



Metro Area and State Competitiveness Report 2005



Metro Rankings 2005

Alphabetical Listing

	Overall index and rank		Subindexes, rank in 2005															
			Government and fiscal policy		Security		Infrastructure		Human resources		Technology		Business incubation		Openness		Environ. policy	
	Overall Index	Overall Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank	Index	Rank
Albany	4.78	33	3.5	45	6.7	3	4.1	42	6.5	4	5.2	19	3.4	47	4.3	37	5.6	13
Atlanta	5.53	13	6.0	8	4.7	27	6.2	4	4.0	43	4.6	36	6.1	5	4.7	24	5.3	25
Austin	6.55	5	5.5	19	5.6	14	4.3	41	4.9	28	6.0	5	5.7	11	6.5	6	5.9	5
Boston	7.4	1	4.8	32	6.2	6	3.3	47	6.8	1	8.8	1	5.8	10	5.4	16	5.8	8
Buffalo	4.01	43	2.9	50	5.5	16	5.3	24	5.3	22	5.2	20	3.3	48	4.2	43	5.5	18
Charlotte	5.69	10	6.0	6	3.4	47	5.8	9	5.3	17	4.4	40	7.4	2	4.6	25	5.0	29
Chicago	3.51	47	4.8	34	3.2	48	4.0	43	4.3	38	4.9	24	4.5	35	5.5	13	4.4	41
Cincinnati	5.03	23	4.9	29	5.7	13	6.6	2	4.7	33	5.9	6	4.5	36	4.5	34	3.3	48
Cleveland	4.34	38	4.4	37	6.1	7	5.7	12	4.0	42	4.8	29	3.9	43	4.5	33	4.7	36
Columbus	4.11	41	5.1	28	4.6	30	5.3	25	5.3	20	4.7	33	4.2	41	4.8	22	3.6	47
Dallas	4.90	28	5.7	16	4.5	35	3.9	44	3.5	47	4.9	25	5.6	12	6.8	3	4.9	33
Denver	6.56	4	4.9	30	4.9	24	6.4	3	5.7	13	5.5	14	6.4	3	4.7	23	6.0	4
Detroit	3.35	48	4.3	39	4.5	36	4.9	30	3.2	49	5.0	23	3.4	46	5.2	18	4.8	34
Grand Rapids	4.90	29	5.2	27	6.0	8	4.8	33	5.3	16	4.6	35	3.1	50	5.0	19	5.7	9
Greensboro	4.80	31	5.9	11	4.6	32	5.2	28	4.6	36	4.4	39	5.3	21	4.3	40	5.2	27
Hartford	5.16	20	4.7	35	5.6	15	5.1	29	6.2	8	5.4	15	3.7	44	4.8	20	4.9	31
Houston	5.01	24	5.3	24	4.2	43	4.6	36	3.2	48	5.7	9	5.5	15	7.6	1	4.0	45
Indianapolis	4.64	37	5.7	14	4.5	37	5.3	26	4.6	34	4.6	37	4.9	28	4.6	27	4.8	35
Jacksonville	4.77	34	5.8	13	4.0	45	5.5	17	5.3	18	3.5	48	5.5	16	3.9	45	5.8	7
Kansas City	5.16	21	6.0	7	4.1	44	5.7	13	5.3	23	4.8	30	5.1	24	3.9	47	5.7	10
Las Vegas	4.95	26	5.4	22	3.9	46	7.0	1	4.4	37	3.0	50	6.0	7	4.8	21	5.4	23
Los Angeles	2.57	50	3.1	47	5.2	22	3.2	48	4.7	31	4.7	32	4.9	27	6.6	4	0.6	50
Louisville	4.84	30	4.8	33	7.4	1	5.4	18	4.1	41	4.0	44	4.7	33	4.6	28	4.6	39
Memphis	4.02	42	6.3	3	2.9	49	5.3	23	3.6	45	4.0	45	5.9	8	4.2	42	5.0	30
Miami	5.21	19	5.2	25	4.7	29	5.4	21	3.5	46	3.4	49	5.4	20	6.6	5	6.5	1
Milwaukee	4.97	25	4.7	36	5.2	21	5.4	19	4.8	30	5.3	17	4.5	37	4.6	30	5.5	16
Minneapolis	6.23	6	4.9	31	5.8	11	6.2	5	6.7	2	5.2	21	3.7	45	5.2	17	5.9	6
Nashville	5.47	14	6.4	2	4.4	41	5.3	27	4.7	32	4.7	31	5.9	9	4.5	31	5.4	22
New Orleans	3.15	49	4.4	38	2.4	50	5.4	20	2.7	50	4.3	41	4.4	38	5.5	14	5.6	12
New York	3.92	44	3.7	43	5.9	9	2.0	50	5.0	27	4.9	27	4.2	40	6.5	7	4.7	37
Norfolk	5.58	11	6.5	1	5.2	20	4.5	38	5.3	19	4.6	34	5.6	13	4.4	35	5.5	15
Oklahoma City	4.72	35	5.6	18	4.5	38	5.7	11	4.2	40	4.1	43	5.5	18	3.5	50	6.2	2
Orlando	4.79	32	5.9	10	4.6	33	5.8	8	5.0	26	3.6	46	5.0	25	4.5	32	4.9	32
Philadelphia	3.54	46	4.3	40	5.1	23	3.7	45	4.2	39	5.2	18	4.4	39	4.4	36	4.6	40
Phoenix	5.27	16	6.1	5	4.4	40	5.7	10	5.0	25	4.1	42	5.2	22	5.6	12	4.6	38
Pittsburgh	4.15	40	4.0	41	6.2	5	4.9	32	5.3	21	5.7	7	3.9	42	3.5	49	3.9	46
Portland	6.20	7	5.5	21	5.3	19	5.9	7	6.0	10	5.0	22	4.8	29	5.4	15	5.5	19
Providence	5.44	15	3.6	44	6.3	4	4.5	37	5.9	11	5.6	11	5.1	23	4.6	29	5.6	14
Raleigh	7.05	2	5.9	9	7.0	2	5.5	15	5.7	14	5.6	12	6.1	6	4.6	26	5.4	20
Richmond	5.56	12	6.3	4	4.8	26	4.7	34	5.6	15	4.9	26	6.2	4	3.9	46	5.3	26
Rochester	5.14	22	3.7	42	5.8	12	4.3	40	6.6	3	7.1	2	3.3	49	4.3	39	5.4	21
Sacramento	3.81	45	3.1	46	4.5	34	4.4	39	5.2	24	4.8	28	4.7	32	5.8	11	4.1	44
Salt Lake City	5.85	9	5.9	12	4.7	28	5.5	16	6.4	5	5.5	13	7.7	1	4.3	38	2.4	49
San Antonio	5.24	17	5.5	19	4.6	31	4.9	31	3.8	44	4.5	38	5.4	19	6.3	9	5.7	11
San Diego	4.72	36	3.1	47	5.4	17	3.6	46	6.0	9	5.6	10	5.0	26	6.0	10	4.4	43
San Francisco	4.92	27	3.0	49	4.2	42	2.5	49	6.2	7	6.4	4	5.5	14	6.5	8	5.4	24
Seattle	6.78	3	5.2	26	4.8	25	5.6	14	5.7	12	5.7	8	4.8	30	7.3	2	6.0	3
St. Louis	5.23	18	5.6	17	5.9	10	5.4	22	4.6	35	5.3	16	4.6	34	3.8	48	5.5	17
Tampa	4.32	39	5.7	15	4.5	39	6.0	6	4.8	29	3.6	47	4.8	31	4.2	41	4.4	42
Washington	6.15	8	5.4	23	5.4	18	4.6	35	6.3	6	6.8	3	5.5	17	4.2	44	5.1	28

	Overall index and rank		Subindexes, Rank in 2005															
			Govt & fiscal policy		Security		Infrastructure		Human resources		Technology		Business incubation		Openness		Environ. policy	
	Overall Index	Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
ALABAMA	4.05	43	6.08	8	3.79	46	4.53	36	3.84	44	4.66	32	4.53	35	4.44	33	4.90	32
ALASKA	6.00	9	7.18	1	5.47	15	6.43	5	4.99	28	4.32	37	2.49	50	6.74	3	5.80	15
ARIZONA	5.17	22	5.79	12	4.15	43	4.91	27	4.61	34	5.18	21	4.87	28	5.21	21	5.85	11
ARKANSAS	3.08	48	5.39	19	2.83	48	3.71	45	3.70	47	3.36	49	4.94	26	3.86	45	5.66	19
CALIFORNIA	5.02	26	2.07	50	5.02	26	3.64	46	4.85	31	5.88	9	6.15	7	6.86	2	5.59	20
COLORADO	6.37	6	4.32	39	4.89	30	5.98	12	5.51	20	6.41	3	6.88	2	4.75	28	5.91	6
CONNECTICUT	5.21	21	4.11	42	6.11	6	4.38	38	5.77	11	6.11	4	4.18	40	5.80	11	4.24	41
DELAWARE	5.17	23	6.66	2	4.94	29	3.92	43	4.30	38	5.25	20	6.45	4	6.67	4	2.38	49
FLORIDA	4.79	28	5.86	10	5.06	25	4.27	40	4.60	35	4.08	41	5.42	18	5.39	16	4.58	38
GEORGIA	4.92	27	6.25	5	3.93	44	5.09	22	3.91	42	4.54	33	5.72	12	5.37	17	4.92	31
HAWAII	3.95	45	3.00	49	6.23	5	4.20	41	5.58	16	4.32	36	3.17	49	4.49	32	5.45	23
IDAHO	5.67	14	4.88	27	5.56	13	5.16	21	5.29	23	5.61	11	5.98	8	3.96	43	5.85	12
ILLINOIS	4.58	35	4.85	28	4.48	39	4.96	25	4.97	29	5.08	23	4.05	41	5.57	14	4.63	37
INDIANA	3.73	46	5.55	16	4.44	41	3.75	44	4.70	33	4.53	34	4.52	36	5.35	19	2.84	48
IOWA	5.45	15	5.24	20	5.37	18	5.34	17	5.81	10	5.13	22	4.74	30	4.24	40	5.66	18
KANSAS	5.71	13	4.78	31	4.82	31	6.44	4	6.07	7	5.60	13	4.54	34	4.31	39	5.86	10
KENTUCKY	4.42	39	4.21	40	5.60	12	5.68	14	3.82	45	3.87	44	4.35	37	5.79	12	4.73	36
LOUISIANA	2.60	50	4.00	44	2.03	50	4.80	30	2.62	49	4.00	43	4.61	32	5.36	18	4.42	40
MAINE	4.46	38	3.23	48	5.97	8	4.89	29	5.74	12	3.68	47	4.24	39	4.52	31	5.90	8
MARYLAND	5.95	10	6.10	7	5.31	19	4.96	24	5.96	8	7.23	2	5.88	9	4.62	30	3.19	46
MASSACHUSETTS	7.16	1	4.97	24	5.65	11	3.63	47	6.64	2	8.64	1	7.65	1	6.26	8	3.92	43
MICHIGAN	4.68	30	4.74	33	5.10	22	4.45	37	5.07	27	5.35	18	3.69	48	5.58	13	4.95	30
MINNESOTA	6.05	7	4.54	37	5.87	9	6.07	9	6.70	1	5.54	14	4.68	31	4.39	36	5.79	16
MISSISSIPPI	2.83	49	5.41	18	4.72	33	3.34	48	2.42	50	3.67	48	4.58	33	3.07	49	5.42	24
MISSOURI	5.40	17	6.54	3	4.46	40	5.81	13	4.93	30	4.89	29	5.04	22	4.38	37	5.31	26
MONTANA	4.62	33	4.73	34	5.52	14	4.92	26	4.78	32	4.51	35	5.31	19	2.95	50	5.99	4
NEBRASKA	6.02	8	4.82	29	6.36	4	6.67	2	5.86	9	5.06	24	4.89	27	3.98	42	5.81	13
NEVADA	4.62	34	5.72	14	3.91	45	6.27	6	4.36	37	3.18	50	5.25	20	5.19	22	4.81	33
NEW HAMPSHIRE	6.67	3	5.78	13	5.74	10	4.59	34	6.25	5	5.67	10	6.20	6	5.86	10	5.58	21
NEW JERSEY	4.54	36	4.09	43	6.11	7	3.33	49	5.61	15	4.80	30	5.63	13	6.63	5	2.24	50
NEW MEXICO	4.00	44	5.14	22	2.65	49	4.63	32	3.99	39	5.37	17	5.03	23	3.77	46	6.00	2
NEW YORK	4.27	40	3.39	47	5.44	17	2.30	50	5.42	22	5.60	12	4.24	38	6.08	9	5.05	27
NORTH CAROLINA	5.05	25	5.42	17	4.52	37	5.28	19	4.46	36	5.04	25	5.62	14	5.10	23	4.73	35
NORTH DAKOTA	6.41	5	4.75	32	6.78	2	6.88	1	6.08	6	4.99	27	4.78	29	4.67	29	5.88	9
OHIO	4.07	42	4.56	36	4.95	28	5.67	15	5.13	25	4.68	31	3.97	42	4.86	26	3.00	47
OKLAHOMA	4.16	41	4.92	25	4.50	38	4.60	33	3.98	41	4.24	38	5.45	16	3.71	47	5.73	17
OREGON	5.32	19	4.90	26	5.11	21	6.23	8	5.10	26	5.30	19	3.69	47	4.86	25	5.91	7
PENNSYLVANIA	4.65	32	5.13	23	4.72	32	5.16	20	5.15	24	5.40	16	5.02	25	4.34	38	3.88	44
RHODE ISLAND	4.67	31	3.93	45	6.71	3	4.91	28	5.47	21	5.92	8	3.90	45	4.22	41	3.81	45
SOUTH CAROLINA	4.77	29	5.99	9	4.30	42	4.99	23	3.80	46	3.84	45	5.03	24	6.53	6	4.75	34
SOUTH DAKOTA	5.71	12	5.85	11	5.28	20	6.04	10	5.69	13	4.12	40	5.79	11	3.60	48	6.06	1
TENNESSEE	4.48	37	6.21	6	3.74	47	5.29	18	3.87	43	4.00	42	5.20	21	5.44	15	4.45	39
TEXAS	5.25	20	5.15	21	4.71	34	4.33	39	3.98	40	4.90	28	5.42	17	7.02	1	5.35	25
UTAH	6.78	2	5.61	15	5.46	16	6.26	7	6.49	4	6.02	6	6.81	3	4.40	35	5.01	28
VERMONT	5.37	18	4.40	38	4.61	36	4.56	35	6.58	3	5.94	7	3.91	44	5.29	20	6.00	3
VIRGINIA	5.73	11	6.34	4	5.09	23	4.01	42	5.52	19	5.49	15	6.22	5	4.85	27	4.98	29
WASHINGTON	6.45	4	4.61	35	4.70	35	6.01	11	5.53	17	6.02	5	5.87	10	6.39	7	5.80	14
WEST VIRGINIA	3.40	47	4.79	30	5.01	27	4.77	31	3.32	48	3.83	46	3.95	43	4.92	24	3.96	42
WISCONSIN	5.42	16	4.20	41	7.23	1	5.52	16	5.67	14	5.00	26	3.89	46	4.43	34	5.48	22
WYOMING	5.14	24	3.82	46	5.07	24	6.46	3	5.52	18	4.16	39	5.58	15	3.93	44	5.95	5

From the Executive Director

The Beacon Hill Institute at Suffolk University is pleased to release its *Metro Area and State Competitiveness Report 2005*.

Massachusetts remains on top of the competitiveness index for the second year in a row. There are three new entrants to the top ten this year Alaska, Maryland and North Dakota. New Hampshire ranks third improving from its 7th place position in 2004.

Alaska improves its ranking from 27th to 9th. The biggest drop in the ranking belongs to Wyoming, moving down 12 places from 12th to 24th.

South Dakota improved its position to 12th place, from 23rd. In 2004, California ranked 22nd; this year it dropped slightly by moving to 26th place. Connecticut is showing a steady drop since 2002 from 5th place to 22nd in 2005. South Carolina made a significant jump to 29th, up 11 places from last year.

Both Rhode Island and New York slipped 6 places and ranked 37th and 40th respectively. Mississippi and Louisiana switched places to 49th and 50th respectively.

In this year's index, Boston finished first in the metropolitan area ranking moving up three places from 2004. Meanwhile Seattle continues its strong showing -- finishing third after three years of first place showings. Raleigh moved up four places to finish second. The Washington DC metro area showed dramatic improvement moving from 22nd to 8th. The report shows that some metropolitan areas may outperform the states in which they are located. While Tennessee ranks 36th, Nashville was able to move up nine places in the ranking to 14th place.

The competitive index has proven to be a powerful tool in the hands of policymakers and opinion leaders. Our 2004 report, showing that New Jersey ranked 44th, became a factor in the recent gubernatorial election. New Jersey's rise to 36th place in 2005 will be seen as a hopeful sign by opinion leaders in that state.

Competitiveness does matter and should be part of any economic development strategy. The report continues to show that improvement can translate into real capita income growth. For example, If a state can gain a point in the index, it can also gain \$640 in real per capita income. Such improvements also apply at the metropolitan level

This year's edition would be impossible without the talented resources available to the institute from Suffolk University. The Beacon Hill Institute benefits greatly from the PhD and Masters programs in Economics. Five of the research team's members are candidates in the department's PhD program. Lassana Cissokho, Kossi Makpayo, Alioune Mbaye, Cagdas Sirin, Xiaofei Yu and Chantarella DeBlois compiled and interpreted the extensive data sets for our analysis working under the guidance of Professor Jonathan Haughton. Alexander Taylor, a graduate of the Master's program, provided additional research and preparation while intern Ashley DiLorenzo assisted with production. They are proof positive that human capital is a critical variable for highly-motivated entities whether they are states, metropolitan areas or research organizations such as the Beacon Hill Institute.

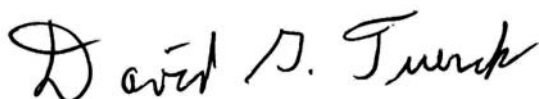
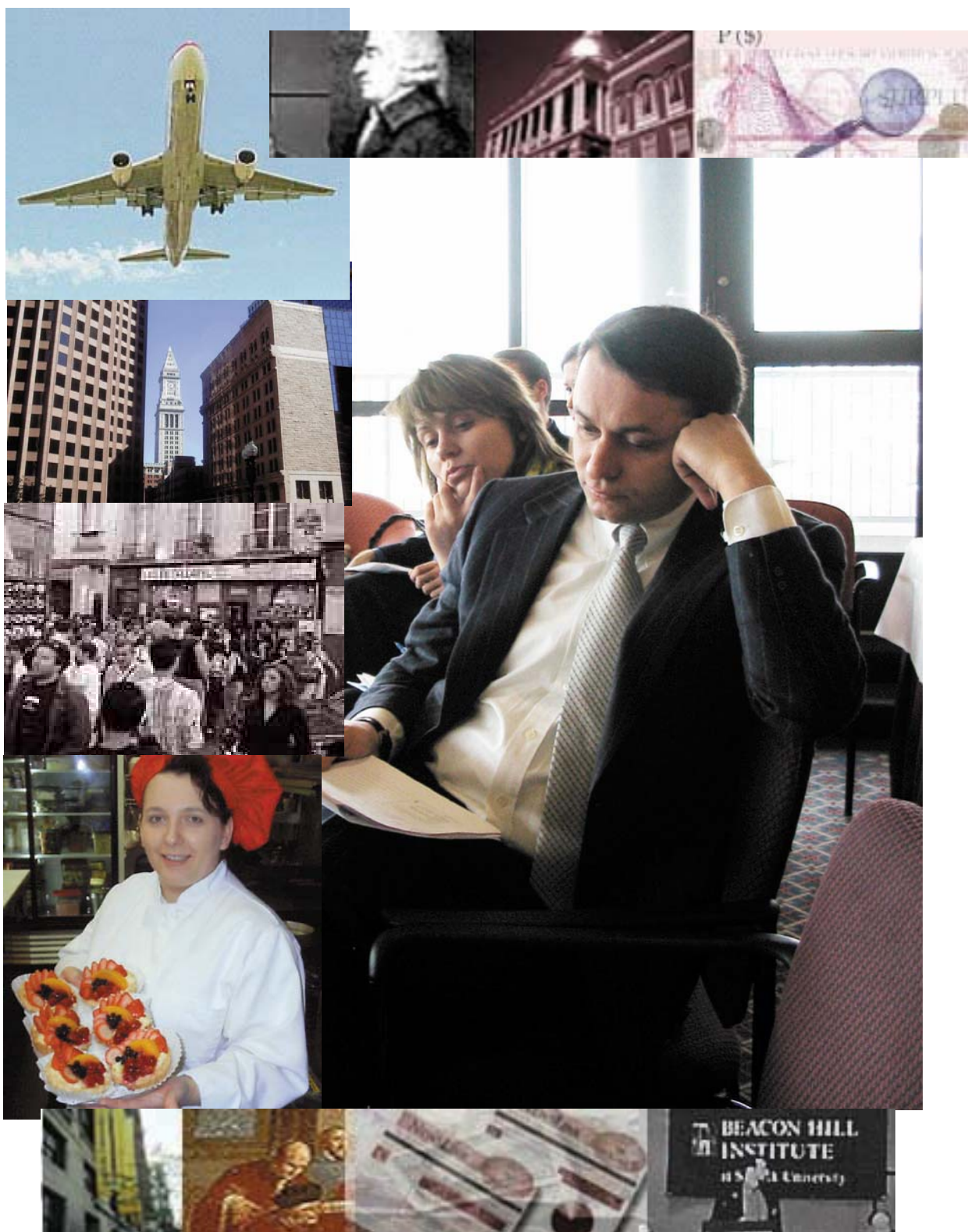


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Defining Competitiveness

Introducing the indexes

How does one geographic area create more economic activity, and hence more income for its citizens, than other areas? What special characteristics or attributes lead to generating this higher income? BHI's *Metro Area and State Competitiveness Report* attempts to identify the qualities that allow some areas to excel in income generation and the qualities that prohibit other areas from attaining the same level of competitiveness. This question quickly leads on to others: How can these qualities be measured? What standard should be used to determine whether a state is competitive or not? Indeed, why is it even interesting to measure competitiveness?

The Metro Area and State Competitive Indexes constantly use these questions as guideposts in compiling and estimating its measures of competitiveness. The indexes are designed to measure the long-term competitiveness of an area, and use a similar approach to the one taken in BHI's earlier studies of state competitiveness (*State Competitiveness Report 2001, Metro Area and State Competitiveness Report 2002, 2003, 2004*). This year marks the fifth year of the report.

In this year report, Massachusetts keeps its position at the top of the list followed by Utah, New Hampshire and Colorado (Table 1). Two states, Alaska, and Maryland enter the top ten, ranking 8th and 9th respectively. Both states are a first-time entrant into the top ten.

What is Competitiveness?

We consider a metropolitan area or state to be competitive if it has in place the policies and conditions that ensure and sustain a high level of per capita income and its continued growth. To achieve this, a metropolitan area or state must be able to attract and incubate new businesses. Both must also be able to provide an environment that is conducive to the growth of existing firms.

