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A Hub of Competition and Excellence: Metropolitan Boston Remains Highly Competitive; Ranks Second in BHI's Updated Index

BOSTON – The Boston metropolitan area ranked second in an annual measure of economic competitiveness as developed by the Beacon Hill Institute at Suffolk University. In the *Eighth Annual Metro Area Competitiveness Report* released today, Boston is second to Seattle.

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 38 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.”

“Even amid a severe recession, Boston remains a very competitive metropolitan area,” said Frank Conte, Project Manager for the Metro Competitiveness Index, published annually since 2002. “The downturn tends to take our eye away from the long-term picture: Boston’s future rests on solid and diverse economic fundamentals that other regions should envy,” he said. “Boston continues to benefit from the high quality of its labor force, its strength in high-tech and its role as a financial center.”

The region ranked first for the percent of population with health insurance. Boston’s ability to attract federal research dollars and generate new patents has not lost momentum since the Institute began tracking these indicators. The region’s weaknesses did not diminish its deep strengths. Poor performances of the region were rooted in the sub-indices of government and fiscal policy (unemployment benefits and state bond ratings) as well as infrastructure (electricity prices, travel-time to work and monthly median housing costs).

The metro areas used in the report are defined by the U.S. Census Bureau. This year’s listing reflects the changes in the top 50 areas in terms of population.

“The ability of a metropolitan area to move up the index translates into greater personal income. Low performing regions such as Riverside, CA, New Orleans, Birmingham, Memphis, and Pittsburgh should look to what works in regions such as Seattle, Boston, Salt Lake City and San Jose by improving their human capital, expanding their technology bases and opening up trade and immigration,” said Professor Jonathan Haughton, co-author of the report.



Subindexes, Eighth Annual Metro Area Ranking (Listing by Rank)

	Overall		Govt & Fiscal Policy		Security		Infra-structure		Human Resources		Tech		Biz Incub.		Openness		Envtrl. Policy	
	Index	Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
Seattle	7.54	1	5.33	22	5.75	13	5.55	13	6.08	6	5.65	12	6.05	6	7.81	1	6.10	2
Boston	7.31	2	4.97	28	5.75	14	3.50	48	7.45	1	8.62	1	6.51	4	5.27	17	5.49	20
Salt Lake City	7.06	3	6.24	7	5.03	28	7.22	1	6.70	3	5.13	21	8.47	1	4.62	26	3.37	48
San Jose	6.40	4	4.03	39	6.43	1	3.74	47	4.92	26	6.85	3	5.83	8	6.86	3	5.93	7
Denver	6.35	5	4.83	30	6.29	3	6.79	3	5.90	10	5.52	14	5.55	16	4.10	43	5.45	22
Portland	6.27	6	5.59	16	5.83	12	5.79	9	5.48	16	5.41	15	4.20	40	5.69	14	6.17	1
Minneapolis	6.17	7	5.07	25	5.67	15	5.74	11	7.34	2	5.83	9	3.98	46	4.62	25	5.60	14
Richmond	6.04	8	6.11	8	5.31	20	5.41	20	5.40	17	4.36	38	7.73	2	3.86	47	5.21	27
Raleigh	6.03	9	5.86	12	6.21	5	5.68	12	4.84	28	4.78	27	6.06	5	4.37	36	5.57	15
Hartford	5.98	10	3.82	43	6.14	6	5.02	27	5.99	7	5.88	7	5.56	15	5.01	21	5.79	9
Virginia Beach	5.79	11	6.39	5	4.90	31	5.38	21	6.40	4	4.42	36	5.79	9	3.85	48	5.44	23
San Francisco	5.68	12	3.65	47	4.82	33	4.01	45	5.79	12	6.04	5	5.59	14	6.28	8	6.03	4
Providence	5.56	13	3.70	46	6.29	2	4.55	35	5.81	11	6.66	4	4.76	30	4.46	32	5.61	13
Kansas City	5.32	14	5.06	26	5.16	25	5.78	10	5.71	14	4.76	28	4.95	23	4.14	42	5.50	19
Austin	5.31	15	5.40	20	5.07	27	4.21	43	4.82	29	5.02	24	4.02	45	6.44	6	6.02	5
Dallas	5.24	16	5.49	19	4.97	30	4.55	34	4.04	40	4.59	33	4.92	24	6.71	4	5.50	18
Cincinnati	5.24	17	5.75	15	5.95	10	6.07	5	4.88	27	4.66	32	4.50	35	4.37	37	4.61	39
Milwaukee	5.21	18	4.98	27	4.41	40	5.13	25	5.94	9	5.19	20	5.07	20	4.44	34	5.52	17
Charlotte	5.19	19	5.81	13	3.52	49	6.73	4	4.33	37	4.74	29	6.56	3	4.34	40	4.59	40
Rochester	5.18	20	3.79	44	6.06	8	4.92	30	5.71	13	5.70	11	4.02	44	4.43	35	5.95	6
San Diego	5.17	21	3.36	50	5.84	11	4.07	44	5.17	22	5.94	6	5.36	17	5.75	12	5.07	30
Las Vegas	5.13	22	6.03	10	4.51	38	7.09	2	3.54	48	3.21	51	5.73	10	5.14	19	5.17	29
San Antonio	5.00	23	5.40	20	4.07	43	4.63	32	3.80	45	4.33	39	5.87	7	6.20	9	5.69	10
Nashville	4.99	24	6.38	6	4.45	39	5.53	14	4.13	39	4.05	43	5.62	13	4.48	30	5.31	25
Baltimore	4.97	25	5.29	24	3.95	45	4.28	42	5.40	18	7.22	2	5.03	22	3.79	49	4.93	34
Orlando	4.95	26	6.65	1	4.06	44	5.42	18	4.34	36	3.81	47	5.26	18	4.75	23	5.55	16
Washington, DC	4.90	27	4.87	29	5.21	23	2.64	50	6.36	5	5.84	8	4.56	33	5.25	18	4.94	33
Sacramento	4.81	28	3.84	42	6.01	9	4.48	37	4.76	33	5.80	10	4.27	39	5.34	16	4.89	35
Buffalo	4.71	29	3.41	49	5.10	26	5.30	22	5.95	8	5.40	16	4.17	42	4.36	38	5.35	24
Phoenix	4.67	30	6.51	3	4.77	36	5.26	23	5.34	20	4.37	37	4.33	38	5.10	20	3.23	49
Tampa	4.67	31	6.46	4	4.83	32	4.93	29	4.03	41	3.72	49	4.78	28	4.47	31	5.69	11
Columbus	4.65	32	4.70	33	4.82	34	5.89	7	5.02	25	4.92	25	3.55	50	4.51	28	5.46	21
Indianapolis	4.61	33	6.09	9	4.24	42	5.52	15	5.04	23	4.52	35	4.19	41	4.59	27	4.54	41
Jacksonville	4.60	34	6.60	2	3.58	48	4.72	31	4.66	35	3.75	48	5.68	11	4.07	44	5.62	12
Miami	4.58	35	5.94	11	3.68	47	4.36	39	3.71	46	3.61	50	4.88	25	6.36	7	6.08	3
Louisville	4.55	36	4.70	32	5.25	22	5.43	17	4.70	34	3.98	44	5.04	21	4.62	24	4.78	37
Oklahoma City	4.50	37	4.83	31	4.99	29	5.22	24	4.33	38	3.81	46	5.66	12	3.62	51	5.92	8
St. Louis	4.50	38	4.23	36	5.18	24	5.41	19	5.25	21	4.72	30	4.84	27	3.92	46	4.82	36
Chicago	4.45	39	4.44	35	5.31	21	4.48	36	4.80	32	4.84	26	3.96	47	5.41	15	4.96	32



