	6.05	6	3.93	46	6.19	5	4.56	36	4.38	40	5.71	10	5.07	19	4.61	36
San Diego, CA	5.14	21	3.21	49	5.50	16	3.60	45	5.61	15	5.66	11	4.75	31	7.44	1	4.71	34
Richmond, VA	5.12	22	6.76	1	4.90	29	5.31	23	5.79	12	4.76	28	5.31	18	4.11	44	3.45	45
Grand Rapids, MI	5.08	23	5.25	26	5.92	9	5.42	21	4.95	25	4.55	36	3.27	49	5.09	17	5.83	9
Phoenix, AZ	5.08	24	6.37	3	4.66	33	5.54	16	5.71	14	4.08	43	4.53	34	4.76	22	4.61	37
Dallas-Ft Worth	5.01	25	5.42	23	4.98	26	3.67	44	3.66	46	4.91	24	5.23	19	7.02	4	5.15	25



METRO AREA*	Overall index and rank	Subindexes, Rank																	
		Govt & fiscal policy		Security		Infrastr.		HR		Tech		Biz Incubation		Openness		Environ. policy			
	Overall Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R		
Nashville, TN	5.00	26	6.25	4	3.96	44	5.21	26	4.89	29	4.63	34	4.92	24	4.71	25	5.41	22	
Kansas City, MO	4.98	27	6.00	9	4.37	40	5.65	10	5.12	23	4.72	32	4.33	40	3.98	46	5.77	12	
Greensboro, NC	4.88	28	5.83	11	4.62	35	5.55	15	3.98	43	4.73	31	5.57	13	4.28	38	5.01	28	
Milwaukee, WI	4.85	29	4.75	31	5.04	25	5.62	12	4.91	28	5.25	16	4.08	43	4.42	33	5.42	21	
Orlando, FL	4.83	30	5.87	10	3.94	45	5.82	8	4.93	27	3.62	46	6.00	6	4.26	41	4.98	29	
Houston, TX	4.72	31	5.42	23	4.53	37	4.40	37	3.67	45	5.61	13	5.32	17	7.29	2	2.79	49	
Las Vegas, NV	4.69	32	5.73	16	3.91	47	7.22	1	3.76	44	3.02	50	4.91	25	4.79	21	5.60	17	
Oklahoma City, OK	4.62	33	5.41	25	5.05	24	5.79	9	4.45	38	4.02	44	4.23	42	3.81	49	5.93	8	
Tampa, FL	4.61	34	5.62	17	5.45	19	5.30	24	4.64	33	3.56	47	5.85	8	4.42	34	3.85	43	
Buffalo, NY	4.59	35	3.05	50	5.20	22	5.60	14	5.35	19	5.17	19	4.37	38	4.26	40	5.59	18	
Jacksonville, FL	4.58	36	5.74	14	4.02	43	4.88	32	5.29	20	3.50	48	5.46	16	3.96	47	5.71	15	
Cincinnati, OH	4.43	37	4.53	34	5.40	20	6.26	3	4.49	37	5.84	7	3.96	45	4.47	31	3.10	47	
Sacramento, CA	4.21	38	3.50	45	5.51	15	4.14	42	4.95	26	4.80	27	4.77	30	5.22	15	4.41	41	
Philadelphia, PA	4.19	39	3.87	41	4.95	27	4.26	40	4.37	39	5.19	18	5.61	12	4.15	42	4.85	30	
Louisville, KY	4.15	40	4.80	30	4.94	28	4.87	33	4.57	35	3.90	45	4.91	26	4.72	24	4.42	40	
New York, NY (N. NJ-LI)	4.14	41	3.56	44	6.43	4	2.18	50	5.14	22	4.83	26	4.50	35	5.96	9	4.49	39	
Cleveland, OH	4.13	42	4.11	39	6.01	8	5.48	18	4.08	42	4.75	29	3.37	48	4.45	32	4.79	32	
Indianapolis, IN	4.12	43	5.74	15	4.20	42	5.11	31	4.87	30	4.52	38	4.07	44	4.76	23	3.75	44	
Columbus, OH	4.02	44	4.73	32	5.46	18	5.60	13	5.17	21	4.64	33	3.06	50	4.61	30	3.39	46	
San Antonio, TX	3.97	45	5.48	20	4.70	32	4.58	36	4.08	41	4.50	39	5.50	15	4.66	28	2.97	48	
Los Angeles, CA	3.88	46	3.45	46	5.67	14	3.22	47	4.74	31	4.73	30	5.10	21	6.86	6	2.42	50	
Detroit, MI	3.48	47	4.26	38	4.30	41	5.21	28	2.52	50	4.93	23	3.56	47	5.21	16	4.84	31	
Chicago, IL	3.43	48	4.66	33	3.27	48	4.16	41	4.57	34	4.85	25	3.81	46	5.44	11	3.90	42	
Memphis, TX	3.17	49	5.83	12	1.52	50	5.51	17	3.28	48	4.11	42	4.47	36	4.35	35	4.71	35	
New Orleans, LA	2.75	50	3.24	48	2.72	49	4.30	39	3.14	49	4.27	41	4.84	28	5.26	14	4.57	38	

*Metro area names abbreviated