Table 1
State Competitiveness Index

	Index	Rank in					
	2005	2005	2004	2003	2002	2001	1995
MASSACHUSETTS	7.16	1	1	2	2	2	1
UTAH	6.78	2	2	4	13	11	9
NEW HAMPSHIRE	6.67	3	7	8	8	7	5
WASHINGTON	6.45	4	3	5	3	4	8
NORTH DAKOTA	6.41	5	11	28	18	21	18
COLORADO	6.37	6	5	11	4	6	3
MINNESOTA	6.05	7	4	7	9	9	11
NEBRASKA	6.02	8	6	15	17	15	13
ALASKA	6.00	9	27	25	34	22	12
MARYLAND	5.95	10	19	18	19	20	23
VIRGINIA	5.73	11	9	12	15	14	10
SOUTH DAKOTA	5.71	12	23	10	23	17	14
KANSAS	5.71	13	10	17	14	23	20
IDAHO	5.67	14	14	14	11	12	19
IOWA	5.45	15	17	16	12	16	24
WISCONSIN	5.42	16	13	20	25	18	17
MISSOURI	5.40	17	20	24	20	24	22
VERMONT	5.37	18	8	6	7	5	6
OREGON	5.32	19	16	13	10	13	16
TEXAS	5.25	20	21	32	28	33	26
CONNECTICUT	5.21	21	15	9	5	8	7
ARIZONA	5.17	22	32	44	42	41	42
DELAWARE	5.17	23	18	1	1	1	2
WYOMING	5.14	24	12	3	6	3	4
NORTH CAROLINA	5.05	25	26	33	35	28	25
CALIFORNIA	5.02	26	22	19	16	10	15
GEORGIA	4.92	27	25	34	40	35	35
FLORIDA	4.79	28	29	36	39	36	31
SOUTH CAROLINA	4.77	29	40	41	38	40	40
MICHIGAN	4.68	30	24	23	30	26	29
RHODE ISLAND	4.67	31	31	22	29	25	21
PENNSYLVANIA	4.65	32	30	29	27	37	38
MONTANA	4.62	33	28	21	31	31	28
NEVADA	4.62	34	37	46	46	46	49
ILLINOIS	4.58	35	39	40	33	39	33
NEW JERSEY	4.54	36	44	26	26	29	37
TENNESSEE	4.48	37	41	39	22	30	34
MAINE	4.46	38	36	27	24	19	27
KENTUCKY	4.42	39	38	35	37	38	36
NEW YORK	4.27	40	34	31	32	34	39
OKLAHOMA	4.16	41	35	42	44	44	45
OHIO	4.07	42	43	38	36	32	32
ALABAMA	4.05	43	47	43	42	45	41
NEW MEXICO	4.00	44	33	37	41	42	43
HAWAII	3.95	45	46	48	45	43	44
INDIANA	3.73	46	42	30	20	27	30
WEST VIRGINIA	3.40	47	48	49	48	49	48
ARKANSAS	3.08	48	45	47	49	47	47
MISSISSIPPI	2.83	49	50	50	50	50	50
LOUISIANA	2.60	50	49	45	47	48	46

Competitiveness may be thought of as a catchall term that covers what Michael Porter calls “the microeconomic foundations of prosperity.”¹ The states of the United States all face the same macroeconomic conditions; where they differ is in their microeconomic policies. These policies matter. As Porter puts it, “wealth is actually created at the microeconomic level ... - in the ability of firms to create valuable goods and services using productive methods.”

It follows that the *outcome* of competitiveness is greater affluence, measured by higher levels of real Gross State Product or personal income per capita.

Quantifying Competitiveness

To be useful as a concept, it is essential to have an operational measure of competitiveness, a measure that aggregates the key microeconomic variables into a single index. The World Economic Forum does this for the countries of the world in its influential annual Global Competitiveness Reports, but there is no state-level (or metro level) equivalent for the United States. (We discuss these in more detail below).

In thinking about how to create an index of competitiveness, we begin with the simple economic relation:

$$Y = f(K, L, \text{technology}).$$

This says that output (Y) depends on the amount of capital (K), labor (L) and technology that is harnessed by the economy.² Not surprisingly, more inputs lead to more output. But what raises input levels? And why do some

urban areas or states mix the ingredients more successfully than others?

To answer these questions we need to focus on the quality of the business environment. Using his celebrated “diamond,” Porter finds it helpful to group the influences into four components: the quality of available inputs, the sophistication of local demand, the nature of local suppliers and the extent to which they form clusters, and the rules and institutions that govern the market.³ These are still very broad categories and so, following the Porter-inspired *Global Competitiveness Report*, we actually classify our indicators into eight groups. The breakdown is as follows:

Government and fiscal policies. Businesses are more likely to be attracted to areas with moderate tax rates and clear evidence of financial discipline (as evidenced, for instance, by high state and municipal bond ratings and budget surpluses). This sub-index is designed to pick up these effects.

Security. A state will be more attractive to business if public officials are trusted, and if crime is low. The security sub-index addresses these dimensions of competitiveness, with particular emphasis on the importance of public safety.

Infrastructure. How easy is commuting? Do most households have access to high-speed broadband? Is housing affordable? How affordable is energy? These are the elements of competitiveness that are included in the infrastructure sub-index for each state or metropolitan area.

Human resources. A high level of labor force participation, and skilled labor that is readily available and not

too expensive, combined with a widespread commitment to education, training and health care, make a state attractive for business. These factors are captured in the human resources sub-index.

Technology. The development and application of technology is central to economic development, and has been ever since the industrial revolution. The technology sub-index measures this by taking into account research funding, patents issued the proportion of scientists and engineers in the labor force, and the importance of high tech companies.

Business Incubation. A good idea is not enough; businesses also need to be able to mobilize financing for investment, both internally and from the financial system. A higher rate of business births is a particularly clear sign of a competitive environment, and is an important component of the business incubation sub-index.

Openness. Open economies tend to be more competitive and hence more productive. The openness sub-index measures how well firms and people in a state are connected with the rest of the world. It is based on the level of exports, as well as the percent of the population born abroad.

Environmental Policy. States that are faced with environmental problems, or that have a heavy-handed policy of environmental regulation, are likely to be less attractive to businesses as well as to their workers and managers; we measure this effect with the environmental policy sub-index, which among other things reflects the levels of air pollution and of toxic releases.

A complete list of the components of the competitiveness indexes are given in Tables 1A and 2A, at the end of this section of the report. We have used the most recent data available; due to time lags, most of the series refer to 2003, 2004 or 2005.

Technical Note 1: Creating the Indexes

Given the raw data series for each state, several steps were needed in order to construct the competitiveness index.

1. First, each variable was normalized to give it a mean of 5, a standard deviation of 1, and a range from 0 (worst) to 10 (best).
2. Then the eight sub-indexes were formed as the simple averages of the normalized component variables.
3. Next, the sub-indexes themselves were normalized, again giving a mean of 5 and standard deviation of 1 to each. These are presented inside the front and back covers.

Finally, the overall index of state competitiveness is the simple average of the eight sub-indexes, again normalizing it so it has a mean of 5 and standard deviation of 1. In practice the competitiveness indicator index ranged from a low of 2.57 to a high of 7.14.

The eight categories are coherent, but there is inevitably some degree of arbitrariness in the way in which individual data series are assigned to the sub-indexes. For instance, the amount of air travel could be included in the infrastructure sub-index



or the measure of openness; and electricity prices could be included in the infrastructure sub-index or the environmental sub-index. In practice the assignment of the data series is much less important than the fact that they are included at all.

A competitiveness index is simply a summary measure based on a large number of variables. The difficult, and controversial, part is choosing a weighting scheme. Our approach is the simplest and most transparent: within each sub-index, each variable carries equal weight. Then each sub-index is given the same weight when constructing the overall index. This has been referred to as a “democratic” weighting structure, but it is of course arbitrary (although reasonable).

Is the competitiveness index useful?

Do the indexes of state competitiveness explain affluence and growth? If the index is properly constructed, then it should help explain why some areas are affluent and others are not. In our experiment we estimate the following equation:

$$\text{Real PI per capita}_t = \text{constant} + \beta_1 \text{index} + \beta_2 \text{real PI per capita}_{t-1}$$

$$\text{Real PI per capita}_t = 7908 + 640 \text{ Index} + .649 \text{ Real PI per capita}_{t-1}$$

$t=2.33 \quad t=1.8 \quad t=5.20$

This equation has an R^2 of 0.48. The coefficient on the Index variable is significant at the .10 level and indicates that if a state gains a point in the index, it will also gain \$640 in real per capita income. A similar linear regression with an R^2 of 0.07 for metropolitan areas finds that if a metro area can gain a point in the index, it could realize

\$1,192 in real personal income. Competitiveness really does matter.

Putting the competitiveness index to work

What do we learn from this exercise? Naturally it is interesting to look at the raw rankings (Table 1), but this may not be the most important use of the information. The detailed data, both in individual variables and the sub-indexes, allow one to identify the *determinants* of competitiveness. This is of value to policy makers, who are then in a better position to identify what needs to be done in order to improve the position of their states.

The logic behind this is that a higher competitiveness indicator index is associated with greater affluence. A reasonable inference is that if one were to improve competitiveness, then residents of the state would be better off. And the greatest upside potential is for the indicators whose performance is currently weak. For instance, a low-crime state may have trouble reducing the crime rate further, while for a high-crime state, efforts to reduce crime are likely to be an efficient way to boost competitiveness.

To illustrate, consider the case of Rhode Island, which ranks 37th with a competitiveness indicator index of 4.47. Rhode Island excels in the security sub-index with a rank of three. Its achievement is made possible by a low crime rate and strong anti-corruption laws. It also above average in technology ranking 21.

Its overall index score is hurt by poor performances in government and fiscal policy, business incubation, openness and environmental policy sub-indexes. Though these are the areas of greatest deficiency for Rhode Island, they also mark the areas with the greatest

potential. For example, if Rhode Island can institute measures that would raise their openness and government and fiscal policy variables to the national average, it could raise its real per capita personal income by almost \$345. The competitive index and its sub-indexes are powerful tools policymakers can use to improve their areas affluence.

To make it easier to identify the strengths and weaknesses of each state, a subsequent section of this report sets out the relevant details for each area.

Other studies

We are not the first to develop a set of statewide indexes, but we are the first to create a broad-based index of competitiveness, to design and present it in a way that policy makers will find useful, and to re-estimate the indexes annually.

The Progressive Policy Institute has created a *State New Economy Index*, which aims to measure the “New Economy.” The authors define the new economy as “a knowledge and idea-based economy where the keys to wealth and job creation are the extent to which ideas, innovation, and technology are embedded in all sectors of the economy.”⁴ They identify 21 indicators, grouped into five categories. The index ranges from 40.7 (West Virginia) to 90.0 (Massachusetts). Although we include a number of technology-related variables in our own index, we also believe that there is much more to competitiveness – and hence to achieving and maintaining affluence – than technology alone. This is why our index is based on almost three times as many variables, and so has greater breadth.

Conceived in a similar spirit is the *Index of the Massachusetts Innovation Economy*, published by the Massachusetts Technology Collaborative in December 2003.⁵ The report compares Massachusetts with six other “leading technology

states” (CA, CO, CT, MN, NJ and NY), as well as presenting a wealth of information on the state itself. Most of the emphasis is on the state’s “knowledge-based innovation economy.” To do this it focuses on 9 key industry clusters, which together cover 25% of non-government jobs in Massachusetts. Interestingly enough, these key sectors are growing no faster than the rest of the state economy. In our view it is preferable to consider the economy as a whole – which is what our index does – rather than just a fashionable quarter of it.

John Byars, Robert McCormick and Bruce Yandle of Clemson University have created an *Index of Economic Freedom* for the states of the U.S. They define economic freedom as “the right of individuals to pursue their own interests through voluntary exchange under a rule of law.”⁶ They sift through 145 indicators, assigning them to deciles from 1 (most free) to 10 (least free). After experimenting with 47 different indexes, they choose the one that best explains state growth in income per capita, net immigration, and growth in manufacturing value added. After creating five sub-indexes, they assign weights to these using the technique of principal components, and apply these weights to create the overall index. By this measure, Idaho has the greatest amount of economic freedom (an index of 3.9) while New York has the least (index = 7.9).

Their report argues that greater economic freedom should be associated with faster economic growth, and their econometric results suggest that this is probably the case, although their index may be more valuable as a summary measure of freedoms that have value in their own right, rather than as a predictor of growth or well-being.⁷

We do agree that economic freedom is important, and our index of competitiveness includes some indicators, such as the share of state tax collections in Gross State

Product, that measure the weight of government quite well. However, we believe that other factors are also important to competitiveness, even if they are not easy to place on a scale of economic freedom; these include such variables as the time that is required to travel to work, the availability of venture capital, and the importance to the economy of high-tech firms. The Heritage Foundation has also created an influential and widely-cited Index of Economic Freedom, but it is constructed for the countries of the world rather than for the states of the U.S.⁸

What next?

May we invite you to review the detailed results on the following pages? We outline the main competitive strengths and weaknesses for each state and metropolitan area. We welcome suggestions for ways in which we might improve our search for answers to that deceptively simple question: how competitive is Massachusetts or Boston (or, New York, or Utah, or ...or New York City, or Raleigh or Denver...or)?

ENDNOTES

¹ Michael E. Porter, "The Current Competitiveness Index: Measuring the Microeconomic Foundations of Prosperity," *The Global Competitiveness Report 2000*, 40. Published by the World Economic Forum.

² By dividing across by the population, this equation may also be expressed in per capita terms; output per capita is a standard measure of affluence.

³ Michael E. Porter, *The Competitive Advantage of Nations*, (New York: Free Press, 1990).

⁴ Robert Atkinson, Randolph Court and Joseph Ward, *The State New Economy Index*, Progressive Policy Institute, July 1999, 3.

⁵ Patricia Flynn et al., *Index of the Massachusetts Innovation Economy 2001*, Massachusetts Technology Collaborative, Westborough, Massachusetts, November 2001.

⁶ John Byars, Robert McCormick and Bruce Yandle, *Economic Freedom in America's 50 States: A 1999 Analysis*, Clemson University, March 1999.

⁷ However, a regression of average annual growth in personal income against the index (and some additional variables) finds that the index does not have a statistically significant effect.

⁸ See William Beach and Gerald O'Driscoll Jr., "Methodology: Factors of the Index of Economic Freedom," in *2001 Index of Economic Freedom*, Heritage Foundation, Washington D.C.

Table 2
Metropolitan Competitiveness Index

	Index		Rank in		
	2005	2005	2004	2003	2002
Boston MA	7.41	1	4	4	3
Raleigh NC	7.05	2	2	6	7
Seattle WA	6.78	3	1	1	1
Denver CO	6.56	4	5	5	4
Austin TX	6.55	5	7	7	6
Minn-St. Paul MN	6.23	6	6	3	5
Portland OR	6.20	7	3	9	9
Washington DC	6.15	8	22	13	11
Salt Lake City UT	5.85	9	8	8	10
Charlotte NC	5.69	10	21	12	19
Norfolk VA	5.58	11	27	25	32
Richmond VA	5.56	12	17	16	16
Atlanta GA	5.53	13	11	10	12
Nashville TN	5.47	14	23	37	45
Providence RI	5.44	15	18	21	21
Phoenix AZ	5.27	16	30	32	28
San Antonio TX	5.24	17	12	38	38
St. Louis MO	5.23	18	41	18	13
Miami FL	5.21	19	32	43	34
Hartford CT	5.16	20	20	31	15
Kansas City KS-MO	5.16	21	10	11	8
Rochester NY	5.14	22	26	46	41
Cincinnati OH	5.03	23	46	17	18
Houston TX	5.01	24	33	27	27
Milwaukee WI	4.97	25	25	26	22
Las Vegas NV	4.95	26	29	28	35
San Francisco CA	4.92	27	9	2	2
Dallas TX	4.90	28	13	45	26
Grand Rapids MI	4.90	29	15	14	14
Louisville KY	4.84	30	37	29	24
Greensboro NC	4.80	31	19	24	20
Orlando FL	4.79	32	16	23	33
Albany NY	4.78	33	24	-	-
Jacksonville FL	4.77	34	28	39	46
Oklahoma City OK	4.72	35	35	35	39
San Diego CA	4.72	36	14	34	25
Indianapolis IN	4.64	37	36	15	17
Cleveland OH	4.34	38	34	40	40
Tampa FL	4.32	39	39	36	44
Pittsburgh PA	4.15	40	40	19	23
Columbus OH	4.11	41	38	33	31
Memphis TN	4.02	42	48	49	48
Buffalo NY	4.01	43	43	48	49
New York NY	3.92	44	47	42	37
Sacramento CA	3.81	45	31	41	42
Philadelphia PA	3.54	46	45	44	43
Chicago IL	3.51	47	50	22	29
Detroit MI	3.35	48	42	30	36
New Orleans LA	3.15	49	49	50	50
Los Angeles CA	2.57	50	44	47	47

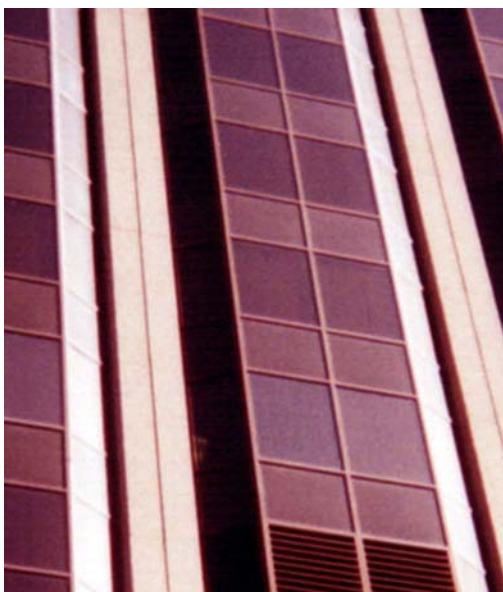
Table A1
Components of Sub-indexes for States

Sub-index	Competitiveness Indicators Index ("objective")
Government and Fiscal Policy	State and local taxes per capita /income per capita(-) Workers' compensation premium rates (-) Bond rating (composite of S&P's and Moody's, scale 1-25) (+) Budget surplus as % of Gross State Product (+) Average benefit per first payment for unemployed (-) Full-time-equivalent state and local government employees per 100 residents (-)
Security	Crime index per 100,000 inhabitants (-) % Change in crime index, 2003-2004 (-) Murders index per 100,000 inhabitants (-) The BGA Integrity Index (+)
Infrastructure	% of households with installed phones (+) High-speed lines per 1000 (+) Air passengers per capita (+) Travel time to work (-) Electricity prices per million BTU (-) Median monthly housing costs (-)
Human Resources	% of population without health insurance (-) % of population aged 25 and over that graduated from high school (+) Unemployment rate, not seasonally adjusted (-) % of students enrolled in degree-granting institutions per 1000 (+) % of adults in the labor force (+) Infant mortality rate in deaths per 1,000 live births (-) Non-federal physicians per 100,000 inhabitants (+) % of students at or above proficient in mathematics, grade 4 public schools (+)
Technology	Academic R&D per \$1,000 GSP (+) NIH support to institutions in the state, per capita (+) Patents per 100,000 inhabitants (+) Science and engineering graduate students per 100,000 inhabitants (+) Science and engineering degrees awarded per 100,000 inhabitants (+) Scientists and engineers as % of labor force (+) % of total wage and salary jobs in high technology industries(+)
Business Incubation	Deposits in commercial banks and savings institutions, per capita (+) Venture capital available per capita (+) Employer firm births per 100,000 inhabitants (+) IPO (A weighted measure of the value and number of initial public stock offerings of companies as a share of Gross State Product) (+) % of labor force that is represented by unions (-) Minimum wage (-)
Openness	Exports per capita, \$ (+) Incoming foreign direct investment per capita, \$ (+) % of population born abroad (+)
Environmental Policy	Toxic release inventory, pounds/1000 sq. miles (-) Carbon emission per 1000 sq miles (-)

Table A2
Components of sub-indexes for Metro Areas

Sub-index	Competitiveness indicators index (“objective”)
Government and fiscal policy	State and local taxes per capita /income per capita, state level (-) Workers' compensation premium rates, state level (-) Bond rating of main cities and counties(composite of S&P's and Moody's, scale (1-25) (+) State Bond rating of state (composite of S&P's and Moody's, scale (1-25) (+) Average benefit per first payment for unemployed, state level (-)
Security	Violent crimes per 100,000 inhabitants (-) % Change in crime index (-) Thefts per 100,000 inhabitants (-) Murders per 100,000 inhabitants (-)
Infrastructure	High-speed lines per 1000, state level (+) Travel time to work (-) Median monthly housing cost (-) Air passengers per capita (+) Electricity prices per million BTU, state level (-)
Human resources	% of population without health insurance (-) % of population aged 25 and over that graduated from high school (+) Unemployment rate, not seasonally adjusted (-) % of students enrolled in degree-granting institutions per 1000, state level (+) % of adults in the labor force (+) Infant mortality rate in deaths per 1,000 live births, state level (-) Non-federal physicians per 100,000 inhabitants, state level (+)
Technology	Academic R&D per \$1,000 GSP, state level (+) NIH support to institutions, per capita (+) Patents per 100,000 inhabitants (+) Science and engineering graduate students per 100,000 inhabitants, state level (+) Scientists and engineers as % of labor force (+)
Business Incubation	Deposits in commercial banks and savings institutions, per capita (+) Venture capital available per capita, state level (+) Employer firm births per 100,000 inhabitants, state level (+) Entrepreneurial Activity Index (+) Forbes Cost of Doing Business Index (-) Percent of labor force that is represented by unions (-)
Openness	Exports per capita, state level \$ (+) Percent of population born abroad (+)
Environmental policy	Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 sq. miles (-) Pollution standards index (-) High Ozone Days (-) Particle pollution (-)





How to Read Indicator Index Pages

In this column you will find variables where the state is competitive.

The index value ranks from 0 to 10, with a mean of 5 and a standard deviation of 1. Each state's index is ordered to create the overall rank among the 50 states.

Each state's overall rank is based on its total index from 1 (highest) to 50 (lowest)

In this column you will find variables where the state is not competitive

STATE NAME

6.10

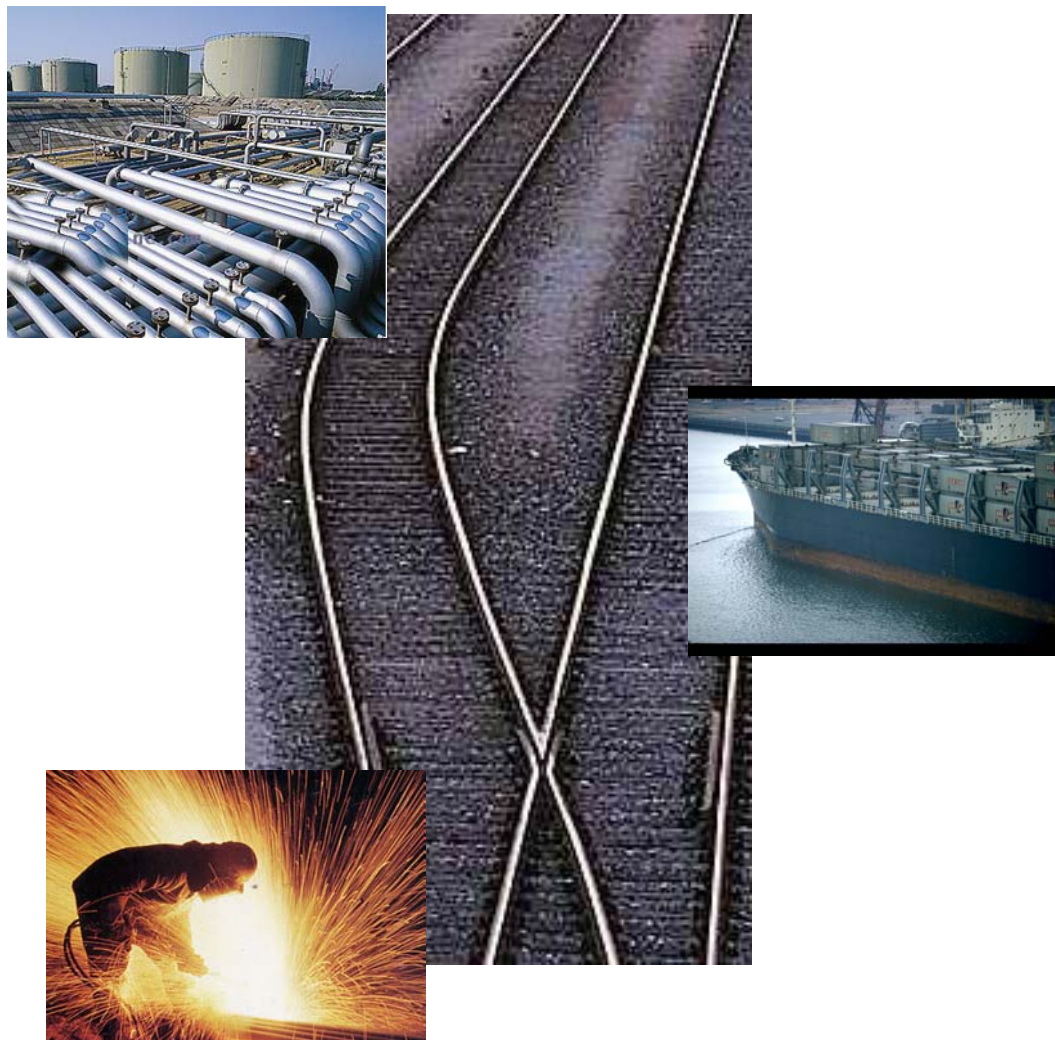
5

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and fiscal policy subindex	4.97	24	Government and fiscal policy subindex	4.97	24
Budget deficit, % of GSP	5.10	11	Bond rating: composite	3.13	49
Security subindex	5.65	11	Security subindex	5.65	11
The BGA Integrity Index	5.69	15			
Infrastructure subindex	3.63	47	Infrastructure subindex		
00	6.99	1	Electricity prices per million BTU		
			Median Monthly Housing Costs		
			Travel time to work		
Human resources subindex	6.68	1	Human resources subindex		
	8.45	1	Technology subindex		
00 GSP	7.71	2			
abitants	6.41	3			
Business incubation subindex	7.65	1	Business incubation subindex	7.65	1
Bank deposits per capita	5.38	5	Minimum wage	3.42	43
Venture capital per capita	10.00	1			
Openness subindex	6.29	7	Openness subindex	6.29	7
Exports per capita, dollars	5.95	7			
% of population born abroad	5.98	9			
Environmental policy subindex	3.92	43	Environmental policy subindex	3.92	43
			Carbon emission per 1000 sq miles	2.80	48

A subindex combines one or more variables that explain certain social or economic characteristics. For example, the institutions and security subindex is composed of other variables such as crime, percentage change in crime, and murders committed in the state.