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	Index	Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
Cleveland	4.35	40	3.93	41	5.46	18	6.00	6	4.80	31	4.69	31	3.79	48	4.45	33	4.73	38
Houston	4.21	41	5.30	23	4.35	41	4.34	41	3.55	47	4.58	34	4.49	36	6.99	2	3.83	46
Philadelphia	4.21	42	4.17	37	4.79	35	4.56	33	5.38	19	5.22	19	4.57	32	4.35	39	4.38	42
Los Angeles	4.20	43	4.03	39	5.31	19	3.75	46	4.01	43	5.55	13	4.47	37	6.68	5	3.58	47
New York	4.18	44	3.54	48	6.10	7	2.47	51	5.04	24	5.08	23	3.73	49	6.13	10	5.21	26
Atlanta	4.05	45	5.55	18	4.58	37	5.10	26	4.01	42	4.32	40	4.55	34	4.50	29	4.28	43
Pittsburgh	3.97	46	3.10	51	6.21	4	5.50	16	5.67	15	5.26	18	5.08	19	3.72	50	2.08	50
Memphis	3.72	47	5.78	14	2.51	50	5.81	8	3.39	49	4.15	42	4.85	26	4.14	41	5.18	28
Detroit	3.72	48	4.11	38	5.47	17	5.01	28	3.93	44	5.09	22	3.05	51	4.97	22	4.17	44
Birmingham	3.67	49	5.58	17	3.77	46	4.45	38	4.82	30	4.21	41	4.78	29	4.05	45	3.99	45
New Orleans	2.89	50	4.53	34	1.38	51	4.35	40	3.36	50	3.85	45	4.62	31	5.91	11	5.07	31
Riverside	2.59	51	3.74	45	5.65	16	3.20	49	3.18	51	5.37	17	4.13	43	5.72	13	1.10	51