Variables are the elements that make up each subindex. Variables that rank between 1 and 20 are considered advantages to a state, while variables that rank between 30 and 50 are considered disadvantages.

State Index



ALABAMA

Index **Overall Rank**
4.05 **43**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	6.08	8	Government and fiscal policy subIndex	6.08	8
State and Local Taxes per capita/Income per capita(current \$), %	6.19	5	Worker's Compensation premium rates	4.72	33
Budget surplus, % of GSP	4.95	17			
Average benefit per first payment for unemployed	6.72	2			
Security subIndex	3.79	46	Security subIndex	3.79	46
			Crime index, per 100,000 inhabitants	4.44	34
			Crime index change 2001-2002, %	4.55	36
			Murder index, per 100,000 inhabitants	4.60	32
			The BGA Integrity Index	3.57	47
Infrastructure subIndex	4.53	36	Infrastructure subIndex	4.53	36
			Households with installed phones, %	4.29	38
			High-Speed Lines by State per 1000	4.07	40
			Air passengers per capita	4.30	43
Electricity Prices per million BTU	5.54	14	Average Travel time to work	4.75	31
Average rent of 2 bedroom apartment	6.08	6			
Human resources subIndex	3.84	44	Human resources subIndex	3.84	44
			Percent of population that graduated from high school, persons 25 years and older	3.52	46
Unemployment rate	5.93	5	Percent of adults who are in the labor force	3.70	47
			Infant Mortality rate, deaths per 1000 live births	3.58	45
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.17	41
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	3.29	47
Technology subIndex	4.66	32	Technology subIndex	4.66	32
			Patents, per 100,000 inhabitants	4.19	43
NIH support to institutions per capita	5.50	11	Number of S&E graduate students per 100,000 inhabitants	4.63	33
			Scientists and engineers/labor force	4.58	32
Business Incubation subIndex	4.53	35	Business Incubation subIndex	4.53	35
			Total deposits (Commercial banks and Savings institutions) per capita	4.66	34
Venture capital investment per capita	5.24	10	Employer firm births per 100,000 inhabitants	3.88	48
			IPO	4.20	34
Minimum wage	5.62	1			
Openness subIndex	4.44	33	Openness subIndex	4.44	33
			Percent of population born abroad	4.10	44
Incoming FDI per capita, dollars	5.15	18	Environmental policy subIndex	4.90	32
Environmental policy subIndex	4.90	32	Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.66	35

ALASKA

Index **Overall Rank**
6.00 **9**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubIndex	7.18	1	Government and fiscal polycsubIndex	7.18	1
State and Local Taxes per capita/Income per capita(cur \$), %	8.32	1	Worker's Compensation premium rates	3.00	49
Budget surplus, % of GSP	10.00	1	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	2.65	48
Average benefit per first payment for unemployed	6.39	4			
Security subIndex	5.47	15	Security subIndex	5.47	15
Crime index change 2001-2002, %	6.49	4	Murder index, per 100,000 inhabitants	4.60	32
Infrastructure subIndex	6.43	5	Infrastructure subIndex	6.43	5
High-Speed Lines by State per 1000	6.66	4	Electricity Prices per million BTU	3.80	42
Air passengers per capita	7.11	3	Average rent of 2 bedroom apartment	3.71	43
Average Travel time to work	6.41	5			
Human resources subIndex	4.99	28	Human resources subIndex	4.99	28
Percent of population that graduated form high school, persons 25 years and older	6.57	1	Percent of population without health insurance	3.99	42
Percent of adults who are in the labor force	5.70	13	Unemployment rate	3.74	47
Infant Mortality rate, deaths per 1000 live births	6.06	7	Rate of Nonfederal Pysicians per 100,000 inhabitants	4.17	41
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.77	33
Technology subIndex	4.32	37	Technology subIndex	4.32	37
Academic R&D per \$1,000 GSP	6.15	3	NIH support to institutions per capita	3.99	48
			Patents, per 100,000 inhabitants	4.09	47
			Number of S&E graduate students per 100,000 inhabitants	4.35	39
Scientists and engineers/labor force	5.68	12	S&Edegrees awarded per 100,000 inhabitants	2.84	49
			Percentage of total wage and salary jobs in high technology industries	4.49	31
Business Incubation subIndex	2.49	50	Business Incubation subIndex	2.49	50
			Total deposits (Commercial banks and Savings institutions) per capita	4.40	50
			Venture capital investment per capita	4.45	44
			IPO	4.20	34
			Percent of Labor Force that is represented by unions	3.17	47
			Minumum wage	2.87	48
Openness subIndex	6.74	3	Openness subIndex	6.74	3
Exports per capita, dollars	7.14	4			
Incoming FDI per capita, dollars	6.20	6			
Environmental polycsubIndex	5.80	15	Environmental polycsubIndex	5.80	15
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.92	1			

ARIZONA

Index **Overall Rank****5.17** **22**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.79	12	Government and fiscal policy subindex	5.79	12
Worker's Compensation premium rates	6.30	3	State and Local Taxes per capita/Income per capita(cur \$), %	4.83	30
Average benefit per first payment for unemployed	6.46	3	Bond rating: composite	4.01	39
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.53	14	Budget surplus, % of GSP	4.74	32
Security subindex	4.15	43	Security subindex	4.15	43
Crime index change 2001-2002, %	5.71	11	Crime index, per 100,000 inhabitants	3.10	49
The BGA Integrity Index	5.26	20	Murder index, per 100,000 inhabitants	3.94	45
Infrastructure subindex	4.91	27	Infrastructure subindex	4.91	27
High-Speed Lines by State per 1000	5.40	19	Households with installed phones, %	4.07	42
Air passengers per capita	5.76	7			
			Electricity Prices per million BTU	5.05	35
			Average rent of 2 bedroom apartment	4.67	33
Human resources subindex	4.61	34	Human resources subindex	4.61	34
			Percent of population without health insurance	4.25	39
Percent of student enrolled in degree-granting institutions per 1000	5.44	14	Percent of population that graduated from high school, persons 25 years and older	4.59	34
Infant Mortality rate, deaths per 1000 live births	5.44	19			
			Percent of adults who are in the labor force	4.60	34
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.35	36
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.18	39
Technology subindex	5.5	21	Technology subindex	5.5	21
Patents, per 100,000 inhabitants	5.16	16	Academic R&D per \$1,000 GSP	4.54	34
			NIH support to institutions per capita	4.36	37
S&E degrees awarded per 100,000 inhabitants	6.07	8	Number of S&E graduate students per 100,000 inhabitants	4.60	34
Scientists and engineers/labor force	5.31	19			
Percentage of total wage and salary jobs in high technology industries	5.84	12			
Business incubation subindex	4.87	28	Business incubation subindex	4.87	28
			Total deposits (Commercial banks and Savings institutions) per capita	4.49	47
IPO	5.12	18	Venture capital investment per capita	4.58	32
Percent of Labor Force that is represented by unions	5.87	13	Employer firm births per 100,000 inhabitants	3.96	45
Minimum wage	5.62	1			
Openness subindex	5.21	21	Openness subindex	5.21	21
Exports per capita, dollars	5.05	19	Incoming FDI per capita, dollars	4.22	40
Percent of population born abroad	6.09	8			
Environmental policy subindex	5.85	11	Environmental policy subindex	5.85	11
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.76	13			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.71	14			

ARKANSAS

Index **Overall Rank**
3.08 **48**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.39	19	Government and fiscal policy subindex	5.39	19
Worker's Compensation premium rates	6.21	4	State and Local Taxes per capita/Income per capita(cur \$), %	4.50	40
Average benefit per first payment for unemployed	5.57	18	Budget surplus, % of GSP	4.56	49
Security subindex	2.83	48	Security subindex	2.83	48
			Crime index, per 100,000 inhabitants	4.38	35
			Crime index change 2001-2002, %	1.66	50
			Murder index, per 100,000 inhabitants	4.27	40
			The BGA Integrity Index	4.61	31
Infrastructure subindex	3.71	45	Infrastructure subindex	3.71	45
Average Travel time to work	5.61	13	Households with installed phones, %	1.92	50
Electricity Prices per million BTU	5.67	13	High-Speed Lines by State per 1000	3.72	45
Average rent of 2 bedroom apartment	6.10	5	Air passengers per capita	4.32	42
Human resources subindex	3.70	47	Human resources subindex	3.70	47
			Percent of population without health insurance	4.31	36
			Percent of population that graduated from high school, persons 25 years and older	3.70	44
			Percent of student enrolled in degree-granting institutions per 1000	3.40	50
			Percent of adults who are in the labor force	3.80	45
			Infant Mortality rate, deaths per 1000 live births	4.13	41
			Rate of Nonfederal Physicians per 100,000 inhabitants	3.98	46
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.92	32
Technology subindex	3.3	49	Technology subindex	3.3	49
			Academic R&D per \$1,000 GSP	3.62	49
			NIH support to institutions per capita	4.28	40
			Patents, per 100,000 inhabitants	4.03	49
			Number of S&E graduate students per 100,000 inhabitants	3.45	49
			S&E degrees awarded per 100,000 inhabitants	3.84	47
			Scientists and engineers/labor force	3.50	49
			Percentage of total wage and salary jobs in high technology industries	4.10	40
Business incubation subindex	4.94	62	Business incubation subindex	4.94	62
			Total deposits (Commercial banks and Savings institutions) per capita	4.68	32
			Venture capital investment per capita	4.45	44
Percent of Labor Force that is represented by unions	6.19	3	IPO	4.20	34
Minumum wage	5.62	1			
Openness subindex	3.8	45	Openness subindex	3.8	45
			Exports per capita, dollars	4.16	41
			Incoming FDI per capita, dollars	4.56	32
			Percent of population born abroad	4.28	37
Environmental policy subindex	5.8	19	Environmental policy subindex	5.8	19
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.58	18			

BHI

State Index

CALIFORNIA

Index **Overall Rank**
5.02 **26**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	2.07	50	Government and fiscal polycsubindex	2.07	50
			State and Local Taxes per capita/Income per capita(cur \$), %	4.74	31
			Worker's Compensation premium rates	1.07	50
			Bond rating: composite	2.25	50
			Budget surplus, % of GSP	4.73	34
			Average benefit per first payment for unemployed	4.19	42
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.89	7			
Security subindex	5.02	3	Security subindex	5.02	3
			Crime index change 2001-2002, %	4.64	34
			Murder index, per 100,000 inhabitants	4.14	42
The BGA Integrity Index	6.35	5			
Infrastructure subindex	3.64	8	Infrastructure subindex	3.64	8
Households with installed phones, %	5.95	9			
High-Speed Lines by State per 1000	6.04	8			
Air passengers per capita	4.98	16			
			Average Travel time to work	3.80	45
			Electricity Prices per million BTU	3.56	46
			Average rent of 2 bedroom apartment	2.84	50
Human resources subindex	4.85	31	Human resources subindex	4.85	31
			Percent of population without health insurance	3.85	43
			Percent of population that graduated from high school, persons 25 years and older	3.75	42
			Unemployment rate	4.90	31
Percent of student enrolled in degree-granting institutions per 1000	7.13	2			
			Percent of adults who are in the labor force	4.52	35
Infant Mortality rate, deaths per 1000 live births	6.06	7			
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.03	41
Technology subindex	5.88	9	Technology subindex	5.88	9
Academic R&D per \$1,000 GSP	5.28	18			
NIH support to institutions per capita	5.52	10			
Patents, per 100,000 inhabitants	6.34	4			
Number of S&E graduate students per 100,000 inhabitants	5.39	16			
			S&Edegrees awarded per 100,000 inhabitants	4.40	37
Scientists and engineers/labor force	5.96	7			
Percentage of total wage and salary jobs in high technology industries	6.50	5			
Business incubation subindex	6.15	7	Business incubation subindex	6.15	7
Total deposits (Commercial banks and Savings institutions) per capita	4.93	13			
Venture capital investment per capita	7.87	2			
Employer firm births per 100,000 inhabitants	5.10	19			
IPO	7.24	3			
			Percent of Labor Force that is represented by unions	4.27	39
			Minumum wage	3.42	43
Openness subindex	6.6	2	Openness subindex	6.6	2
Exports per capita, dollars	5.67	11			
			Incoming FDI per capita, dollars	4.43	38
Percent of population born abroad	8.17	1			
Environmental polycsubindex	5.59	20	Environmental polycsubindex	5.59	20
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.80	11			

COLORADO

Index
6.37

Overall Rank
6

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.32	39	Government and fiscal policy subindex	4.32	39
State and Local Taxes per capita/Income per capita (cur \$), %	5.41	14			
			Bond rating: composite	4.01	39
			Budget surplus, % of GSP	4.71	36
			Average benefit per first payment for unemployed	3.74	44
Security subindex	4.89	30	Security subindex	4.89	30
			Crime index change 2001-2002, %	4.44	38
The BGA Integrity Index	5.61	16			
Infrastructure subindex	5.98	12	Infrastructure subindex	5.98	12
Households with installed phones, %	5.68	13			
High-Speed Lines by State per 1000	5.55	16			
Air passengers per capita	6.28	4			
			Average Travel time to work	4.83	30
			Average rent of 2 bedroom apartment	4.40	35
Human resources subindex	5.51	20	Human resources subindex	5.51	20
Percent of population that graduated from high school, persons 25 years and older	5.55	17	Percent of population without health insurance	4.25	39
Percent of student enrolled in degree-granting institutions per 1000	5.46	13			
Percent of adults who are in the labor force	6.33	5			
Infant Mortality rate, deaths per 1000 live births	5.65	15			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.36	20			
Technology subindex	6.41	3	Technology subindex	6.41	3
Academic R&D per \$1,000 GSP	5.30	17			
Patents, per 100,000 inhabitants	5.93	8			
Number of S&E graduate students per 100,000 inhabitants	6.34	5			
S&E degrees awarded per 100,000 inhabitants	5.18	18			
Scientists and engineers/labor force	7.13	3			
Percentage of total wage and salary jobs in high technology industries	7.13	2			
Business incubation subindex	6.88	2	Business incubation subindex	6.88	2
			Total deposits (Commercial banks and Savings institutions) per capita	4.67	33
Venture capital investment per capita	5.55	5			
Employer firm births per 100,000 inhabitants	7.06	3			
IPO	6.15	4			
Percent of Labor Force that is represented by unions	5.61	17			
Minimum wage	5.62	1			
Openness subindex	4.75	28	Openness subindex	4.75	28
			Exports per capita, dollars	4.30	38
Percent of population born abroad	5.31	15			
Environmental policy subindex	5.91	6	Environmental policy subindex	5.91	6
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.88	5			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.68	15			

BHI

State Index

CONNECTICUT

Index **Overall Rank**
5.21 **21**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	4.11	42	Government and fiscal policy subIndex	4.11	42
			State and Local Taxes per capita/Income per capita(cur \$), %	4.51	39
			Worker's Compensation premium rates	4.32	41
			Bond rating: composite	4.45	31
			Budget surplus, % of GSP	4.74	33
			Average benefit per first payment for unemployed	4.20	41
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.59	12			
Security subIndex	6.11	6	Security subIndex	6.11	6
Crime index, per 100,000 inhabitants	5.93	12			
Murder index, per 100,000 inhabitants	5.84	14			
The BGA Integrity Index	5.81	13			
Infrastructure subIndex	4.38	38	Infrastructure subIndex	4.38	38
Households with installed phones, %	5.42	19			
High-Speed Lines by State per 1000	6.78	2			
			Air passengers per capita	4.47	34
			Average Travel time to work	4.69	35
			Electricity Prices per million BTU	3.66	44
			Average rent of 2 bedroom apartment	3.69	45
Human resources subIndex	5.77	11	Human resources subIndex	5.77	11
Percent of population without health insurance	6.00	8			
Percent of population that graduated from high school, persons 25 years and older	5.96	12			
			Percent of student enrolled in degree-granting institutions per 1000	4.12	42
Rate of Nonfederal Physicians per 100,000 inhabitants	6.76	4			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.80	9			
Technology subIndex	6.11	4	Technology subIndex	6.11	4
Academic R&D per \$1,000 GSP	5.63	10			
NIH support to institutions per capita	5.56	9			
Patents, per 100,000 inhabitants	5.88	9			
Number of S&E graduate students per 100,000 inhabitants	6.45	3			
Scientists and engineers/labor force	6.12	6			
Percentage of total wage and salary jobs in high technology industries	6.15	8			
Business Incubation subIndex	4.18	40	Business Incubation subIndex	4.18	40
Total deposits (Commercial banks and Savings institutions) per capita	5.06	9			
Venture capital investment per capita	5.48	7			
IPO	5.69	9	Employer firm births per 100,000 inhabitants	4.40	35
			Percent of Labor Force that is represented by unions	4.36	37
			Minimum wage	2.93	47
Openness subIndex	5.80	11	Openness subIndex	5.80	11
Exports per capita, dollars	5.14	17			
Incoming FDI per capita, dollars	5.64	10			
Percent of population born abroad	5.63	12			
Environmental policy subIndex	4.24	41	Environmental policy subIndex	4.24	41
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	3.33	47

DELAWARE

Index
5.17

Overall Rank
23

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	6.6	2	Government and fiscal polycsubindex	6.6	2
State and Local Taxes per capita/Income per capita(cur \$), %	6.78	3			
Bond rating: composite	6.65	1	Worker's Compensation premium rates	4.08	44
Budget surplus, % of GSP	5.84	2			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.45	18			
Security subindex	4.94	29	Security subindex	4.94	29
Crime index change 2001-2002, %	6.73	3	Crime index, per 100,000 inhabitants	2.72	50
Murder index, per 100,000 inhabitants	6.09	6			
			The BGA Integrity Index	4.31	38
Infrastructure subindex	3.92	43	Infrastructure subindex	3.92	43
			Households with installed phones, %	4.74	33
			Air passengers per capita	4.01	50
			Electricity Prices per million BTU	5.06	33
			Average rent of 2 bedroom apartment	4.24	38
Human resources subindex	4.30	38	Human resources subindex	4.30	38
Percent of population without health insurance	5.48	19			
Unemployment rate	5.41	18			
			Infant Mortality rate, deaths per 1000 live births	3.85	43
Rate of Nonfederal Physicians per 100,000 inhabitants	5.19	15			
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	1.67	50
Technology subindex	5.25	20	Technology subindex	5.25	20
			Academic R&D per \$1,000 GSP	4.70	31
Patents, per 100,000 inhabitants	5.73	10	NIH support to institutions per capita	4.16	43
Number of S&E graduate students per 100,000 inhabitants	5.91	7			
S&Edegrees awarded per 100,000 inhabitants	5.18	19			
Scientists and engineers/labor force	5.37	16			
Percentage of total wage and salary jobs in high technology industries	5.21	19			
Business incubation subindex	6.45	4	Business incubation subindex	6.45	4
Total deposits (Commercial banks and Savings institutions) per capita	10.00	1			
			Venture capital investment per capita	4.45	44
Employer firm births per 100,000 inhabitants	5.80	10	IPO	4.20	34
			Percent of Labor Force that is represented by unions	4.88	30
			Minumum wage	4.24	38
Openness subindex	6.67	4	Openness subindex	6.67	4
Exports per capita, dollars	5.17	16			
Incoming FDI per capita, dollars	7.80	1			
Percent of population born abroad	4.96	20			
Environmental polycsubindex	2.38	49	Environmental polycsubindex	2.38	49
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	1.98	50
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	3.51	46

BHI

State Index

FLORIDA

Index **Overall Rank**
4.79 **28**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	5.86	10	Government and fiscal policy subIndex	5.86	10
State and Local Taxes per capita/Income per capita(current \$), %	5.67	7			
Bond rating: composite	6.21	7	Worker's Compensation premium rates	3.21	48
Budget surplus, % of GSP	5.14	6			
Average benefit per first payment for unemployed	5.66	15			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	6.16	4			
Security subIndex	5.06	25	Security subIndex	5.06	25
Crime index change 2001-2002, %	5.93	9	Crime index, per 100,000 inhabitants	4.02	41
The BGA Integrity Index	5.52	18	Murder index, per 100,000 inhabitants	4.68	31
Infrastructure subIndex	4.27	40	Infrastructure subIndex	4.27	40
High-Speed Lines by State per 1000	6.18	6	Households with installed phones, %	4.43	37
Air passengers per capita	5.48	10			
			Average Travel time to work	3.55	47
			Electricity Prices per million BTU	4.79	37
			Average rent of 2 bedroom apartment	4.06	40
Human resources subIndex	4.60	35	Human resources subIndex	4.60	35
			Percent of population without health insurance	3.71	46
			Percent of population that graduated from high school, persons 25 years and older	4.80	31
Unemployment rate	5.93	5			
			Percent of adults who are in the labor force	3.92	43
			Infant Mortality rate, deaths per 1000 live births	4.68	32
Technology subIndex	4.08	41	Technology subIndex	4.08	41
			Academic R&D per \$1,000 GSP	3.90	45
			NIH support to institutions per capita	4.20	42
			Patents, per 100,000 inhabitants	4.48	32
			Number of S&E graduate students per 100,000 inhabitants	4.08	43
			S&E degrees awarded per 100,000 inhabitants	4.60	33
			Scientists and engineers/labor force	4.48	33
Business Incubation subIndex	5.42	18	Business Incubation subIndex	5.42	18
Employer firm births per 100,000 inhabitants	6.35	8			
IPO	4.96	19			
Percent of Labor Force that is represented by unions	5.91	10			
			Minimum wage	4.24	38
Openness subIndex	5.39	16	Openness subIndex	5.39	16
			Exports per capita, dollars	4.49	33
Percent of population born abroad	6.68	6	Incoming FDI per capita, dollars	4.52	34
Environmental policy subIndex	4.58	38	Environmental policy subIndex	4.58	38
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.65	36
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.63	40

GEORGIA

Index
4.92

Overall Rank
27

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubIndex	6.25	5	Government and fiscal polycsubIndex	6.25	5
State and Local Taxes per capita/Income per capita(cur \$), %	5.16	20			
Worker's Compensation premium rates	5.56	15			
Bond rating: composite	6.65	1			
Budget surplus, % of GSP	4.89	18			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.57	13			
Security subIndex	3.93	44	Security subIndex	3.93	44
			Crime index, per 100,000 inhabitants	4.18	37
			Crime index change 2001-2002, %	4.37	40
			Murder index, per 100,000 inhabitants	4.06	43
Infrastructure subIndex	5.09	22	Infrastructure subIndex	5.09	22
High-Speed Lines by State per 1000	5.68	15	Households with installed phones, %	4.07	42
Air passengers per capita	6.15	5			
			Average Travel time to work	4.29	39
			Electricity Prices per million BTU	5.20	30
			Average rent of 2 bedroom apartment	4.79	31
Human resources subIndex	3.91	42	Human resources subIndex	3.91	42
			Percent of population without health insurance	4.31	36
			Percent of population that graduated from high school, persons 25 years and older	3.90	39
			Unemployment rate	4.77	38
			Percent of student enrolled in degree-granting institutions per 1000	4.00	46
Percent of adults who are in the labor force	5.18	18	Infant Mortality rate, deaths per 1000 live births	3.72	44
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.23	38
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.33	37
Technology subIndex	4.54	33	Technology subIndex	4.54	33
			NIH support to institutions per capita	4.57	31
			Patents, per 100,000 inhabitants	4.52	30
			Number of S&E graduate students per 100,000 inhabitants	4.39	38
			S&Edegrees awarded per 100,000 inhabitants	4.12	42
Percentage of total wage and salary jobs in high technology industries	5.13	20			
Business Incubation subIndex	5.72	12	Business Incubation subIndex	5.72	12
Venture capital investment per capita	4.85	19			
Employer firm births per 100,000 inhabitants	5.19	16			
IPO	5.43	15			
Percent of Labor Force that is represented by unions	5.95	9			
Minumum wage	5.62	1			
Openness subIndex	5.37	17	Openness subIndex	5.37	17
Incoming FDI per capita, dollars	5.60	12			
Percent of population born abroad	5.09	19			
Environmental polycsubIndex	4.92	31	Environmental polycsubIndex	4.92	31
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.74	33
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.12	30

BHI

State Index

HAWAII

Index **Overall Rank**
3.95 **45**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	3.00	49	Government and fiscal policy subIndex	3.00	49
			State and Local Taxes per capita/Income per capita (cur \$), %	3.64	48
			Worker's Compensation premium rates	3.75	47
Budget surplus, % of GSP	5.20	5	Bond rating: composite	4.45	31
			Average benefit per first payment for unemployed	2.90	49
Security subIndex	6.23	5	Security subIndex	6.23	5
Crime index change 2001-2002, %	6.80	1	Crime index, per 100,000 inhabitants	3.87	45
Murder index, per 100,000 inhabitants	5.84	14			
The BGA Integrity Index	6.37	4			
Infrastructure subIndex	4.20	41	Infrastructure subIndex	4.20	41
Households with installed phones, %	5.91	10			
Air passengers per capita	9.08	1			
			Average Travel time to work	3.89	44
			Electricity Prices per million BTU	1.27	50
			Average rent of 2 bedroom apartment	3.19	48
Human resources subIndex	5.58	6	Human resources subIndex	5.58	6
Percent of population without health insurance	6.31	2			
Percent of population that graduated from high school, persons 25 years and older	5.49	19			
Unemployment rate	6.44	1			
Percent of student enrolled in degree-granting institutions per 1000	5.34	16			
Rate of Nonfederal Physicians per 100,000 inhabitants	5.63	9			
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.03	41
Technology subIndex	4.32	3	Technology subIndex	4.32	3
Academic R&D per \$1,000 GSP	5.19	19			
			Patents, per 100,000 inhabitants	4.09	46
			Number of S&E graduate students per 100,000 inhabitants	4.74	30
			S&E degrees awarded per 100,000 inhabitants	4.59	34
			Scientists and engineers/labor force	4.38	35
			Percentage of total wage and salary jobs in high technology industries	3.76	47
Business Incubation subIndex	3.17	49	Business Incubation subIndex	3.17	49
Total deposits (Commercial banks and Savings institutions) per capita	4.91	16			
			IPO	4.20	34
			Percent of Labor Force that is represented by unions	2.72	49
			Minimum wage	4.10	40
Openness subIndex	4.49	32	Openness subIndex	4.49	32
			Exports per capita, dollars	3.36	50
Percent of population born abroad	6.78	4	Incoming FDI per capita, dollars	3.96	43
Environmental policy subIndex	5.45	23	Environmental policy subIndex	5.45	23
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.73	16			
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.05	32

IDAHO

Index **Overall Rank**
5.67 **14**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.88	27	Government and fiscal policy subindex	4.88	27
Worker's Compensation premium rates	5.44	18	Bond rating: composite	4.01	39
Average benefit per first payment for unemployed	5.58	17	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.79	36
Security subindex	5.58	13	Security subindex	5.58	13
Crime index, per 100,000 inhabitants	5.81	15	The BGA Integrity Index	3.96	42
Crime index change 2001-2002, %	5.54	14	Infrastructure subindex	5.16	21
Murder index, per 100,000 inhabitants	6.01	7	Households with installed phones, %	5.59	15
Infrastructure subindex	5.16	21	Electricity Prices per million BTU	6.17	2
Households with installed phones, %	5.59	15	Average rent of 2 bedroom apartment	5.70	16
Electricity Prices per million BTU	6.17	2	Human resources subindex	5.29	23
Average rent of 2 bedroom apartment	5.70	16	Percent of population that graduated from high school, persons 25 years and older	5.52	18
Human resources subindex	5.29	23	Unemployment rate	5.86	7
Percent of population that graduated from high school, persons 25 years and older	5.52	18	Percent of student enrolled in degree-granting institutions per 1000	5.58	11
Unemployment rate	5.86	7	Percent of adults who are in the labor force	5.28	17
Percent of student enrolled in degree-granting institutions per 1000	5.58	11	Infant Mortality rate, deaths per 1000 live births	5.65	15
Percent of adults who are in the labor force	5.28	17	Rate of Nonfederal Physicians per 100,000 inhabitants	3.50	50
Infant Mortality rate, deaths per 1000 live births	5.65	15	Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.80	9
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.80	9	Technology subindex	5.61	11
Technology subindex	5.61	11	Academic R&D per \$1,000 GSP	4.00	44
Patents, per 100,000 inhabitants	9.83	1	NIH support to institutions per capita	3.94	49
Scientists and engineers/labor force	5.75	10	Number of S&E graduate students per 100,000 inhabitants	4.53	35
Percentage of total wage and salary jobs in high technology industries	5.80	14	S&E degrees awarded per 100,000 inhabitants	4.18	40
Business Incubation subindex	5.98	8	Business Incubation subindex	5.98	8
Employer firm births per 100,000 inhabitants	7.53	1	Total deposits (Commercial banks and Savings institutions) per capita	4.45	48
Percent of Labor Force that is represented by unions	5.87	13	IPO	4.20	34
Minimum wage	5.62	1	Openness subindex	3.96	43
Openness subindex	3.96	43	Incoming FDI per capita, dollars	3.65	48
Environmental policy subindex	5.85	12	Environmental policy subindex	5.85	12
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.58	20	Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.88	3
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.88	3			

BHI

State Index

ILLINOIS

Index
4.58

Overall Rank
35

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
<i>Government and fiscal policy subIndex</i>	<i>4.8</i>	<i>28</i>	<i>Government and fiscal policy subIndex</i>	<i>4.5</i>	<i>28</i>
			Bond rating: composite	4.45	31
			Budget surplus, % of GSP	4.65	42
			Average benefit per first payment for unemployed	4.46	37
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.92	6			
<i>Security subIndex</i>	<i>4.48</i>	<i>39</i>	<i>Security subIndex</i>	<i>4.48</i>	<i>39</i>
Crime index change 2001-2002, %	5.20	20			
			Murder index, per 100,000 inhabitants	4.39	36
			The BGA Integrity Index	4.04	41
<i>Infrastructure subIndex</i>	<i>4.8</i>	<i>25</i>	<i>Infrastructure subIndex</i>	<i>4.8</i>	<i>25</i>
			Households with installed phones, %	3.35	47
Air passengers per capita	5.58	9			
Average Travel time to work	5.92	9			
			Average rent of 2 bedroom apartment	4.61	34
<i>Human resources subIndex</i>	<i>4.97</i>	<i>29</i>	<i>Human resources subIndex</i>	<i>4.97</i>	<i>29</i>
Percent of student enrolled in degree-granting institutions per 1000	5.65	9	Unemployment rate	4.84	35
Rate of Nonfederal Physicians per 100,000 inhabitants	5.36	12	Percent of adults who are in the labor force	4.70	33
			Infant Mortality rate, deaths per 1000 live births	4.75	30
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.47	35
<i>Technology subIndex</i>	<i>5.08</i>	<i>23</i>	<i>Technology subIndex</i>	<i>5.08</i>	<i>23</i>
Number of S&E graduate students per 100,000 inhabitants	6.05	6			
S&E degrees awarded per 100,000 inhabitants	5.21	17			
<i>Business Incubation subIndex</i>	<i>4.05</i>	<i>41</i>	<i>Business Incubation subIndex</i>	<i>4.05</i>	<i>41</i>
Total deposits (Commercial banks and Savings institutions) per capita	5.12	8			
			Employer firm births per 100,000 inhabitants	4.04	40
IPO	6.02	5	Percent of Labor Force that is represented by unions	4.01	43
			Minimum wage	3.76	42
<i>Openness subIndex</i>	<i>5.57</i>	<i>14</i>	<i>Openness subIndex</i>	<i>5.57</i>	<i>14</i>
Exports per capita, dollars	5.09	18			
Percent of population born abroad	5.91	10			
<i>Environmental policy subIndex</i>	<i>4.8</i>	<i>37</i>	<i>Environmental policy subIndex</i>	<i>4.8</i>	<i>37</i>
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.63	37
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.72	37

INDIANA

Index **Overall Rank**
3.73 **46**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.55	1	Government and fiscal policy subindex	5.55	1
			State and Local Taxes per capita/Income per capita (cur \$), %	4.73	33
Worker's Compensation premium rates	6.59	2			
Bond rating: composite	5.33	16	Budget surplus, % of GSP	4.70	38
			Average benefit per first payment for unemployed	4.47	36
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.48	16			
Security subindex	4.44	41	Security subindex	4.44	41
			Crime index change 2001-2002, %	4.30	42
			The BGA Integrity Index	4.44	34
Infrastructure subindex	3.75	44	Infrastructure subindex	3.75	44
			Households with installed phones, %	3.49	46
			High-Speed Lines by State per 1000	4.48	35
			Air passengers per capita	4.39	38
Electricity Prices per million BTU	5.90	5	Average Travel time to work	3.63	46
Human resources subindex	4.70	33	Human resources subindex	4.70	33
			Percent of population that graduated from high school, persons 25 years and older	4.77	32
			Unemployment rate	4.84	35
			Percent of student enrolled in degree-granting institutions per 1000	4.44	35
			Infant Mortality rate, deaths per 1000 live births	4.54	36
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.32	37
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.36	20			
Technology subindex	4.53	34	Technology subindex	4.53	34
			Academic R&D per \$1,000 GSP	4.67	32
			NIH support to institutions per capita	4.43	34
S&E degrees awarded per 100,000 inhabitants	5.23	16			
			Scientists and engineers/labor force	4.22	38
			Percentage of total wage and salary jobs in high technology industries	4.41	32
Business incubation subindex	4.52	63	Business incubation subindex	4.52	63
			Total deposits (Commercial banks and Savings institutions) per capita	4.62	39
			Venture capital investment per capita	4.52	36
IPO	4.96	19	Employer firm births per 100,000 inhabitants	4.03	41
Minimum wage	5.62	1			
Openness subindex	5.35	19	Openness subindex	5.35	19
Exports per capita, dollars	5.67	12			
Incoming FDI per capita, dollars	5.62	11	Percent of population born abroad	4.34	33
Environmental policy subindex	2.84	48	Environmental policy subindex	2.84	48
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	2.22	49
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.07	44

BHI

State Index

IOWA

Index **Overall Rank**
5.45 **15**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	5.24	20	Government and fiscal policy subIndex	5.24	20
Worker's Compensation premium rates	5.82	9			
Bond rating: composite	5.77	11			
			Average benefit per first payment for unemployed	4.65	35
			Full-Time-Equivalent State and Local Government	4.48	41
			Employees Per 100 Residents		
Security subIndex	5.37	18	Security subIndex	5.37	18
Crime index, per 100,000 inhabitants	5.67	17			
Murder index, per 100,000 inhabitants	6.26	4			
			The BGA Integrity Index	3.90	43
Infrastructure subIndex	5.34	17	Infrastructure subIndex	5.34	17
Households with installed phones, %	5.59	15			
			High-Speed Lines by State per 1000	4.06	41
			Air passengers per capita	4.27	46
Average Travel time to work	5.32	17			
Electricity Prices per million BTU	5.50	20			
Average rent of 2 bedroom apartment	5.97	10			
Human resources subIndex	5.81	10	Human resources subIndex	5.81	10
Percent of population without health insurance	6.17	5			
Percent of population that graduated from high school,	6.09	5			
persons 25 years and older					
Percent of adults who are in the labor force	5.90	11			
Infant Mortality rate, deaths per 1000 live births	6.20	5			
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.23	38
Percentage of students at or above Proficient in					
mathematics, grade 4 public schools	5.36	20			
Technology subIndex	5.13	22	Technology subIndex	5.13	22
Academic R&D per \$1,000 GSP	5.82	6			
NIH support to institutions per capita	5.09	19			
Number of S&E graduate students per 100,000	5.47	13			
inhabitants					
S&Edegrees awarded per 100,000 inhabitants	6.31	5			
			Scientists and engineers/labor force	4.02	42
			Percentage of total wage and salary jobs in high	4.14	39
			technology industries		
Business Incubation subIndex	4.74	30	Business Incubation subIndex	4.74	30
			Venture capital investment per capita	4.45	44
IPO	5.61	11	Employer firm births per 100,000 inhabitants	3.81	49
Minimum wage	5.62	1			
Openness subIndex	4.24	40	Openness subIndex	4.24	40
			Incoming FDI per capita, dollars	4.56	32
			Percent of population born abroad	4.20	40
Environmental policy subIndex	5.66	18	Environmental policy subIndex	5.66	18
Toxic release inventory, on-site and off-site, total (new	5.62	18			
and original industries), pounds/1000 SQ. Miles					
Greenhouse Gas Emissions (metric tons of carbon	5.52	20			
equivalent per 1000 Sq. Miles)					

KANSAS

Index
5.71

Overall Rank
13

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	4.78	31	Government and fiscal polycsubindex	4.78	31
			State and Local Taxes per capita/Income per capita(cur \$), %	4.64	36
Worker's Compensation premium rates	5.94	8			
Bond rating: composite	5.77	11			
Budget surplus, % of GSP	4.89	19			
			Average benefit per first payment for unemployed Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.39 3.80	39 46
Security subindex	4.82	31	Security subindex	4.82	31
			Crime index, per 100,000 inhabitants	4.54	32
			Crime index change 2001-2002, %	4.77	33
Infrastructure subindex	6.44	4	Infrastructure subindex	6.44	4
Households with installed phones, %	5.55	18			
High-Speed Lines by State per 1000	5.76	14			
			Air passengers per capita	4.15	48
Average Travel time to work	6.35	7			
Average rent of 2 bedroom apartment	5.69	17			
Human resources subindex	6.07	7	Human resources subindex	6.07	7
Percent of population without health insurance	6.00	8			
Percent of population that graduated from high school, persons 25 years and older	6.06	6			
			Unemployment rate	4.90	31
Percent of student enrolled in degree-granting institutions per 1000	6.92	3			
Percent of adults who are in the labor force	5.88	12			
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.49	32
Percentage of students at or above Proficient in mathematics, grade 4 public schools	6.24	3			
Technology subindex	5.60	13	Technology subindex	5.60	13
			NIH support to institutions per capita	4.33	38
Number of S&E graduate students per 100,000 inhabitants	6.71	2			
S&Edegrees awarded per 100,000 inhabitants	5.83	12			
Scientists and engineers/labor force	5.13	20			
Percentage of total wage and salary jobs in high technology industries	6.66	4			
Business Incubation subindex	4.54	34	Business Incubation subindex	4.54	34
			Venture capital investment per capita	4.56	34
			Employer firm births per 100,000 inhabitants	4.28	36
			IPO	4.20	34
Minumum wage	5.62	1			
Openness subindex	4.31	39	Openness subindex	4.31	39
			Exports per capita, dollars	4.60	30
Environmental polycsubindex	5.8	10	Environmental polycsubindex	5.8	10
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.81	10			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.68	16			

BHI

State Index

KENTUCKY

Index **Overall Rank**
4.42 **39**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubIndex	4.21	40	Government and fiscal polycsubIndex	4.21	40
			State and Local Taxes per capita/Income per capita(cur \$), %	4.73	32
			Worker's Compensation premium rates	4.03	45
			Bond rating: composite	4.45	31
			Average benefit per first payment for unemployed	4.75	33
Security subIndex	5.60	12	Security subIndex	5.60	12
Crime index, per 100,000 inhabitants	6.05	8	Crime index change 2001-2002, %	4.18	44
The BGA Integrity Index	6.61	3	Murder index, per 100,000 inhabitants	4.56	34
Infrastructure subIndex	5.68	14	Infrastructure subIndex	5.68	14
			Households with installed phones, %	4.29	38
			High-Speed Lines by State per 1000	3.95	43
			Air passengers per capita	4.28	44
Average Travel time to work	6.41	5			
Electricity Prices per million BTU	6.25	1			
Average rent of 2 bedroom apartment	6.21	4			
Human resources subIndex	3.82	45	Human resources subIndex	3.82	45
			Percent of population that graduated from high school, persons 25 years and older	3.03	49
			Unemployment rate	4.26	45
			Percent of student enrolled in degree-granting institutions per 1000	4.46	34
			Percent of adults who are in the labor force	3.80	45
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.42	33
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.03	41
Technology subIndex	3.87	44	Technology subIndex	3.87	44
			Academic R&D per \$1,000 GSP	4.16	43
			NIH support to institutions per capita	4.53	32
			Patents, per 100,000 inhabitants	4.26	42
			Number of S&E graduate students per 100,000 inhabitants	4.21	41
			S&E degrees awarded per 100,000 inhabitants	4.34	38
			Scientists and engineers/labor force	3.86	46
			Percentage of total wage and salary jobs in high technology industries	3.99	42
Business Incubation subIndex	4.35	37	Business Incubation subIndex	4.35	37
			Total deposits (Commercial banks and Savings institutions) per capita	4.66	36
			Venture capital investment per capita	4.53	35
			Employer firm births per 100,000 inhabitants	3.92	46
			IPO	4.43	31
Minumum wage	5.62	1			
Openness subIndex	5.79	12	Openness subIndex	5.79	12
Exports per capita, dollars	5.72	9	Percent of population born abroad	4.08	46
Incoming FDI per capita, dollars	6.57	4			
Environmental polly subIndex	4.73	3	Environmental polly subIndex	4.73	3
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.69	34
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.84	36

LOUISIANA

Index
2.60

Overall Rank
50

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	4.00	44	Government and fiscal policy subIndex	4.00	44
			State and Local Taxes per capita/Income per capita(cur \$), %	4.65	35
			Worker's Compensation premium rates	4.16	42
			Bond rating: composite	3.13	49
Average benefit per first payment for unemployed	6.37	5	Budget surplus, % of GSP	4.75	31
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.48	42
Security subIndex	2.03	50	Security subIndex	2.03	50
			Crime index, per 100,000 inhabitants	3.87	46
			Crime index change 2001-2002, %	3.86	46
			Murder index, per 100,000 inhabitants	1.66	50
			The BGA Integrity Index	3.64	46
Infrastructure subIndex	4.80	30	Infrastructure subIndex	4.80	30
			Households with installed phones, %	4.25	41
			High-Speed Lines by State per 1000	4.63	33
			Electricity Prices per million BTU	5.09	32
Average rent of 2 bedroom apartment	5.91	12			
Human resources subIndex	2.62	49	Human resources subIndex	2.62	49
			Percent of population without health insurance	3.74	45
			Percent of population that graduated from high school, persons 25 years and older	3.62	45
Percent of student enrolled in degree-granting institutions per 1000	5.27	18	Unemployment rate	0.27	50
			Percent of adults who are in the labor force	3.52	49
			Infant Mortality rate, deaths per 1000 live births	2.75	49
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	3.74	46
Technology subIndex	4.00	43	Technology subIndex	4.00	43
			Academic R&D per \$1,000 GSP	4.71	30
			NIH support to institutions per capita	4.53	33
			Patents, per 100,000 inhabitants	4.16	45
			S&E degrees awarded per 100,000 inhabitants	4.25	39
			Scientists and engineers/labor force	3.86	45
			Percentage of total wage and salary jobs in high technology industries	3.75	48
Business Incubation subIndex	4.61	32	Business Incubation subIndex	4.61	32
			Total deposits (Commercial banks and Savings institutions) per capita	4.58	43
			Venture capital investment per capita	4.45	44
Percent of Labor Force that is represented by unions	5.61	17	Employer firm births per 100,000 inhabitants	3.99	43
Minimum wage	5.62	1			
Openness subIndex	5.6	18	Openness subIndex	5.6	18
Exports per capita, dollars	6.80	5			
			Percent of population born abroad	4.17	43
Environmental policy subIndex	4.42	40	Environmental policy subIndex	4.42	40
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.32	40
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.68	38

BHI

State Index

MAINE

Index **Overall Rank**
4.46 **38**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	3.23	48	Government and fiscal policy subindex	3.23	48
			State and Local Taxes per capita/Income per capita(cur \$), %	2.25	50
			Worker's Compensation premium rates	4.49	38
			Bond rating: composite	4.01	39
			Budget surplus, % of GSP	4.58	47
Average benefit per first payment for unemployed	5.25	20	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.08	31
Security subindex	5.97	8	Security subindex	5.97	8
Crime index, per 100,000 inhabitants	5.92	13			
Murder index, per 100,000 inhabitants	6.34	1			
Infrastructure subindex	4.89	29	Infrastructure subindex	4.89	29
Households with installed phones, %	6.04	7			
			High-Speed Lines by State per 1000	4.66	32
			Air passengers per capita	4.36	41
			Average Travel time to work	4.72	33
			Electricity Prices per million BTU	4.43	40
Average rent of 2 bedroom apartment	5.57	19			
Human resources subindex	5.74	12	Human resources subindex	5.74	12
Percent of population without health insurance	6.22	3			
Percent of population that graduated form high school, persons 25 years and older	5.78	13			
			Percent of student enrolled in degree-granting institutions per 1000	3.76	49
Infant Mortality rate, deaths per 1000 live births	6.82	1			
Rate of Nonfederal Physicians per 100,000 inhabitants	5.62	10			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.51	18			
Technology subindex	3.8	47	Technology subindex	3.8	47
NIH support to institutions per capita	5.02	20	Academic R&D per \$1,000 GSP	3.59	50
			Patents, per 100,000 inhabitants	4.28	41
			Number of S&E graduate students per 100,000 inhabitants	3.03	50
			S&Edegrees awarded per 100,000 inhabitants	4.17	41
			Scientists and engineers/labor force	3.97	43
			Percentage of total wage and salary jobs in high technology industries	4.34	34
Business incubation subindex	4.24	39	Business incubation subindex	4.24	39
			Total deposits (Commercial banks and Savings institutions) per capita	4.60	41
Employer firm births per 100,000 inhabitants	5.10	18			
			Percent of Labor Force that is represented by unions	4.88	30
			Minumum wage	3.97	41
Openness subindex	4.52	31	Openness subindex	4.52	31
Incoming FDI per capita, dollars	5.34	14			
			Percent of population born abroad	4.18	41
Environmental policy subindex	5.90	8	Environmental policy subindex	5.90	8
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.84	6			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.72	11			

MARYLAND

Index **Overall Rank**
5.95 **10**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	6.10	7	Government and fiscal policy subIndex	6.10	7
State and Local Taxes per capita/Income per capita(cur \$), %	4.68	34			
Worker's Compensation premium rates	5.65	12			
Bond rating: composite	6.65	1			
Budget surplus, % of GSP	5.07	12			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.71	8			
Security subIndex	5.31	19	Security subIndex	5.31	19
Crime index, per 100,000 inhabitants	6.31	5			
Crime index change 2001-2002, %	5.36	18			
The BGA Integrity Index	6.02	10			
Infrastructure subIndex	4.96	24	Infrastructure subIndex	4.96	24
Households with installed phones, %	5.42	19			
High-Speed Lines by State per 1000	5.82	12			
Average Travel time to work	5.29	18			
Human resources subIndex	5.96	8	Human resources subIndex	5.96	8
Unemployment rate	5.54	16			
Percent of student enrolled in degree-granting institutions per 1000	6.41	4			
Percent of adults who are in the labor force	5.50	15			
Rate of Nonfederal Physicians per 100,000 inhabitants	7.15	3			
Technology subIndex	7.23	2	Technology subIndex	7.23	2
Academic R&D per \$1,000 GSP	9.28	1			
NIH support to institutions per capita	8.44	2			
Number of S&E graduate students per 100,000 inhabitants	5.80	8			
Scientists and engineers/labor force	7.12	4			
Percentage of total wage and salary jobs in high technology industries	5.93	10			
Business Incubation subIndex	5.88	9	Business Incubation subIndex	5.88	9
Venture capital investment per capita	5.20	11			
Employer firm births per 100,000 inhabitants	5.78	11			
IPO	5.82	7			
Minimum wage	5.62	1			
Openness subIndex	4.62	30	Openness subIndex	4.62	30
Exports per capita, dollars	3.96	47			
Percent of population born abroad	5.52	14			
Environmental policy subIndex	3.19	46	Environmental policy subIndex	3.19	46
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	3.32	47			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	3.58	45			

BHI

State Index

MASSACHUSETTS

Index **Overall Rank**
7.16 **1**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	4.97	24	Government and fiscal polycsubindex	4.97	24
State and Local Taxes per capita/Income per capita(cur \$), %	5.17	19			
Worker's Compensation premium rates	6.06	7			
Budget surplus, % of GSP	5.10	11	Average benefit per first payment for unemployed	2.53	50
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	6.14	5			
Security subindex	5.65	11	Security subindex	5.65	11
Crime index change 2001-2002, %	5.43	17	Crime index, per 100,000 inhabitants	4.55	31
Murder index, per 100,000 inhabitants	5.84	14			
The BGA Integrity Index	5.69	15			
Infrastructure subindex	3.63	47	Infrastructure subindex	3.63	47
Households with installed phones, %	5.42	19			
High-Speed Lines by State per 1000	6.99	1	Average Travel time to work	3.06	49
			Electricity Prices per million BTU	3.49	47
			Average rent of 2 bedroom apartment	3.35	47
Human resources subindex	6.64	2	Human resources subindex	6.64	2
Percent of population without health insurance	5.94	12			
Percent of population that graduated from high school, persons 25 years and older	5.75	15			
Percent of student enrolled in degree-granting institutions per 1000	5.35	15			
Percent of adults who are in the labor force	5.13	20			
Infant Mortality rate, deaths per 1000 live births	6.47	3			
Rate of Nonfederal Physicians per 100,000 inhabitants	8.07	1			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	6.54	1			
Technology subindex	8.64	1	Technology subindex	8.64	1
Academic R&D per \$1,000 GSP	7.71	2			
NIH support to institutions per capita	9.13	1			
Patents, per 100,000 inhabitants	6.41	3			
Number of S&E graduate students per 100,000 inhabitants	9.10	1			
S&Edegrees awarded per 100,000 inhabitants	7.00	2			
Scientists and engineers/labor force	6.87	5			
Percentage of total wage and salary jobs in high technology industries	7.00	3			
Business Incubation subindex	7.65	1	Business Incubation subindex	7.65	1
Total deposits (Commercial banks and Savings institutions) per capita	5.38	5			
Venture capital investment per capita	10.00	1			
IPO	8.19	2	Percent of Labor Force that is represented by unions	4.83	32
			Minimum wage	3.42	43
Openness subindex	6.8	8	Openness subindex	6.8	8
Exports per capita, dollars	5.95	7			
Incoming FDI per capita, dollars	5.28	16			
Percent of population born abroad	5.98	9			
Environmental polycsubindex	3.92	43	Environmental polycsubindex	3.92	43
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	2.80	48

MICHIGAN

Index
4.68

Overall Rank
30

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	4.74	33	Government and fiscal policy subIndex	4.74	33
			Budget surplus, % of GSP	4.57	48
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.69	9	Average benefit per first payment for unemployed	4.01	43
Security subIndex	5.10	22	Security subIndex	5.10	22
Crime index, per 100,000 inhabitants	5.32	20			
Crime index change 2001-2002, %	6.10	8	Murder index, per 100,000 inhabitants	4.27	40
			The BGA Integrity Index	4.56	32
Infrastructure subIndex	4.45	37	Infrastructure subIndex	4.45	37
			Households with installed phones, %	4.88	30
Air passengers per capita	4.87	20	High-Speed Lines by State per 1000	4.66	31
			Average Travel time to work	4.00	42
Human resources subIndex	5.07	27	Human resources subIndex	5.07	27
Percent of population without health insurance	5.94	12			
			Unemployment rate	4.00	46
Percent of student enrolled in degree-granting institutions per 1000	5.74	7			
			Percent of adults who are in the labor force	4.37	38
Rate of Nonfederal Physicians per 100,000 inhabitants	5.39	11	Infant Mortality rate, deaths per 1000 live births	4.27	38
Technology subIndex	5.35	18	Technology subIndex	5.35	18
Patents, per 100,000 inhabitants	5.51	11			
Number of S&E graduate students per 100,000 inhabitants	5.44	14			
Scientists and engineers/labor force	5.86	9			
Business Incubation subIndex	3.69	48	Business Incubation subIndex	3.69	48
			Total deposits (Commercial banks and Savings institutions) per capita	4.64	37
			Employer firm births per 100,000 inhabitants	4.25	37
			IPO	4.43	32
			Percent of Labor Force that is represented by unions	3.17	47
Minumum wage	5.62	1			
Openness subIndex	5.58	13	Openness subIndex	5.58	13
Exports per capita, dollars	6.05	6			
Incoming FDI per capita, dollars	5.25	17			
Environmental policy subIndex	4.95	30	Environmental policy subIndex	4.95	30
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.98	31
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.94	35

BHI

State Index

MINNESOTA

Index **Overall Rank**
6.05 **7**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.54	37	Government and fiscal policy subindex	4.54	37
			State and Local Taxes per capita/Income per capita (cur \$), %	4.33	41
Bond rating: composite	6.21	7	Worker's Compensation premium rates	4.88	31
Budget surplus, % of GSP	5.11	9			
			Average benefit per first payment for unemployed Full-Time-Equivalent State and Local Government Employees Per 100 Residents	3.55 4.78	46 37
Security subindex	5.87	9	Security subindex	5.87	9
Crime index, per 100,000 inhabitants	5.55	19			
Murder index, per 100,000 inhabitants	6.01	7			
The BGA Integrity Index	5.54	17			
Infrastructure subindex	6.07	9	Infrastructure subindex	6.07	9
Households with installed phones, %	6.00	8			
High-Speed Lines by State per 1000	5.31	20			
Air passengers per capita	5.58	8			
Electricity Prices per million BTU	5.52	18			
Human resources subindex	6.70	1	Human resources subindex	6.70	1
Percent of population without health insurance	6.62	1			
Percent of population that graduated from high school, persons 25 years and older	6.39	2			
Unemployment rate	5.74	9			
Percent of student enrolled in degree-granting institutions per 1000	5.24	19			
Percent of adults who are in the labor force	7.01	1			
Infant Mortality rate, deaths per 1000 live births	6.13	6			
Rate of Nonfederal Physicians per 100,000 inhabitants	5.27	14			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	6.24	3			
Technology subindex	5.54	14	Technology subindex	5.54	14
NIH support to institutions per capita	5.26	14	Academic R&D per \$1,000 GSP	4.56	33
Patents, per 100,000 inhabitants	6.30	5			
S&E degrees awarded per 100,000 inhabitants	5.54	13			
Scientists and engineers/labor force	5.74	11			
Percentage of total wage and salary jobs in high technology industries	5.36	18			
Business incubation subindex	4.68	31	Business incubation subindex	4.68	31
Total deposits (Commercial banks and Savings institutions) per capita	4.92	14			
Venture capital investment per capita	5.13	13			
IPO	5.52	13			
			Percent of Labor Force that is represented by unions	3.93	44
			Minimum wage	4.86	35
Openness subindex	4.39	8	Openness subindex	4.39	8
Exports per capita, dollars	5.18	15	Incoming FDI per capita, dollars	4.04	42
Environmental policy subindex	5.79	8	Environmental policy subindex	5.79	8
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.78	12			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.58	17			

MISSISSIPPI

Index **Overall Rank**
2.83 **49**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	5.41	8	Government and fiscal policy subIndex	5.41	8
Worker's Compensation premium rates	5.50	16	Bond rating: composite	4.45	31
Average benefit per first payment for unemployed	6.79	1	Budget surplus, % of GSP	4.64	44
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.58	38
Security subIndex	4.72	33	Security subIndex	4.72	33
Crime index change 2001-2002, %	6.10	7	Murder index, per 100,000 inhabitants	3.69	47
			The BGA Integrity Index	4.45	33
Infrastructure subIndex	3.34	8	Infrastructure subIndex	3.34	8
			Households with installed phones, %	3.04	48
Average Travel time to work	5.18	20	High-Speed Lines by State per 1000	2.99	49
Average rent of 2 bedroom apartment	6.00	9	Air passengers per capita	4.21	47
Human resources subIndex	2.42	50	Electricity Prices per million BTU	5.13	31
			Human resources subIndex	2.42	50
			Percent of population without health insurance	4.14	41
			Percent of population that graduated from high school, persons 25 years and older	2.95	50
			Unemployment rate	2.14	49
			Percent of student enrolled in degree-granting institutions per 1000	4.57	32
			Percent of adults who are in the labor force	3.55	48
			Infant Mortality rate, deaths per 1000 live births	2.75	49
			Rate of Nonfederal Physicians per 100,000 inhabitants	3.62	49
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	3.15	48
Technology subIndex	3.67	46	Technology subIndex	3.67	46
			Academic R&D per \$1,000 GSP	4.53	36
			NIH support to institutions per capita	4.11	45
			Patents, per 100,000 inhabitants	4.03	50
			Number of S&E graduate students per 100,000 inhabitants	4.00	46
			S&E degrees awarded per 100,000 inhabitants	4.49	35
			Scientists and engineers/labor force	3.44	50
			Percentage of total wage and salary jobs in high technology industries	3.72	49
Business Incubation subIndex	4.58	33	Business Incubation subIndex	4.58	33
			Total deposits (Commercial banks and Savings institutions) per capita	4.54	44
			Venture capital investment per capita	4.47	42
			Employer firm births per 100,000 inhabitants	3.91	47
Percent of Labor Force that is represented by unions	6.17	4	IPO	4.20	34
Minimum wage	5.62	1			
Openness subIndex	3.07	49	Openness subIndex	3.07	49
			Exports per capita, dollars	4.01	44
			Incoming FDI per capita, dollars	3.70	47
			Percent of population born abroad	3.90	49
Environmental policy subIndex	5.4	24	Environmental policy subIndex	5.4	24

BHI

State Index

MISSOURI

Index **Overall Rank**
5.40 **17**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
<i>Government and fiscal policy subIndex</i>	<i>6.54</i>	<i>3</i>	<i>Government and fiscal policy subIndex</i>	<i>6.54</i>	<i>3</i>
State and Local Taxes per capita/Income per capita(current \$), %	5.51	10			
Bond rating: composite	6.65	1	Worker's Compensation premium rates	4.96	30
Budget surplus, % of GSP	4.96	16			
Average benefit per first payment for unemployed	6.19	8			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.43	19			
<i>Security subIndex</i>	<i>4.46</i>	<i>40</i>	<i>Security subIndex</i>	<i>4.46</i>	<i>40</i>
Crime index change 2001-2002, %	5.45	16	Crime index, per 100,000 inhabitants	4.50	33
			Murder index, per 100,000 inhabitants	4.35	38
			The BGA Integrity Index	4.43	35
<i>Infrastructure subIndex</i>	<i>5.81</i>	<i>13</i>	<i>Infrastructure subIndex</i>	<i>5.81</i>	<i>13</i>
Households with installed phones, %	5.42	19			
Air passengers per capita	4.99	15	High-Speed Lines by State per 1000	4.47	36
Average Travel time to work	5.35	16			
Electricity Prices per million BTU	5.76	8			
Average rent of 2 bedroom apartment	5.69	17			
<i>Human resources subIndex</i>	<i>4.93</i>	<i>30</i>	<i>Human resources subIndex</i>	<i>4.93</i>	<i>30</i>
Percent of population without health insurance	5.77	17			
			Unemployment rate	4.64	40
Percent of adults who are in the labor force	5.30	16	Infant Mortality rate, deaths per 1000 live births	3.99	42
Rate of Nonfederal Physicians per 100,000 inhabitants	5.07	18			
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.62	34
<i>Technology subIndex</i>	<i>4.89</i>	<i>29</i>	<i>Technology subIndex</i>	<i>4.89</i>	<i>29</i>
NIH support to institutions per capita	5.60	8			
			Patents, per 100,000 inhabitants	4.42	33
			Number of S&E graduate students per 100,000 inhabitants	4.48	37
S&Edegrees awarded per 100,000 inhabitants	5.83	11			
			Scientists and engineers/labor force	4.47	34
<i>Business Incubation subIndex</i>	<i>5.04</i>	<i>22</i>	<i>Business Incubation subIndex</i>	<i>5.04</i>	<i>22</i>
IPO	5.68	10	Percent of Labor Force that is represented by unions	4.62	34
Minumum wage	5.62	1			
<i>Openness subIndex</i>	<i>4.38</i>	<i>37</i>	<i>Openness subIndex</i>	<i>4.38</i>	<i>37</i>
Incoming FDI per capita, dollars	5.30	15	Exports per capita, dollars	4.40	35
			Percent of population born abroad	4.22	39
<i>Environmental policy subIndex</i>	<i>5.31</i>	<i>26</i>	<i>Environmental policy subIndex</i>	<i>5.31</i>	<i>26</i>
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.15	30

MONTANA

Index **Overall Rank**
4.62 **33**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	4.73	34	Government and fiscal polycsubindex	4.73	34
State and Local Taxes per capita/Income per capita(cur \$), %	5.48	12			
Budget surplus, % of GSP	5.13	7	Worker's Compensation premium rates	4.11	43
Average benefit per first payment for unemployed	6.27	6	Bond rating: composite	4.01	39
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.29	43
Security subindex	5.52	14	Security subindex	5.52	14
Crime index, per 100,000 inhabitants	5.62	18			
Crime index change 2001-2002, %	6.18	6	The BGA Integrity Index	3.83	45
Murder index, per 100,000 inhabitants	5.60	20			
Infrastructure subindex	4.92	2	Infrastructure subindex	4.92	2
			High-Speed Lines by State per 1000	3.67	46
Electricity Prices per million BTU	5.53	15			
Average rent of 2 bedroom apartment	6.07	7			
Human resources subindex	4.78	32	Human resources subindex	4.78	32
Percent of population that graduated form high school, persons 25 years and older	6.19	4	Percent of population without health insurance	3.65	47
Unemployment rate	5.48	17	Percent of student enrolled in degree-granting institutions per 1000	3.82	48
			Infant Mortality rate, deaths per 1000 live births	4.68	32
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.65	14	Rate of Nonfederal Physicians per 100,000 inhabitants	4.42	33
Technology subindex	4.51	35	Technology subindex	4.51	35
Academic R&D per \$1,000 GSP	5.15	20			
			Patents, per 100,000 inhabitants	4.40	34
			Scientists and engineers/labor force	4.65	31
			Percentage of total wage and salary jobs in high technology industries	3.89	45
Business Incubation subindex	5.31	19	Business Incubation subindex	5.31	19
			Total deposits (Commercial banks and Savings institutions) per capita	4.61	40
Employer firm births per 100,000 inhabitants	6.85	5	Venture capital investment per capita	4.46	43
Minumum wage	5.62	1			
Openness subindex	2.95	50	Openness subindex	2.95	50
			Exports per capita, dollars	3.60	49
			Incoming FDI per capita, dollars	3.85	44
			Percent of population born abroad	3.95	48
Environmental polycsubindex	5.99	4	Environmental polycsubindex	5.99	4
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.83	7			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.87	4			

BHI

State Index

NEBRASKA

Index **Overall Rank**
6.02 **8**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.8	29	Government and fiscal policy subindex	4.8	29
Worker's Compensation premium rates	5.61	14	State and Local Taxes per capita/Income per capita (cur \$), %	4.17	43
Bond rating: composite	5.00	20			
Budget surplus, % of GSP	5.01	15			
Average benefit per first payment for unemployed	5.80	11	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	3.96	44
Security subindex	6.36	4	Security subindex	6.36	4
Crime index change 2001-2002, %	5.83	10			
Murder index, per 100,000 inhabitants	5.97	10			
The BGA Integrity Index	6.35	5			
Infrastructure subindex	6.67	2	Infrastructure subindex	6.67	2
			Air passengers per capita	4.60	31
Average Travel time to work	6.84	3			
Electricity Prices per million BTU	5.75	9			
Average rent of 2 bedroom apartment	5.85	14			
Human resources subindex	5.66	9	Human resources subindex	5.66	9
Percent of population without health insurance	5.88	14			
Percent of population that graduated from high school, persons 25 years and older	6.06	6			
Unemployment rate	5.74	9			
Percent of adults who are in the labor force	6.96	2			
Technology subindex	5.06	24	Technology subindex	5.06	24
Academic R&D per \$1,000 GSP	5.63	9	NIH support to institutions per capita	4.58	30
			Patents, per 100,000 inhabitants	4.31	38
Number of S&E graduate students per 100,000 inhabitants	5.14	19			
S&E degrees awarded per 100,000 inhabitants	5.93	9			
Business incubation subindex	4.89	27	Business incubation subindex	4.89	27
Total deposits (Commercial banks and Savings institutions) per capita	4.94	12	Venture capital investment per capita	4.45	44
			Employer firm births per 100,000 inhabitants	4.60	30
Percent of Labor Force that is represented by unions	5.48	20			
Minimum wage	5.62	1			
Openness subindex	3.96	42	Openness subindex	3.96	42
			Exports per capita, dollars	4.20	40
			Incoming FDI per capita, dollars	4.50	35
Environmental policy subindex	5.81	1	Environmental policy subindex	5.81	1
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.62	19			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.77	8			

NEVADA

Index **Overall Rank**
4.62 **34**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	5.72	14	Government and fiscal policy subIndex	5.72	14
State and Local Taxes per capita/Income per capita(current \$), %	5.41	13			
Bond rating: composite	5.33	16			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	6.28	3	Average benefit per first payment for unemployed	4.78	31
Security subIndex	3.91	45	Security subIndex	3.91	45
			Crime index, per 100,000 inhabitants	4.08	39
			Murder index, per 100,000 inhabitants	3.85	46
			The BGA Integrity Index	4.66	30
Infrastructure subIndex	6.27	6	Infrastructure subIndex	6.27	6
High-Speed Lines by State per 1000	5.95	9	Households with installed phones, %	4.47	36
Air passengers per capita	8.58	2			
			Electricity Prices per million BTU	4.64	38
			Average rent of 2 bedroom apartment	3.88	41
Human resources subIndex	4.36	37	Human resources subIndex	4.36	37
			Percent of population without health insurance	3.79	44
			Percent of population that graduated from high school, persons 25 years and older	4.41	36
Unemployment rate	5.61	14	Percent of student enrolled in degree-granting institutions per 1000	4.36	37
Percent of adults who are in the labor force	5.15	19			
Infant Mortality rate, deaths per 1000 live births	5.72	13	Rate of Nonfederal Physicians per 100,000 inhabitants	3.82	47
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	3.88	45
Technology subIndex	3.8	50	Technology subIndex	3.8	50
			Academic R&D per \$1,000 GSP	3.79	46
			NIH support to institutions per capita	3.91	50
			Number of S&E graduate students per 100,000 inhabitants	3.50	48
			S&E degrees awarded per 100,000 inhabitants	2.59	50
			Scientists and engineers/labor force	3.62	48
			Percentage of total wage and salary jobs in high technology industries	3.82	46
Business incubation subIndex	5.25	20	Business incubation subIndex	5.25	20
Total deposits (Commercial banks and Savings institutions) per capita	4.86	20			
Employer firm births per 100,000 inhabitants	6.37	7	Venture capital investment per capita	4.59	31
			IPO	4.48	30
Minimum wage	5.62	1	Percent of Labor Force that is represented by unions	4.68	33
Openness subIndex	5.19	22	Openness subIndex	5.19	22
			Exports per capita, dollars	4.14	42
Percent of population born abroad	6.70	5	Incoming FDI per capita, dollars	4.50	35
Environmental policy subIndex	4.81	33	Environmental policy subIndex	4.81	33
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	3.85	45
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.82	5			

BHI

State Index

NEW HAMPSHIRE

Index **Overall Rank**
6.67 **3**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	5.78	13	Government and fiscal policy subIndex	5.78	13
State and Local Taxes per capita/Income per capita(cur \$), %	7.40	2			
			Worker's Compensation premium rates	4.37	40
			Budget surplus, % of GSP	4.65	43
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.48	17			
Security subIndex	5.74	10	Security subIndex	5.74	10
Crime index, per 100,000 inhabitants	6.61	3	Crime index change 2001-2002, %	4.36	41
Murder index, per 100,000 inhabitants	6.34	1	The BGA Integrity Index	4.42	36
Infrastructure subIndex	4.59	34	Infrastructure subIndex	4.59	34
Households with installed phones, %	6.36	2			
High-Speed Lines by State per 1000	6.58	5	Average Travel time to work	4.52	36
			Electricity Prices per million BTU	3.25	48
			Average rent of 2 bedroom apartment	3.70	44
Human resources subIndex	6.25	5	Human resources subIndex	6.25	5
Percent of population without health insurance	6.00	8			
Percent of population that graduated from high school, persons 25 years and older	5.78	13			
Unemployment rate	5.80	8	Percent of student enrolled in degree-granting institutions per 1000	4.52	33
Percent of adults who are in the labor force	6.23	7			
Infant Mortality rate, deaths per 1000 live births	6.41	4			
Rate of Nonfederal Physicians per 100,000 inhabitants	5.12	16			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	6.54	1			
Technology subIndex	5.67	10	Technology subIndex	5.67	10
Academic R&D per \$1,000 GSP	5.98	4			
NIH support to institutions per capita	5.20	15			
Patents, per 100,000 inhabitants	6.04	6	Number of S&E graduate students per 100,000 inhabitants	4.32	40
S&Edegrees awarded per 100,000 inhabitants	5.51	15			
Percentage of total wage and salary jobs in high technology industries	6.22	7			
Business Incubation subIndex	6.20	6	Business Incubation subIndex	6.20	6
Total deposits (Commercial banks and Savings institutions) per capita	5.15	7			
Venture capital investment per capita	6.62	3			
Employer firm births per 100,000 inhabitants	5.60	13			
Minumum wage	5.62	1			
Openness subIndex	5.6	10	Openness subIndex	5.6	10
Incoming FDI per capita, dollars	7.44	3	Exports per capita, dollars	4.57	32
Environmental policy subIndex	5.58	21	Environmental policy subIndex	5.58	21
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.63	17			

NEW JERSEY

Index **Overall Rank**
4.54 **36**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.09	43	Government and fiscal policy subindex	4.09	43
			State and Local Taxes per capita/Income per capita(cur \$), %	4.62	37
			Bond rating: composite	4.45	31
			Budget surplus, % of GSP	4.72	35
			Average benefit per first payment for unemployed	3.27	47
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.41	20			
Security subindex	6.11	7	Security subindex	6.11	7
Crime index, per 100,000 inhabitants	6.05	9			
Crime index change 2001-2002, %	5.58	13			
The BGA Integrity Index	5.91	12			
Infrastructure subindex	3.33	49	Infrastructure subindex	3.33	49
High-Speed Lines by State per 1000	6.69	3			
			Average Travel time to work	3.14	48
			Electricity Prices per million BTU	3.69	43
			Average rent of 2 bedroom apartment	3.15	49
Human resources subindex	5.61	15	Human resources subindex	5.61	15
Unemployment rate	5.29	19	Percent of population without health insurance	4.97	30
			Percent of student enrolled in degree-granting institutions per 1000	4.58	31
Infant Mortality rate, deaths per 1000 live births	5.92	10	Percent of adults who are in the labor force	4.80	30
Rate of Nonfederal Physicians per 100,000 inhabitants	6.25	7			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	6.10	5			
Technology subindex	4.80	30	Technology subindex	4.80	30
Patents, per 100,000 inhabitants	5.22	13	Academic R&D per \$1,000 GSP	4.19	42
			NIH support to institutions per capita	4.25	41
Scientists and engineers/labor force	5.66	13	S&Edegrees awarded per 100,000 inhabitants	3.82	48
Percentage of total wage and salary jobs in high technology industries	6.06	9			
Business incubation subindex	5.63	13	Business incubation subindex	5.63	13
Total deposits (Commercial banks and Savings institutions) per capita	5.24	6			
Venture capital investment per capita	5.90	4			
Employer firm births per 100,000 inhabitants	6.00	9			
IPO	5.45	14	Percent of Labor Force that is represented by unions	3.32	46
Minumum wage	5.62	1			
Openness subindex	6.63	5	Openness subindex	6.63	5
Incoming FDI per capita, dollars	6.07	7			
Percent of population born abroad	6.83	3			
Environmental policy subindex	2.24	50	Environmental policy subindex	2.24	50
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.21	42
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	1.05	50

BHI

State Index

NEW MEXICO

Index **Overall Rank**
4.00 **44**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.14	22	Government and fiscal policy subindex	5.14	22
Bond rating: composite	5.77	11	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	3.28	47
Budget surplus, % of GSP	5.32	3			
Average benefit per first payment for unemployed	5.76	13			
Security subindex	2.65	49	Security subindex	2.65	49
			Crime index, per 100,000 inhabitants	4.02	40
			Crime index change 2001-2002, %	3.69	47
			Murder index, per 100,000 inhabitants	3.23	48
			The BGA Integrity Index	3.54	48
Infrastructure subindex	4.63	32	Infrastructure subindex	4.63	32
			Households with installed phones, %	3.94	45
Average Travel time to work	5.81	10	High-Speed Lines by State per 1000	3.60	47
Average rent of 2 bedroom apartment	5.86	13			
Human resources subindex	3.99	39	Human resources subindex	3.99	39
			Percent of population without health insurance	2.99	49
			Percent of population that graduated from high school, persons 25 years and older	3.72	43
Percent of student enrolled in degree-granting institutions per 1000	5.98	6			
Infant Mortality rate, deaths per 1000 live births	5.51	17	Percent of adults who are in the labor force	4.12	41
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.57	31
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	3.00	49
Technology subindex	5.3	17	Technology subindex	5.3	17
Academic R&D per \$1,000 GSP	5.67	7			
Number of S&E graduate students per 100,000 inhabitants	5.69	10	S&E degrees awarded per 100,000 inhabitants	4.05	45
Scientists and engineers/labor force	5.94	8			
Percentage of total wage and salary jobs in high technology industries	5.83	13			
Business Incubation subindex	5.03	23	Business Incubation subindex	5.03	23
			Total deposits (Commercial banks and Savings institutions) per capita	4.43	49
Venture capital investment per capita	5.29	9			
			IPO	4.20	34
Percent of Labor Force that is represented by unions	5.68	15			
Minimum wage	5.62	1			
Openness subindex	3.77	46	Openness subindex	3.77	46
			Exports per capita, dollars	3.99	45
Percent of population born abroad	5.22	17	Incoming FDI per capita, dollars	3.63	49
Environmental policy subindex	6.00	2	Environmental policy subindex	6.00	2
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.92	3			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.80	7			

NEW YORK

Index **Overall Rank**
4.27 **40**

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	3.39	47	Government and fiscal policy subIndex	3.39	47
			State and Local Taxes per capita/Income per capita(cur \$), %	3.15	49
			Worker's Compensation premium rates	4.62	34
			Bond rating: composite	4.01	39
			Budget surplus, % of GSP	4.71	37
			Average benefit per first payment for unemployed	4.45	38
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.10	30
Security subIndex	5.44	17	Security subIndex	5.44	17
Crime index, per 100,000 inhabitants	6.19	6			
Infrastructure subIndex	2.30	50	Infrastructure subIndex	2.30	50
High-Speed Lines by State per 1000	5.91	10	Households with installed phones, %	4.29	38
			Average Travel time to work	2.80	50
			Electricity Prices per million BTU	2.81	49
			Average rent of 2 bedroom apartment	3.81	42
Human resources subIndex	5.42	22	Human resources subIndex	5.42	22
			Percent of population without health insurance	4.94	31
			Percent of population that graduated from high school, persons 25 years and older	4.65	33
Percent of student enrolled in degree-granting institutions per 1000	5.57	12	Unemployment rate	4.77	38
			Percent of adults who are in the labor force	3.92	43
Infant Mortality rate, deaths per 1000 live births	5.72	13			
Rate of Nonfederal Physicians per 100,000 inhabitants	7.36	2			
Technology subIndex	5.60	12	Technology subIndex	5.60	12
Academic R&D per \$1,000 GSP	5.40	16			
NIH support to institutions per capita	5.41	12			
Patents, per 100,000 inhabitants	5.20	14			
Number of S&E graduate students per 100,000 inhabitants	6.34	4			
S&Edegrees awarded per 100,000 inhabitants	6.22	7			
Business Incubation subIndex	4.24	38	Business Incubation subIndex	4.24	38
Total deposits (Commercial banks and Savings institutions) per capita	5.73	4			
Venture capital investment per capita	5.01	16			
Employer firm births per 100,000 inhabitants	5.11	17			
IPO	5.15	17	Percent of Labor Force that is represented by unions	2.63	50
			Minumum wage	4.45	37
Openness subIndex	6.08	9	Openness subIndex	6.08	9
Exports per capita, dollars	5.03	20			
Incoming FDI per capita, dollars	4.67				
Percent of population born abroad	7.20	2			
Environmental policy subIndex	5.05	27	Environmental policy subIndex	5.05	27
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.62	41

State Index

NORTH CAROLINA

Index **Overall Rank**
5.05 **25**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.42	17	Government and fiscal policy subindex	5.42	17
Worker's Compensation premium rates	5.36	20	Budget surplus, % of GSP	4.66	40
Bond rating: composite	6.21	7	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.94	33
Security subindex	4.52	37	Security subindex	4.52	37
			Crime index, per 100,000 inhabitants	4.29	36
			Murder index, per 100,000 inhabitants	4.35	38
Infrastructure subindex	5.28	19	Infrastructure subindex	5.28	19
High-Speed Lines by State per 1000	5.42	18	Households with installed phones, %	4.79	31
Air passengers per capita	5.04	14	Average Travel time to work	4.72	33
Human resources subindex	4.46	36	Human resources subindex	4.46	36
			Percent of population without health insurance	4.42	33
			Percent of population that graduated from high school, persons 25 years and older	3.90	39
			Unemployment rate	4.90	31
			Percent of adults who are in the labor force	4.75	32
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.36	20	Infant Mortality rate, deaths per 1000 live births	4.20	40
Technology subindex	5.04	25	Technology subindex	5.04	25
Academic R&D per \$1,000 GSP	5.60	12			
NIH support to institutions per capita	5.96	7	S&Edegrees awarded per 100,000 inhabitants	4.44	36
Business Incubation subindex	5.62	14	Business Incubation subindex	5.62	14
Total deposits (Commercial banks and Savings institutions) per capita	4.96	11			
Venture capital investment per capita	4.98	17	Employer firm births per 100,000 inhabitants	4.56	32
Percent of Labor Force that is represented by unions	6.67	1			
Minimum wage	5.62	1	Openness subindex	5.10	23
Openness subindex	5.10	23			
Incoming FDI per capita, dollars	5.53	13			
Environmental policy subindex	4.73	35	Environmental policy subindex	4.73	35
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.48	38
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.06	31

NORTH DAKOTA

Index
6.41

Overall Rank
5

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.75	32	Government and fiscal policy subindex	4.75	32
State and Local Taxes per capita/Income per capita (current \$), %	5.57	9			
Worker's Compensation premium rates	6.79	1	Bond rating: composite	4.01	39
Budget surplus, % of GSP	5.05	13			
Average benefit per first payment for unemployed	5.76	12	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	2.18	49
Security subindex	6.78	2	Security subindex	6.78	2
Crime index, per 100,000 inhabitants	6.81	1			
Crime index change 2001-2002, %	6.76	2			
Murder index, per 100,000 inhabitants	6.34	1	The BGA Integrity Index	4.25	39
Infrastructure subindex	6.68	1	Infrastructure subindex	6.68	1
Households with installed phones, %	6.45	1	High-Speed Lines by State per 1000	3.57	48
			Air passengers per capita	4.47	33
Average Travel time to work	7.16	1			
Electricity Prices per million BTU	5.74	10			
Average rent of 2 bedroom apartment	6.52	2			
Human resources subindex	6.06	6	Human resources subindex	6.06	6
Percent of population without health insurance	6.00	8			
Percent of population that graduated from high school, persons 25 years and older	5.67	16			
Unemployment rate	6.06	2			
Percent of student enrolled in degree-granting institutions per 1000	5.29	17			
Percent of adults who are in the labor force	6.38	4			
Infant Mortality rate, deaths per 1000 live births	5.51	17	Rate of Nonfederal Physicians per 100,000 inhabitants	4.64	30
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.95	6			
Technology subindex	4.99	27	Technology subindex	4.99	27
Academic R&D per \$1,000 GSP	5.88	5	NIH support to institutions per capita	4.30	39
			Patents, per 100,000 inhabitants	4.19	44
Number of S&E graduate students per 100,000 inhabitants	5.63	11			
S&Edegrees awarded per 100,000 inhabitants	6.65	4	Scientists and engineers/labor force	4.10	41
			Percentage of total wage and salary jobs in high technology industries	4.21	36
Business Incubation subindex	4.78	29	Business Incubation subindex	4.78	29
Total deposits (Commercial banks and Savings institutions) per capita	4.89	17			
			Venture capital investment per capita	4.48	41
			Employer firm births per 100,000 inhabitants	4.58	31
Percent of Labor Force that is represented by unions	5.67	16	IPO	4.20	34
Minimum wage	5.62	1			
Openness subindex	4.67	29	Openness subindex	4.67	29
Incoming FDI per capita, dollars	5.90	9	Exports per capita, dollars	4.43	34
			Percent of population born abroad	4.10	44
Environmental policy subindex	5.88	9	Environmental policy subindex	5.88	9
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.81	8			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.71	13			

BHI

State Index

OHIO

Index **Overall Rank**
4.07 **42**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
<i>Government and fiscal policy subindex</i>	<i>4.5</i>	<i>36</i>	<i>Government and fiscal policy subindex</i>	<i>4.5</i>	<i>36</i>
			State and Local Taxes per capita/Income per capita (cur \$), %	4.03	44
Bond rating: composite	5.77	11	Worker's Compensation premium rates	3.91	46
			Budget surplus, % of GSP	4.64	45
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.65	11			
<i>Security subindex</i>	<i>4.95</i>	<i>28</i>	<i>Security subindex</i>	<i>4.95</i>	<i>28</i>
			Crime index change 2001-2002, %	4.20	43
The BGA Integrity Index	5.75	14			
<i>Infrastructure subindex</i>	<i>5.67</i>	<i>15</i>	<i>Infrastructure subindex</i>	<i>5.67</i>	<i>15</i>
Air passengers per capita	4.90	18			
Average Travel time to work	5.29	18			
Average rent of 2 bedroom apartment	5.52	20			
<i>Human resources subindex</i>	<i>5.13</i>	<i>25</i>	<i>Human resources subindex</i>	<i>5.13</i>	<i>25</i>
Percent of population without health insurance	5.80	15			
			Unemployment rate	4.58	42
			Percent of student enrolled in degree-granting institutions per 1000	4.62	30
			Percent of adults who are in the labor force	4.80	30
Rate of Nonfederal Physicians per 100,000 inhabitants	5.31	13	Infant Mortality rate, deaths per 1000 live births	4.41	37
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.80	9			
<i>Technology subindex</i>	<i>4.68</i>	<i>31</i>	<i>Technology subindex</i>	<i>4.68</i>	<i>31</i>
			Academic R&D per \$1,000 GSP	4.54	35
Patents, per 100,000 inhabitants	4.96	20			
Number of S&E graduate students per 100,000 inhabitants	5.12	20			
			Scientists and engineers/labor force	4.66	30
			Percentage of total wage and salary jobs in high technology industries	4.33	35
<i>Business incubation subindex</i>	<i>3.97</i>	<i>42</i>	<i>Business incubation subindex</i>	<i>3.97</i>	<i>42</i>
Total deposits (Commercial banks and Savings institutions) per capita	4.86	18			
			Employer firm births per 100,000 inhabitants	3.78	50
			IPO	4.27	33
			Percent of Labor Force that is represented by unions	4.29	38
Minimum wage	5.62	1			
<i>Openness subindex</i>	<i>4.8</i>	<i>26</i>	<i>Openness subindex</i>	<i>4.8</i>	<i>26</i>
Exports per capita, dollars	5.38	14			
Incoming FDI per capita, dollars	5.10	19			
<i>Environmental policy subindex</i>	<i>3.00</i>	<i>47</i>	<i>Environmental policy subindex</i>	<i>3.00</i>	<i>47</i>
			Percent of population born abroad	4.27	38
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	2.45	48
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.11	43

OKLAHOMA

Index **Overall Rank**
4.16 **41**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.92	25	Government and fiscal policy subindex	4.92	25
State and Local Taxes per capita/income per capita(current \$), %	5.49	11	Worker's Compensation premium rates	4.50	37
Budget surplus, % of GSP	5.13	8	Bond rating: composite	4.45	31
Average benefit per first payment for unemployed	5.71	14	Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.48	40
Security subindex	4.50	38	Security subindex	4.50	38
			Crime index, per 100,000 inhabitants	4.16	38
			Crime index change 2001-2002, %	4.83	31
			Murder index, per 100,000 inhabitants	4.72	30
Infrastructure subindex	4.60	33	Infrastructure subindex	4.60	33
			Households with installed phones, %	2.68	49
Average Travel time to work	5.98	8	High-Speed Lines by State per 1000	4.75	30
Average rent of 2 bedroom apartment	6.03	8	Air passengers per capita	4.45	36
Human resources subindex	3.98	41	Human resources subindex	3.98	41
Unemployment rate	5.61	14	Percent of population without health insurance	3.39	48
			Percent of population that graduated from high school, persons 25 years and older	4.52	35
			Percent of student enrolled in degree-granting institutions per 1000	4.31	39
			Percent of adults who are in the labor force	4.37	38
			Infant Mortality rate, deaths per 1000 live births	4.27	38
			Rate of Nonfederal Physicians per 100,000 inhabitants	3.99	45
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.33	37
Technology subindex	4.8	38	Technology subindex	4.8	38
			Academic R&D per \$1,000 GSP	4.19	41
			NIH support to institutions per capita	4.37	36
			Patents, per 100,000 inhabitants	4.39	35
			Number of S&E graduate students per 100,000 inhabitants	4.65	32
			Scientists and engineers/labor force	4.32	36
			Percentage of total wage and salary jobs in high technology industries	4.35	33
Business incubation subindex	5.45	16	Business incubation subindex	5.45	16
			Total deposits (Commercial banks and Savings institutions) per capita	4.63	38
IPO	5.79	8	Venture capital investment per capita	4.60	30
Percent of Labor Force that is represented by unions	6.02	8	Employer firm births per 100,000 inhabitants	4.45	34
Minimum wage	5.62	1			
Openness subindex	3.71	47	Openness subindex	3.71	47
			Exports per capita, dollars	3.85	48
			Incoming FDI per capita, dollars	4.48	37
			Percent of population born abroad	4.42	31
Environmental policy subindex	5.73	17	Environmental policy subindex	5.73	17
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.76	14			

BHI

State Index

OREGON

Index Overall Rank

5.32 19

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubIndex	4.90	2	Government and fiscal polycsubIndex	4.90	2
State and Local Taxes per capita/Income per capita(cur \$), %	5.36	15			
Worker's Compensation premium rates	5.66	10			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.50	15	Bond rating: composite	4.01	39
Security subIndex	5.11	21	Budget surplus, % of GSP	4.42	50
			Average benefit per first payment for unemployed	4.79	30
Murder index, per 100,000 inhabitants	5.89	13	Security subIndex	5.11	21
The BGA Integrity Index	5.29	19	Crime index, per 100,000 inhabitants	3.98	42
Infrastructure subIndex	6.23	8	Infrastructure subIndex	6.23	8
Households with installed phones, %	5.91	10			
High-Speed Lines by State per 1000	5.78	13			
Air passengers per capita	4.95	17			
Average Travel time to work	5.44	14			
Electricity Prices per million BTU	5.73	11	Average rent of 2 bedroom apartment	4.75	32
Human resources subIndex	5.10	2	Human resources subIndex	5.10	2
Percent of population that graduated from high school, persons 25 years and older	5.49	19	Percent of population without health insurance	4.34	35
Percent of student enrolled in degree-granting institutions per 1000	5.64	10	Unemployment rate	4.51	43
Infant Mortality rate, deaths per 1000 live births	5.85	11	Percent of adults who are in the labor force	4.50	36
Rate of Nonfederal Physicians per 100,000 inhabitants	5.09	17			
Technology subIndex	5.30	19	Technology subIndex	5.30	19
NIH support to institutions per capita	5.27	13			
Patents, per 100,000 inhabitants	6.03	7	Number of S&E graduate students per 100,000 inhabitants	4.50	36
Scientists and engineers/labor force	5.63	15			
Percentage of total wage and salary jobs in high technology industries	5.56	17			
Business Incubation subIndex	3.69	47	Business Incubation subIndex	3.69	47
Venture capital investment per capita	4.83	20	Total deposits (Commercial banks and Savings institutions) per capita	4.50	46
Employer firm births per 100,000 inhabitants	5.61	12	Percent of Labor Force that is represented by unions	4.27	39
Openness subIndex	4.8	25	Minimum wage	2.73	49
Exports per capita, dollars	5.70	10	Openness subIndex	4.8	25
Percent of population born abroad	5.22	17	Incoming FDI per capita, dollars	3.83	45
Environmental polycsubIndex	5.91	7	Environmental polycsubIndex	5.91	7
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.76	15			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.81	6			

PENNSYLVANIA

Index
4.65

Overall Rank
32

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subIndex	5.8	23	Government and fiscal policy subIndex	5.8	23
State and Local Taxes per capita/Income per capita(current \$), %	5.25	16			
			Worker's Compensation premium rates	4.79	32
			Budget surplus, % of GSP	4.66	41
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	6.48	2	Average benefit per first payment for unemployed	4.23	40
Security subIndex	4.72	32	Security subIndex	4.72	32
Crime index, per 100,000 inhabitants	6.01	10			
			Crime index change 2001-2002, %	4.43	39
			The BGA Integrity Index	4.14	40
Infrastructure subIndex	5.8	20	Infrastructure subIndex	5.8	20
Households with installed phones, %	6.09	6			
			Average Travel time to work	4.38	38
			Electricity Prices per million BTU	4.92	36
Human resources subIndex	5.15	24	Human resources subIndex	5.15	24
Percent of population without health insurance	5.80	15			
			Percent of student enrolled in degree-granting institutions per 1000	4.00	45
			Percent of adults who are in the labor force	4.42	37
Rate of Nonfederal Physicians per 100,000 inhabitants	6.20	8	Infant Mortality rate, deaths per 1000 live births	4.61	35
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.65	14			
Technology subIndex	5.40	16	Technology subIndex	5.40	16
Academic R&D per \$1,000 GSP	5.61	11			
NIH support to institutions per capita	6.00	6			
Number of S&E graduate students per 100,000 inhabitants	5.32	18			
S&E degrees awarded per 100,000 inhabitants	5.51	14			
Business Incubation subIndex	5.02	25	Business Incubation subIndex	5.02	25
Venture capital investment per capita	5.08	14			
IPO	5.61	12	Employer firm births per 100,000 inhabitants	4.49	33
Minimum wage	5.62	1	Percent of Labor Force that is represented by unions	4.38	36
Openness subIndex	4.34	36	Openness subIndex	4.34	36
			Exports per capita, dollars	4.34	37
			Percent of population born abroad	4.47	30
Environmental policy subIndex	3.8	44	Environmental policy subIndex	3.8	44
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	3.85	44
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.21	42

BHI

State Index

RHODE ISLAND

Index **Overall Rank**
4.67 **31**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	3.93	45	Government and fiscal polycsubindex	3.93	45
			State and Local Taxes per capita/Income per capita(cur \$), %	3.67	47
			Worker's Compensation premium rates	4.57	36
			Bond rating: composite	4.45	31
Budget surplus, % of GSP	4.88	20	Average benefit per first payment for unemployed	3.25	48
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	6.56	1			
Security subindex	6.71	3	Security subindex	6.71	3
Crime index, per 100,000 inhabitants	5.72	16			
Crime index change 2001-2002, %	5.62	12			
Murder index, per 100,000 inhabitants	5.93	12			
The BGA Integrity Index	6.74	2			
Infrastructure subindex	4.91	28	Infrastructure subindex	4.91	28
Households with installed phones, %	5.64	14			
High-Speed Lines by State per 1000	6.14	7			
Air passengers per capita	5.23	12			
			Electricity Prices per million BTU	3.58	45
			Average rent of 2 bedroom apartment	4.27	37
Human resources subindex	5.47	21	Human resources subindex	5.47	21
Percent of population without health insurance	6.05	7			
			Percent of population that graduated form high school, persons 25 years and older	4.36	37
Percent of student enrolled in degree-granting institutions per 1000	6.09	5	Unemployment rate	4.90	31
Rate of Nonfederal Physicians per 100,000 inhabitants	6.64	6			
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.47	35
Technology subindex	5.92	8	Technology subindex	5.92	8
Academic R&D per \$1,000 GSP	5.60	13			
NIH support to institutions per capita	6.16	3			
Patents, per 100,000 inhabitants	5.12	18			
Number of S&E graduate students per 100,000 inhabitants	5.40	15			
S&Edegrees awarded per 100,000 inhabitants	7.65	1			
			Percentage of total wage and salary jobs in high technology industries	4.56	30
Business Incubation subindex	3.90	45	Business Incubation subindex	3.90	45
Total deposits (Commercial banks and Savings institutions) per capita	4.92	15			
Venture capital investment per capita	5.03	15			
Employer firm births per 100,000 inhabitants	5.49	15			
			IPO	4.20	34
			Percent of Labor Force that is represented by unions	4.18	42
			Minimum wage	3.42	43
Openness subindex	4.22	41	Openness subindex	4.22	41
			Exports per capita, dollars	4.09	43
			Incoming FDI per capita, dollars	3.81	46
Percent of population born abroad	5.74	11			
Environmental polycsubindex	3.81	45	Environmental polycsubindex	3.81	45
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	2.44	49

SOUTH CAROLINA

Index **Overall Rank**
4.77 **29**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.99	9	Government and fiscal policy subindex	5.99	9
State and Local Taxes per capita/Income per capita (cur \$), %	5.21	18			
Worker's Compensation premium rates	5.63	13			
Bond rating: composite	6.21	7			
Average benefit per first payment for unemployed	5.82	10	Budget surplus, % of GSP	4.68	39
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.81	35
Security subindex	4.30	42	Security subindex	4.30	42
			Crime index, per 100,000 inhabitants	3.63	48
			Crime index change 2001-2002, %	4.60	35
			Murder index, per 100,000 inhabitants	4.06	43
The BGA Integrity Index	6.06	7	Infrastructure subindex	4.99	23
Infrastructure subindex	4.99	23			
			High-Speed Lines by State per 1000	4.35	38
			Air passengers per capita	4.37	40
Electricity Prices per million BTU	5.53	17			
Human resources subindex	3.80	46	Human resources subindex	3.80	46
			Percent of population that graduated from high school, persons 25 years and older	4.00	38
			Unemployment rate	3.68	48
			Percent of student enrolled in degree-granting institutions per 1000	4.21	40
			Percent of adults who are in the labor force	4.07	42
			Infant Mortality rate, deaths per 1000 live births	3.44	47
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.42	33
Technology subindex	3.84	45	Technology subindex	3.84	45
			Academic R&D per \$1,000 GSP	4.49	37
			NIH support to institutions per capita	4.42	35
			Patents, per 100,000 inhabitants	4.39	36
			Number of S&E graduate students per 100,000 inhabitants	3.66	47
			S&E degrees awarded per 100,000 inhabitants	4.09	44
			Scientists and engineers/labor force	4.18	39
			Percentage of total wage and salary jobs in high technology industries	3.95	43
Business Incubation subindex	5.03	24	Business Incubation subindex	5.03	24
			Total deposits (Commercial banks and Savings institutions) per capita	4.53	45
			Venture capital investment per capita	4.50	37
			IPO	4.20	34
Percent of Labor Force that is represented by unions	6.56	2			
Minimum wage	5.62	1			
Openness subindex	6.53	6	Openness subindex	6.53	6
Exports per capita, dollars	5.77	8			
Incoming FDI per capita, dollars	7.59	2			
Environmental policy subindex	4.75	34	Environmental policy subindex	4.75	34
			Percent of population born abroad	4.34	33
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.40	39

BHI

State Index

SOUTH DAKOTA

Index **Overall Rank**
5.71 **12**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.85	11	Government and fiscal policy subindex	5.85	11
State and Local Taxes per capita/Income per capita(current \$), %	6.13	6			
Worker's Compensation premium rates	5.66	10			
Bond rating: composite	5.00	20			
Budget surplus, % of GSP	5.10	10			
Average benefit per first payment for unemployed	6.19	7			
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	3.95	45
Security subindex	5.28	20	Security subindex	5.28	20
Crime index, per 100,000 inhabitants	6.71	2			
Crime index change 2001-2002, %	5.29	19			
Murder index, per 100,000 inhabitants	5.97	10			
			The BGA Integrity Index	2.69	50
Infrastructure subindex	6.04	10	Infrastructure subindex	6.04	10
Households with installed phones, %	6.13	4			
			High-Speed Lines by State per 1000	2.79	50
Average Travel time to work	7.04	2	Air passengers per capita	4.40	37
Electricity Prices per million BTU	5.50	19			
Average rent of 2 bedroom apartment	6.30	3			
Human resources subindex	5.69	13	Human resources subindex	5.69	13
Percent of population without health insurance	5.68	18			
Percent of population that graduated from high school, persons 25 years and older	6.06	6			
Unemployment rate	5.67	12			
			Percent of student enrolled in degree-granting institutions per 1000	4.01	44
Percent of adults who are in the labor force	6.78	3			
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.13	44
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.80	9			
Technology subindex	4.1	40	Technology subindex	4.1	40
			Academic R&D per \$1,000 GSP	3.63	48
			NIH support to institutions per capita	4.15	44
			Patents, per 100,000 inhabitants	4.30	39
S&Edegrees awarded per 100,000 inhabitants	5.86	10			
			Scientists and engineers/labor force	3.67	47
			Percentage of total wage and salary jobs in high technology industries	4.19	37
Business Incubation subindex	5.79	11	Business Incubation subindex	5.79	11
Total deposits (Commercial banks and Savings institutions) per capita	7.71	2			
			Venture capital investment per capita	4.50	38
			Employer firm births per 100,000 inhabitants	4.00	42
Percent of Labor Force that is represented by unions	5.91	10	IPO	4.20	34
Minimum wage	5.62	1			
Openness subindex	3.60	48	Openness subindex	3.60	48
			Exports per capita, dollars	3.99	46
			Incoming FDI per capita, dollars	4.58	31
			Percent of population born abroad	3.97	47
Environmental policy subindex	6.06	1	Environmental policy subindex	6.06	1
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.93	2			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.89	2			

TENNESSEE

Index **Overall Rank**
4.48 **37**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubindex	6.21	6	Government and fiscal polycsubindex	6.21	6
State and Local Taxes per capita/Income per capita(cur \$), %	6.50	4			
Average benefit per first payment for unemployed	5.97	9			
Full-Time-Equivalent State and Local Government Employees Per 100 Residents	5.67	10			
Security subindex	3.74	47	Security subindex	3.74	47
			Crime index, per 100,000 inhabitants	3.91	43
			Crime index change 2001-2002, %	4.82	32
			Murder index, per 100,000 inhabitants	4.48	35
			The BGA Integrity Index	3.84	44
Infrastructure subindex	5.29	18	Infrastructure subindex	5.29	18
			Households with installed phones, %	4.79	31
Air passengers per capita	4.88	19	High-Speed Lines by State per 1000	4.61	34
Electricity Prices per million BTU	5.69	12			
Average rent of 2 bedroom apartment	5.71	15			
Human resources subindex	3.87	43	Human resources subindex	3.87	43
			Percent of population that graduated from high school, persons 25 years and older	3.82	41
			Unemployment rate	4.51	43
			Percent of student enrolled in degree-granting institutions per 1000	3.98	47
			Percent of adults who are in the labor force	4.22	40
			Infant Mortality rate, deaths per 1000 live births	3.37	48
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.18	39
Technology subindex	4.00	42	Technology subindex	4.00	42
NIH support to institutions per capita	5.18	16	Academic R&D per \$1,000 GSP	4.28	39
			Patents, per 100,000 inhabitants	4.34	37
			Number of S&E graduate students per 100,000 inhabitants	4.17	42
			S&Edegrees awarded per 100,000 inhabitants	4.10	43
			Scientists and engineers/labor force	3.91	44
			Percentage of total wage and salary jobs in high technology industries	4.02	41
Business Incubation subindex	5.20	21	Business Incubation subindex	5.20	21
Percent of Labor Force that is represented by unions	5.91	10			
Minumum wage	5.62	1			
Openness subindex	5.44	15	Openness subindex	5.44	15
Exports per capita, dollars	5.39	13			
Incoming FDI per capita, dollars	6.07	7			
Environmental poliy subindex	4.45	39	Environmental polycsubindex	4.45	39
			Percent of population born abroad	4.32	36
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.01	43
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.04	33

BHI

State Index

TEXAS

Index **Overall Rank**
5.25 **20**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.15	21	Government and fiscal policy subindex	5.15	21
State and Local Taxes per capita/Income per capita(current \$), %	5.59	8			
Bond rating: composite	5.33	16	Worker's Compensation premium rates	4.49	38
			Average benefit per first payment for unemployed	4.76	32
Security subindex	4.71	34	Security subindex	4.71	34
			Crime index, per 100,000 inhabitants	3.88	44
The BGA Integrity Index	6.03	9	Murder index, per 100,000 inhabitants	4.39	36
Infrastructure subindex	4.33	39	Infrastructure subindex	4.33	39
			Households with installed phones, %	4.07	42
Air passengers per capita	5.26	11	Average Travel time to work	4.75	31
			Electricity Prices per million BTU	4.61	39
Human resources subindex	3.98	40	Human resources subindex	3.98	40
			Percent of population without health insurance	2.05	50
			Percent of population that graduated from high school, persons 25 years and older	3.31	48
			Unemployment rate	4.84	35
			Percent of student enrolled in degree-granting institutions per 1000	4.34	38
Infant Mortality rate, deaths per 1000 live births	5.44	19			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.65	14	Rate of Nonfederal Physicians per 100,000 inhabitants	4.22	40
Technology subindex	4.90	28	Technology subindex	4.90	28
Patents, per 100,000 inhabitants	5.05	19			
Scientists and engineers/labor force	5.34	17	S&E degrees awarded per 100,000 inhabitants	4.00	46
Percentage of total wage and salary jobs in high technology industries	5.59	16			
Business Incubation subindex	5.42	17	Business Incubation subindex	5.42	17
			Total deposits (Commercial banks and Savings institutions) per capita	4.66	35
Venture capital investment per capita	5.14	12			
IPO	5.23	16	Employer firm births per 100,000 inhabitants	4.22	38
Percent of Labor Force that is represented by unions	6.17	4			
Minimum wage	5.62	1			
Openness subindex	7.02	1	Openness subindex	7.02	1
Exports per capita, dollars	7.47	3			
Percent of population born abroad	6.21	7			
Environmental policy subindex	5.35	25	Environmental policy subindex	5.35	25

UTAH

Index
6.78

Overall Rank
2

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	5.61	15	Government and fiscal policy subindex	5.61	15
			State and Local Taxes per capita/Income per capita(cur \$), %	4.20	42
Worker's Compensation premium rates	6.14	6			
Bond rating: composite	6.65	1			
			Average benefit per first payment for unemployed Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.72 4.96	34 32
Security subindex	5.46	16	Security subindex	5.46	16
			Crime index, per 100,000 inhabitants	4.57	30
Crime index change 2001-2002, %	5.49	15			
Murder index, per 100,000 inhabitants	6.13	5			
Infrastructure subindex	6.26	7	Infrastructure subindex	6.26	7
			High-Speed Lines by State per 1000	4.37	37
Households with installed phones, %	6.13	4			
Air passengers per capita	5.80	6			
Average Travel time to work	5.64	12			
Electricity Prices per million BTU	5.76	7			
Human resources subindex	6.49	4	Human resources subindex	6.49	4
Percent of population without health insurance	5.31	20			
Percent of population that graduated from high school, persons 25 years and older	6.01	10			
Unemployment rate	5.67	12			
Percent of student enrolled in degree-granting institutions per 1000	9.17	1			
Percent of adults who are in the labor force	5.95	10			
Infant Mortality rate, deaths per 1000 live births	5.99	9			
			Rate of Nonfederal Physicians per 100,000 inhabitants	4.15	43
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.36	20			
Technology subindex	6.9	6	Technology subindex	6.9	6
Academic R&D per \$1,000 GSP	5.64	8			
NIH support to institutions per capita	5.14	18			
Patents, per 100,000 inhabitants	5.15	17			
Number of S&E graduate students per 100,000 inhabitants	5.76	9			
S&E degrees awarded per 100,000 inhabitants	6.86	3			
Scientists and engineers/labor force	5.63	14			
Percentage of total wage and salary jobs in high technology industries	5.90	11			
Business Incubation subindex	6.81	3	Business Incubation subindex	6.81	3
Total deposits (Commercial banks and Savings institutions) per capita	6.25	3			
Venture capital investment per capita	4.96	18			
Employer firm births per 100,000 inhabitants	6.65	6			
Percent of Labor Force that is represented by unions	6.09	7			
Minimum wage	5.62	1			
Openness subindex	4.40	35	Openness subindex	4.40	35
			Incoming FDI per capita, dollars	4.35	39
Environmental policy subindex	5.01	28	Environmental policy subindex	5.01	28
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.31	41
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.71	12			

BHI

State Index

VERMONT

Index **Overall Rank**
5.37 **18**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubIndex	4.40	38	Government and fiscal polycsubIndex	4.40	38
Bond rating: composite	5.77	11	State and Local Taxes per capita/Income per capita(our \$), %	3.96	45
			Worker's Compensation premium rates	4.59	35
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	4.53	39
Security subIndex	4.61	3	Security subIndex	4.61	3
Crime index, per 100,000 inhabitants	6.40	4	Crime index change 2001-2002, %	3.53	48
Murder index, per 100,000 inhabitants	5.84	14	The BGA Integrity Index	3.32	49
Infrastructure subIndex	4.65	35	Infrastructure subIndex	4.65	35
Households with installed phones, %	5.59	15	Air passengers per capita	4.50	32
Average Travel time to work	5.44	14	Electricity Prices per million BTU	3.81	41
			Average rent of 2 bedroom apartment	4.81	30
Human resources subIndex	6.58	3	Human resources subIndex	6.58	3
Percent of population without health insurance	6.20	4			
Percent of population that graduated from high school, persons 25 years and older	6.01	10			
Unemployment rate	5.99	3			
			Percent of student enrolled in degree-granting institutions per 1000	4.14	41
Percent of adults who are in the labor force	6.20	8			
Infant Mortality rate, deaths per 1000 live births	6.82	1			
Rate of Nonfederal Physicians per 100,000 inhabitants	6.74	5			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.95	6			
Technology subIndex	5.94	7	Technology subIndex	5.94	7
Academic R&D per \$1,000 GSP	5.43	15			
NIH support to institutions per capita	6.14	4			
Patents, per 100,000 inhabitants	6.75	2	Number of S&E graduate students per 100,000 inhabitants	4.02	45
S&Edegrees awarded per 100,000 inhabitants	6.28	6			
Scientists and engineers/labor force	5.33	18			
Percentage of total wage and salary jobs in high technology industries	5.73	15			
Business Incubation subIndex	3.91	44	Business Incubation subIndex	3.91	44
			Total deposits (Commercial banks and Savings institutions) per capita	4.70	30
Employer firm births per 100,000 inhabitants	5.59	14	Venture capital investment per capita	4.48	40
			IPO	4.20	34
			Minimum wage	3.07	46
Openness subIndex	5.29	20	Openness subIndex	5.29	20
Exports per capita, dollars	7.53	2	Incoming FDI per capita, dollars	3.63	49
			Percent of population born abroad	4.34	33
Environmental polycsubIndex	6.00	3	Environmental polycsubIndex	6.00	3
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.99	1			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.73	10			

VIRGINIA

Index **Overall Rank**
5.73 **11**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	6.34	4	Government and fiscal policy subindex	6.34	4
State and Local Taxes per capita/Income per capita (cur \$), %	5.24	17			
Worker's Compensation premium rates	6.21	4			
Bond rating: composite	6.65	1	Budget surplus, % of GSP	4.75	30
Security subindex	5.09	23	Security subindex	5.09	23
Crime index, per 100,000 inhabitants	5.89	14	Crime index change 2001-2002, %	4.83	30
Infrastructure subindex	4.01	42	Infrastructure subindex	4.01	42
High-Speed Lines by State per 1000	5.51	17	Households with installed phones, %	4.52	35
Electricity Prices per million BTU	5.53	15	Air passengers per capita	4.28	45
			Average Travel time to work	3.98	43
			Average rent of 2 bedroom apartment	4.13	39
Human resources subindex	5.52	19	Human resources subindex	5.52	19
Unemployment rate	5.99	3	Percent of population that graduated from high school, persons 25 years and older	4.90	30
Percent of student enrolled in degree-granting institutions per 1000	5.66	8			
Percent of adults who are in the labor force	5.55	14	Infant Mortality rate, deaths per 1000 live births	4.75	30
Rate of Nonfederal Physicians per 100,000 inhabitants	5.05	19			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.51	18			
Technology subindex	5.49	15	Technology subindex	5.49	15
Number of S&E graduate students per 100,000 inhabitants	5.57	12	Academic R&D per \$1,000 GSP	4.45	38
Scientists and engineers/labor force	7.18	2	Patents, per 100,000 inhabitants	4.48	31
Percentage of total wage and salary jobs in high technology industries	6.34	6	S&E degrees awarded per 100,000 inhabitants	4.64	31
Business incubation subindex	6.22	5	Business incubation subindex	6.22	5
Total deposits (Commercial banks and Savings institutions) per capita	4.99	10			
Venture capital investment per capita	5.29	8			
Employer firm births per 100,000 inhabitants	5.07	20			
IPO	5.92	6			
Percent of Labor Force that is represented by unions	6.11	6			
Minimum wage	5.62	1			
Openness subindex	4.85	27	Openness subindex	4.85	27
Incoming FDI per capita, dollars	5.06	20	Exports per capita, dollars	4.40	36
Percent of population born abroad	5.27	16			
Environmental policy subindex	4.98	29	Environmental policy subindex	4.98	29
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	4.93	32
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.04	34

BHI

State Index

WASHINGTON

Index **Overall Rank****6.45** **4**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
<i>Government and fiscal polycsubindex</i>	<i>4.61</i>	<i>35</i>	<i>Government and fiscal polycsubindex</i>	<i>4.61</i>	<i>35</i>
Worker's Compensation premium rates	5.49	17			
Bond rating: composite	5.33	16			
			Average benefit per first payment for unemployed Full-Time-Equivalent State and Local Government Employees Per 100 Residents	3.61 4.88	45 34
<i>Security subindex</i>	<i>4.70</i>	<i>35</i>	<i>Security subindex</i>	<i>4.70</i>	<i>35</i>
			Crime index, per 100,000 inhabitants	3.73	47
Murder index, per 100,000 inhabitants	5.64	19	Crime index change 2001-2002, %	3.93	45
The BGA Integrity Index	6.01	11			
<i>Infrastructure subindex</i>	<i>6.01</i>	<i>11</i>	<i>Infrastructure subindex</i>	<i>6.01</i>	<i>11</i>
Households with installed phones, %	6.36	2			
High-Speed Lines by State per 1000	5.82	11			
Air passengers per capita	5.18	13	Average Travel time to work	4.46	37
Electricity Prices per million BTU	5.90	6	Average rent of 2 bedroom apartment	4.38	36
<i>Human resources subindex</i>	<i>5.53</i>	<i>17</i>	<i>Human resources subindex</i>	<i>5.53</i>	<i>17</i>
Percent of population that graduated from high school, persons 25 years and older	6.06	6			
Percent of student enrolled in degree-granting institutions per 1000	5.17	20	Unemployment rate	4.64	40
Infant Mortality rate, deaths per 1000 live births	5.85	11			
Rate of Nonfederal Physicians per 100,000 inhabitants	5.05	19			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.80	9			
<i>Technology subindex</i>	<i>6.02</i>	<i>5</i>	<i>Technology subindex</i>	<i>6.02</i>	<i>5</i>
NIH support to institutions per capita	6.11	5			
Patents, per 100,000 inhabitants	5.47	12	Number of S&E graduate students per 100,000 inhabitants	4.06	44
Scientists and engineers/labor force	7.21	1			
Percentage of total wage and salary jobs in high technology industries	7.14	1			
<i>Business Incubation subindex</i>	<i>5.87</i>	<i>10</i>	<i>Business Incubation subindex</i>	<i>5.87</i>	<i>10</i>
			Total deposits (Commercial banks and Savings institutions) per capita	4.68	31
Venture capital investment per capita	5.52	6			
Employer firm births per 100,000 inhabitants	7.06	2	Percent of Labor Force that is represented by unions	3.56	45
IPO	8.74	1	Minimum wage	2.59	50
<i>Openness subindex</i>	<i>6.39</i>	<i>7</i>	<i>Openness subindex</i>	<i>6.39</i>	<i>7</i>
Exports per capita, dollars	7.67	1	Incoming FDI per capita, dollars	4.19	41
Percent of population born abroad	5.58	13			
<i>Environmental polycsubindex</i>	<i>5.80</i>	<i>14</i>	<i>Environmental polycsubindex</i>	<i>5.80</i>	<i>14</i>
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.81	9			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.57	19			

WEST VIRGINIA

Index
3.40

Overall Rank
47

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal polycsubIndex	4.79	30	Government and fiscal polycsubIndex	4.79	30
			State and Local Taxes per capita/Income per capita(our \$), %	4.53	38
			Bond rating: composite	4.01	39
Budget surplus, % of GSP	5.02	14			
Average benefit per first payment for unemployed	5.61	16			
Security subIndex	5.01	27	Security subIndex	5.01	27
Crime index, per 100,000 inhabitants	6.06	7	Crime index change 2001-2002, %	2.53	49
The BGA Integrity Index	6.04	8			
Infrastructure subIndex	4.77	31	Infrastructure subIndex	4.77	31
			Households with installed phones, %	4.56	34
			High-Speed Lines by State per 1000	3.90	44
			Air passengers per capita	4.11	49
			Average Travel time to work	4.23	40
Electricity Prices per million BTU	6.15	4			
Average rent of 2 bedroom apartment	6.56	1			
Human resources subIndex	3.32	48	Human resources subIndex	3.32	48
			Percent of population without health insurance	4.42	33
			Percent of population that graduated from high school, persons 25 years and older	3.49	47
			Percent of student enrolled in degree-granting institutions per 1000	4.01	43
			Percent of adults who are in the labor force	1.99	50
			Infant Mortality rate, deaths per 1000 live births	3.58	45
			Percentage of students at or above Proficient in mathematics, grade 4 public schools	4.03	41
Technology subIndex	3.83	4	Technology subIndex	3.83	4
			Academic R&D per \$1,000 GSP	3.70	47
			NIH support to institutions per capita	4.04	46
			Patents, per 100,000 inhabitants	4.06	48
			Number of S&E graduate students per 100,000 inhabitants	4.66	31
			S&Edegrees awarded per 100,000 inhabitants	4.63	32
			Scientists and engineers/labor force	4.11	40
			Percentage of total wage and salary jobs in high technology industries	3.94	44
Business Incubation subIndex	3.95	43	Business Incubation subIndex	3.95	43
			Total deposits (Commercial banks and Savings institutions) per capita	4.59	42
			Venture capital investment per capita	4.57	33
			Employer firm births per 100,000 inhabitants	3.97	44
			IPO	4.20	34
			Percent of Labor Force that is represented by unions	4.42	35
Minumum wage	5.62	1			
Openness subIndex	4.92	24	Openness subIndex	4.92	24
			Exports per capita, dollars	4.60	31
Incoming FDI per capita, dollars	6.44	5	Percent of population born abroad	3.82	50
Environmental polly subIndex	3.8	42	Environmental polly subIndex	3.8	42
			Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	3.56	46
			Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	4.66	39

BHI

State Index

WISCONSIN

Index **Overall Rank**
5.42 **16**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal policy subindex	4.20	41	Government and fiscal policy subindex	4.20	41
Worker's Compensation premium rates	5.41	19	State and Local Taxes per capita/Income per capita (cur \$), %	3.71	46
			Bond rating: composite	4.01	39
			Budget surplus, % of GSP	4.59	46
Security subindex	7.23	1	Security subindex	7.23	1
Crime index, per 100,000 inhabitants	5.97	11			
Crime index change 2001-2002, %	6.36	5			
Murder index, per 100,000 inhabitants	5.76	18			
The BGA Integrity Index	7.14	1			
Infrastructure subindex	5.52	16	Infrastructure subindex	5.52	16
Average Travel time to work	5.67	11	Air passengers per capita	4.46	35
Human resources subindex	5.67	14	Human resources subindex	5.67	14
Percent of population without health insurance	6.11	6			
Unemployment rate	5.22	20			
Percent of adults who are in the labor force	6.20	8			
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.65	14			
Technology subindex	5.00	26	Technology subindex	5.00	26
Academic R&D per \$1,000 GSP	5.47	14			
NIH support to institutions per capita	5.15	17			
Patents, per 100,000 inhabitants	5.19	15			
			Percentage of total wage and salary jobs in high technology industries	4.15	38
Business Incubation subindex	3.89	46	Business Incubation subindex	3.89	46
Total deposits (Commercial banks and Savings institutions) per capita	4.86	19	Venture capital investment per capita	4.49	39
			Employer firm births per 100,000 inhabitants	4.19	39
			Percent of Labor Force that is represented by unions	4.20	41
			Minimum wage	4.86	35
Openness subindex	4.43	34	Openness subindex	4.43	34
			Incoming FDI per capita, dollars	4.61	30
			Percent of population born abroad	4.37	32
Environmental policy subindex	5.46	22	Environmental policy subindex	5.46	22

WYOMING

Index
5.14

Overall Rank
24

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>SubIndex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and fiscal poljsubIndex	3.82	4	Government and fiscal poljsubIndex	3.82	4
Budget surplus, % of GSP	5.31	4			
Average benefit per first payment for unemployed	5.25	19			
			Full-Time-Equivalent State and Local Government Employees Per 100 Residents	1.54	50
Security subIndex	5.07	24	Security subIndex	5.07	24
			Crime index change 2001-2002, %	4.51	37
Murder index, per 100,000 inhabitants	6.01	7	The BGA Integrity Index	4.35	37
Infrastructure subIndex	6.6	3	Infrastructure subIndex	6.6	3
Households with installed phones, %	5.86	12			
			High-Speed Lines by State per 1000	4.05	42
Average Travel time to work	6.61	4	Air passengers per capita	4.38	39
Electricity Prices per million BTU	6.16	3			
Average rent of 2 bedroom apartment	5.96	11			
Human resources subIndex	5.52	18	Human resources subIndex	5.52	18
Percent of population that graduated form high school, persons 25 years and older	6.39	2	Percent of population without health insurance	4.85	32
Unemployment rate	5.74	9			
			Percent of student enrolled in degree-granting institutions per 1000	4.39	36
Percent of adults who are in the labor force	6.28	6			
			Rate of Nonfederal Pysicians per 100,000 inhabitants	3.82	47
Percentage of students at or above Proficient in mathematics, grade 4 public schools	5.95	6			
Technology subIndex	4.8	39	Technology subIndex	4.8	39
			Academic R&D per \$1,000 GSP	4.27	40
Number of S&E graduate students per 100,000 inhabitants	5.36	17	NIH support to institutions per capita	4.01	47
S&Edegrees awarded per 100,000 inhabitants	5.18	20	Patents, per 100,000 inhabitants	4.28	40
			Scientists and engineers/labor force	4.25	37
			Percentage of total wage and salary jobs in high technology industries	3.45	50
Business Incubation subIndex	5.58	15	Business Incubation subIndex	5.58	15
			Venture capital investment per capita	4.45	44
Employer firm births per 100,000 inhabitants	6.87	4	IPO	4.20	34
Percent of Labor Force that is represented by unions	5.52	19			
Minumum wage	5.62	1			
Openness subIndex	3.93	44	Openness subIndex	3.93	44
			Exports per capita, dollars	4.22	39
			Percent of population born abroad	4.18	41
Environmental poljsubIndex	5.95	5	Environmental poljsubIndex	5.95	5
Toxic release inventory, on-site and off-site, total (new and original industries), pounds/1000 SQ. Miles	5.90	4			
Greenhouse Gas Emissions (metric tons of carbon equivalent per 1000 Sq. Miles)	5.75	9			

State Index

Metro Area Index



Albany

Index
4.78

Overall Rank
33

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	3.48	45	Government and Fiscal Policy Subindex	3.48	45
			State and Local Taxes per capita/Income per capita(cur \$), %	2.61	48
			State Bond Rating	4.17	40
			Average benefit per first payment for unemployed	4.61	33
Security Subindex	6.71	3	Security Subindex	6.71	3
			Violent crimes per 100.000 inhabitants	2.90	49
			Thefts per 100.000 inhabitants	4.28	39
			Murders per 100.000 inhabitants	4.64	40
Infrastructure Subindex	4.13	42	Infrastructure Subindex	4.13	42
High-Speed Lines per 1000	5.77	14			
Travel time to work	6.25	3			
			Air passengers per capita	4.28	39
			Electricity prices	2.77	48
Human Resources Subindex	6.48	4	Human Resources Subindex	6.48	4
% of population that graduated from high school	7.12	1			
% of student enrolled in degree-granting institutions per 1000	5.38	12	Unemployment rate	4.42	47
% of adults in the labor force	5.56	18			
Infant mortality rate, deaths per 1000 live births	5.89	11			
Non-federal physicians per 100.000 inhabitants	7.22	2			
Technology Subindex	5.24	19	Technology Subindex	5.24	19
Academic R&D per \$1,000	5.55	11			
			NIH support to institutions per capita	4.36	35
Number of S&E graduate students per 100,000 inhabitants	6.40	4			
Business Incubation Subindex	3.38	47	Business Incubation Subindex	3.38	47
			Bank deposits per capita	4.58	35
Employer firm births per 100,000 inhabitants	5.21	15			
			Entrepreneurial Activity index	3.61	45
			Forbes Cost of Doing Business index	4.37	35
			% of labor force represented by unions	2.99	48
Openness Subindex	4.31	37	Openness Subindex	4.31	37
			% of population born abroad	4.40	35
Environmental Policy Subindex	5.63	13	Environmental Policy Subindex	5.63	13
Toxic release, pounds per sq. mile	5.36	4			
High Ozone Days	5.54	14			

Metro Index

Atlanta

Index
5.53

Overall Rank
13

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.95	8	Government and Fiscal Policy Subindex	5.95	8
Worker's Compensation premium rates	5.71	9	Bond rating: S&P/Moody's composite	4.86	32
State Bond Rating	6.38	4			
Average benefit per first payment for unemployed	5.55	14			
Security Subindex	4.75	27	Security Subindex	4.75	27
			Murders per 100,000 inhabitants	4.82	36
Infrastructure Subindex	6.18	4	Infrastructure Subindex	6.18	4
High-Speed Lines per 1000	5.42	19	Travel time to work	4.65	36
			Median Monthly Housing Costs	4.71	37
Air passengers per capita	7.16	2			
Human Resources Subindex	3.97	43	Human Resources Subindex	3.97	43
			% of population without health insurance	4.86	32
			Unemployment rate	4.59	42
			% of student enrolled in degree-granting institutions per 1000	3.80	48
% of adults in the labor force	5.51	19	Infant mortality rate, deaths per 1000 live births	3.47	47
			Non-federal physicians per 100,000 inhabitants	4.05	42
Technology Subindex	4.56	36	Technology Subindex	4.56	36
			New patents issued per 100,000 inhabitants	4.55	38
			Number of S&E graduate students per 100,000 inhabitants	4.11	41
IT employment	6.55	7			
Business Incubation Subindex	6.10	5	Business Incubation Subindex	6.10	5
Employer firm births per 100,000 inhabitants	5.29	13			
Entrepreneurial Activity index	6.26	7			
Forbes Cost of Doing Business index	5.83	13			
% of labor force represented by unions	5.87	13			
Openness Subindex	4.70	24	Openness Subindex	4.70	24
			Exports per capita	4.64	32
			% of population born abroad	4.30	36
Environmental Policy Subindex	5.30	25	Environmental Policy Subindex	5.30	25
			Toxic release, pounds per sq. mile	5.00	40
			High Ozone Days	4.57	42

Austin

Index
6.55

Overall Rank
5

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.53	19	Government and Fiscal Policy Subindex	5.53	19
State and Local Taxes per capita/Income per capita(cur \$), %	5.90	7			
Bond rating: S&P/Moody's composite	5.29	19	Worker's Compensation premium rates	4.90	34
State Bond Rating	5.28	18			
Security Subindex	5.64	14	Security Subindex	5.64	14
Violent crimes per 100,000 inhabitants	5.92	10			
Murders per 100,000 inhabitants	6.02	3			
Infrastructure Subindex	4.30	41	Infrastructure Subindex	4.30	41
			High-Speed Lines per 1000	4.27	35
			Median Monthly Housing Costs	4.43	40
			Electricity prices	4.75	36
Human Resources Subindex	4.91	28	Human Resources Subindex	4.91	28
% of population that graduated from high school	5.54	17	% of population without health insurance	4.13	39
Unemployment rate	5.38	14			
% of adults in the labor force	5.94	9	% of student enrolled in degree-granting institutions per 1000	4.14	40
Infant mortality rate, deaths per 1000 live births	5.55	17			
Technology Subindex	5.95	5	Technology Subindex	5.95	5
New patents issued per 100,000 inhabitants	7.65	3			
% of Comp and Eng Job	6.56	5			
IT employment	5.21	14			
Business Incubation Subindex	5.68	11	Business Incubation Subindex	5.68	11
Venture capital investment per capita	4.89	15	Bank deposits per capita	4.11	46
Entrepreneurial Activity index	6.12	9			
Forbes Cost of Doing Business index	6.31	5	Employer firm births per 100,000 inhabitants	4.19	38
% of labor force represented by unions	6.07	4			
Openness Subindex	6.54	6	Openness Subindex	6.54	6
Exports per capita	7.29	2			
% of population born abroad	5.23	19			
Environmental Policy Subindex	5.94	5	Environmental Policy Subindex	5.94	5
Toxic release, pounds per sq. mile	5.36	3			
Pollution standards index	5.74	11			
High Ozone Days	5.43	17			

BHI

Metro Index

Boston

Index **Overall Rank**
7.41 **1**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.81	32	Government and Fiscal Policy Subindex	4.81	32
State and Local Taxes per capita/Income per capita(cur \$), %	5.86	11			
Worker's Compensation premium rates	5.87	7	Average benefit per first payment for unemployed	2.70	50
Security Subindex	6.17	6	Security Subindex	6.17	6
Crime index change (%)	5.32	16			
Violent crimes per 100,000 inhabitants	5.76	13			
Thefts per 100,000 inhabitants	6.57	4			
Murders per 100,000 inhabitants	6.02	3			
Infrastructure Subindex	3.32	47	Infrastructure Subindex	3.32	47
High-Speed Lines per 1000	7.25	1	Travel time to work	3.91	44
			Median Monthly Housing Costs	2.49	49
			Electricity prices	3.47	46
Human Resources Subindex	6.84	1	Human Resources Subindex	6.84	1
% of population without health insurance	6.08	5			
% of population that graduated from high school	5.70	11			
Unemployment rate	5.26	16			
% of adults in the labor force	5.58	16			
Infant mortality rate, deaths per 1000 live births	6.79	1			
Non-federal physicians per 100,000 inhabitants	7.43	1			
Technology Subindex	8.84	1	Technology Subindex	8.84	1
Academic R&D per \$1,000	8.29	1			
NIH support to institutions per capita	9.24	1			
Number of S&E graduate students per 100,000 inhabitants	8.66	1			
% of Comp and Eng Job	6.20	7			
IT employment	5.48	12			
Business Incubation Subindex	5.82	10	Business Incubation Subindex	5.82	10
Bank deposits per capita	5.73	6			
Venture capital investment per capita	9.05	1	Entrepreneurial Activity index	4.58	32
			Forbes Cost of Doing Business index	3.00	50
Openness Subindex	5.36	16	Openness Subindex	5.36	16
Exports per capita	5.44	11			
% of population born abroad	6.10	5			
Environmental Policy Subindex	5.78	8	Environmental Policy Subindex	5.78	8
Toxic release, pounds per sq. mile	5.32	12			
Pollution standards index	5.95	7			
High Ozone Days	5.29	19			

Buffalo

Index
4.01

Overall Rank
43

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	2.89	50	Government and Fiscal Policy Subindex	2.89	50
			State and Local Taxes per capita/Income per capita(cur \$), %	2.61	48
			Bond rating: S&P/Moody's composite	2.86	48
			State Bond Rating	4.17	40
			Average benefit per first payment for unemployed	4.61	33
Security Subindex	5.53	16	Security Subindex	5.53	16
Crime index change (%)	5.87	5			
Thefts per 100,000 inhabitants	6.03	9			
Infrastructure Subindex	5.30	24	Infrastructure Subindex	5.30	24
High-Speed Lines per 1000	5.77	14			
Travel time to work	6.55	1			
Median Monthly Housing Costs	6.02	7			
			Air passengers per capita	4.44	35
			Electricity prices	2.77	48
Human Resources Subindex	5.27	22	Human Resources Subindex	5.27	22
% of student enrolled in degree-granting institutions per 1000	5.38	12	% of population that graduated from high school	4.81	32
			% of adults in the labor force	3.66	47
Infant mortality rate, deaths per 1000 live births	5.89	11			
Non-federal physicians per 100,000 inhabitants	7.22	2			
Technology Subindex	5.20	20	Technology Subindex	5.20	20
Academic R&D per \$1,000	5.55	11			
NIH support to institutions per capita	5.23	15			
Number of S&E graduate students per 100,000 inhabitants	6.40	4	New patents issued per 100,000 inhabitants	4.46	42
			% of Comp and Eng Job	4.21	42
			IT employment	4.23	37
Business Incubation Subindex	3.32	48	Business Incubation Subindex	3.32	48
Bank deposits per capita	5.16	16			
Employer firm births per 100,000 inhabitants	5.21	15			
			Entrepreneurial Activity index	3.54	47
			Forbes Cost of Doing Business index	4.00	42
			% of labor force represented by unions	2.99	48
Openness Subindex	4.19	43	Openness Subindex	4.19	43
			% of population born abroad	3.96	49
Environmental Policy Subindex	5.46	18	Environmental Policy Subindex	5.46	18
Pollution standards index	6.20	3	Toxic release, pounds per sq. mile	4.99	42
			High Ozone Days	4.77	38

BHI

Metro Index

Charlotte

Index
5.69

Overall Rank
10

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	6.02	6	Government and Fiscal Policy Subindex	6.02	6
Worker's Compensation premium rates	5.59	12			
Bond rating: S&P/Moody's composite	6.43	1			
State Bond Rating	6.02	6			
Average benefit per first payment for unemployed	5.22	17			
Security Subindex	3.41	47	Security Subindex	3.41	47
			Violent crimes per 100,000 inhabitants	4.12	43
			Thefts per 100,000 inhabitants	4.17	42
Infrastructure Subindex	5.77	9	Infrastructure Subindex	5.77	9
			Travel time to work	5.05	31
Air passengers per capita	6.26	5	Median Monthly Housing Costs	4.86	33
			Electricity prices	5.54	18
Human Resources Subindex	5.33	17	Human Resources Subindex	5.33	17
% of population that graduated from high school	5.44	19	% of population without health insurance	4.75	34
Unemployment rate	6.16	1			
			% of student enrolled in degree-granting institutions per 1000	4.62	32
% of adults in the labor force	6.10	5	Infant mortality rate, deaths per 1000 live births	3.93	46
			Non-federal physicians per 100,000 inhabitants	4.55	36
Technology Subindex	4.41	40	Technology Subindex	4.41	40
Academic R&D per \$1,000	5.63	10			
			NIH support to institutions per capita	4.04	49
			Number of S&E graduate students per 100,000 inhabitants	4.36	38
IT employment	5.12	16	% of Comp and Eng Job	4.44	35
Business Incubation Subindex	7.39	2	Business Incubation Subindex	7.39	2
Bank deposits per capita	7.35	2			
Entrepreneurial Activity index	6.61	2			
Forbes Cost of Doing Business index	6.27	7			
% of labor force represented by unions	6.50	3			
Openness Subindex	4.64	25	Openness Subindex	4.64	25
			Exports per capita	4.68	31
Environmental Policy Subindex	5.03	29	Environmental Policy Subindex	5.03	29
			Toxic release, pounds per sq. mile	5.10	31
			High Ozone Days	3.93	47

Chicago

Index
3.51

Overall Rank
47

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	4.78	34	Government and Fiscal Policy Subindex	4.78	34
			Bond rating: S&P/Moody's composite	4.43	40
			State Bond Rating	4.60	35
			Average benefit per first payment for unemployed	4.63	31
Security Subindex	3.25	48	Security Subindex	3.25	48
Crime index change (%)	5.26	17			
Violent crimes per 100,000 inhabitants	5.87	12			
			Thefts per 100,000 inhabitants	4.32	37
			Murders per 100,000 inhabitants	3.36	48
Infrastructure Subindex	3.98	43	Infrastructure Subindex	3.98	43
			Travel time to work	2.53	49
Air passengers per capita	5.67	10	Median Monthly Housing Costs	4.71	37
Electricity prices	5.63	15			
Human Resources Subindex	4.30	38	Human Resources Subindex	4.30	38
			% of population that graduated from high school	4.00	43
% of student enrolled in degree-granting institutions per 1000	5.34	16	Unemployment rate	4.76	38
Non-federal physicians per 100,000 inhabitants	5.10	15			
Technology Subindex	4.93	24	Technology Subindex	4.93	24
			Academic R&D per \$1,000	4.78	31
Number of S&E graduate students per 100,000 inhabitants	5.93	8			
Business Incubation Subindex	4.53	35	Business Incubation Subindex	4.53	35
Bank deposits per capita	5.59	8			
			Venture capital investment per capita	4.44	37
Entrepreneurial Activity index	5.91	12	Employer firm births per 100,000 inhabitants	4.00	43
Openness Subindex	5.52	13	Openness Subindex	5.52	13
% of population born abroad	5.59	12			
Environmental Policy Subindex	4.44	41	Environmental Policy Subindex	4.44	41
			Toxic release, pounds per sq. mile	4.86	45
			Pollution standards index	4.20	44
			High Ozone Days	4.95	32

BHI

Metro Index

Cincinnati

Index **Overall Rank**
5.03 **23**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.93	29	Government and Fiscal Policy Subindex	4.93	29
			State and Local Taxes per capita/Income per capita(cur \$), %	4.01	42
Bond rating: S&P/Moody's composite	5.43	15	Worker's Compensation premium rates	4.55	40
State Bond Rating	5.43	17			
Security Subindex	5.74	13	Security Subindex	5.74	13
Crime index change (%)	6.73	2			
Violent crimes per 100,000 inhabitants	5.93	9			
Thefts per 100,000 inhabitants	5.40	16			
Murders per 100,000 inhabitants	5.54	14			
Infrastructure Subindex	6.55	2	Infrastructure Subindex	6.55	2
			High-Speed Lines per 1000	4.06	40
Travel time to work	5.81	10			
Median Monthly Housing Costs	6.50	1	Air passengers per capita	3.77	48
Electricity prices	5.80	10			
Human Resources Subindex	4.66	33	Human Resources Subindex	4.66	33
% of population without health insurance	6.00	6			
			Unemployment rate	4.76	38
			% of student enrolled in degree-granting institutions per 1000	4.39	36
			% of adults in the labor force	4.61	35
			Infant mortality rate, deaths per 1000 live births	4.42	36
Non-federal physicians per 100,000 inhabitants	4.93	17			
Technology Subindex	5.90	6	Technology Subindex	5.90	6
			Academic R&D per \$1,000	4.31	39
NIH support to institutions per capita	5.35	12			
New patents issued per 100,000 inhabitants	5.91	5	IT employment	4.15	39
Business Incubation Subindex	4.50	36	Business Incubation Subindex	4.50	36
Bank deposits per capita	5.30	14			
			Venture capital investment per capita	4.39	45
Entrepreneurial Activity index	5.84	13	Employer firm births per 100,000 inhabitants	3.74	48
Openness Subindex	4.45	34	Openness Subindex	4.45	34
Exports per capita	5.17	17			
			% of population born abroad	4.00	46
Environmental Policy Subindex	3.35	48	Environmental Policy Subindex	3.35	48
			Toxic release, pounds per sq. mile	5.01	38
			Pollution standards index	1.83	50

Cleveland

Index
4.34

Overall Rank
38

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	4.39	37	Government and Fiscal Policy Subindex	4.39	37
			State and Local Taxes per capita/Income per capita(cur \$), %	3.80	44
			Worker's Compensation premium rates	4.46	41
State Bond Rating	5.65	15	Bond rating: S&P/Moody's composite	4.14	41
Average benefit per first payment for unemployed	5.19	18			
Security Subindex	6.08	7	Security Subindex	6.08	7
			Crime index change (%)	1.11	50
Thefts per 100.000 inhabitants	5.54	15	Violent crimes per 100.000 inhabitants	4.58	35
Murders per 100.000 inhabitants	6.17	1			
Infrastructure Subindex	5.70	12	Infrastructure Subindex	5.70	12
			High-Speed Lines per 1000	4.37	33
Travel time to work	5.72	13			
Median Monthly Housing Costs	6.25	5	Air passengers per capita	4.47	34
Electricity prices	5.60	16			
Human Resources Subindex	4.03	42	Human Resources Subindex	4.03	42
% of population without health insurance	6.00	6			
			% of population that graduated from high school	3.98	44
			Unemployment rate	4.59	42
			% of student enrolled in degree-granting institutions per 1000	4.42	34
			% of adults in the labor force	3.75	46
			Infant mortality rate, deaths per 1000 live births	4.30	37
Non-federal physicians per 100.000 inhabitants	5.14	13			
Technology Subindex	4.79	29	Technology Subindex	4.79	29
			Academic R&D per \$1,000	4.39	37
NIH support to institutions per capita	5.39	11			
New patents issued per 100.000 inhabitants	5.17	8	% of Comp and Eng Job	4.24	40
			IT employment	4.15	39
Business Incubation Subindex	3.90	43	Business Incubation Subindex	3.90	43
Bank deposits per capita	5.37	12			
			Venture capital investment per capita	4.41	39
			Employer firm births per 100,000 inhabitants	3.69	49
			Forbes Cost of Doing Business index	4.30	36
			% of labor force represented by unions	4.43	33
Openness Subindex	4.46	33	Openness Subindex	4.46	33
Exports per capita	5.09	19			
			% of population born abroad	3.98	48
Environmental Policy Subindex	4.75	36	Environmental Policy Subindex	4.75	36
			Toxic release, pounds per sq. mile	5.04	36
Pollution standards index	5.62	14			
			High Ozone Days	4.72	39

Columbus

Index
4.11

Overall Rank
41

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.05	28	Government and Fiscal Policy Subindex	5.05	28
			State and Local Taxes per capita/Income per capita(cur \$), %	3.80	44
Bond rating: S&P/Moody's composite	6.43	1	Worker's Compensation premium rates	4.46	41
State Bond Rating	5.65	15			
Average benefit per first payment for unemployed	5.19	18			
Security Subindex	4.62	30	Security Subindex	4.62	30
Violent crimes per 100,000 inhabitants	5.56	17	Crime index change (%)	4.69	38
Infrastructure Subindex	5.29	25	Thefts per 100,000 inhabitants	4.30	38
Travel time to work	5.88	5	Infrastructure Subindex	5.29	25
Median Monthly Housing Costs	5.35	18	High-Speed Lines per 1000	4.37	33
Electricity prices	5.60	16	Air passengers per capita	4.42	37
Human Resources Subindex	5.29	20	Human Resources Subindex	5.29	20
% of population without health insurance	5.95	10	Unemployment rate	3.86	49
% of population that graduated from high school	6.13	7	% of student enrolled in degree-granting institutions per 1000	4.42	34
% of adults in the labor force	5.58	16	Infant mortality rate, deaths per 1000 live births	4.30	37
Non-federal physicians per 100,000 inhabitants	5.14	13	Technology Subindex	4.67	33
Technology Subindex	4.67	33	Academic R&D per \$1,000	4.39	37
NIH support to institutions per capita	5.08	18			
New patents issued per 100,000 inhabitants	4.88	17			
IT employment	7.26	2			
Business Incubation Subindex	4.16	41	Business Incubation Subindex	4.16	41
Entrepreneurial Activity index	5.63	16	Bank deposits per capita	4.53	39
Openness Subindex	4.76	22	Venture capital investment per capita	4.41	39
Exports per capita	5.09	19	Employer firm births per 100,000 inhabitants	3.69	49
Environmental Policy Subindex	3.59	47	% of labor force represented by unions	4.43	33
			Openness Subindex	4.76	22
			% of population born abroad	4.45	34
			Environmental Policy Subindex	3.59	47
			Pollution standards index	2.33	48
			High Ozone Days	4.83	35

Dallas

Overall Rank
Index
4.90 28

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.66	16	Government and Fiscal Policy Subindex	5.66	16
State and Local Taxes per capita/Income per capita(cur \$), %	5.90	7			
Bond rating: S&P/Moody's composite	5.71	10	Worker's Compensation premium rates	4.90	34
State Bond Rating	5.28	18			
Security Subindex	4.52	35	Security Subindex	4.52	35
			Violent crimes per 100.000 inhabitants	4.79	33
			Thefts per 100.000 inhabitants	4.38	36
			Murders per 100.000 inhabitants	4.66	39
Infrastructure Subindex	3.87	44	Infrastructure Subindex	3.87	44
			High-Speed Lines per 1000	4.27	35
Air passengers per capita	5.92	8	Travel time to work	4.72	34
			Electricity prices	4.75	36
Human Resources Subindex	3.51	47	Human Resources Subindex	3.51	47
			% of population without health insurance	2.97	47
			% of population that graduated from high school	2.76	49
			Unemployment rate	4.93	33
			% of student enrolled in degree-granting institutions per 1000	4.14	40
Infant mortality rate, deaths per 1000 live births	5.55	17	Non-federal physicians per 100.000 inhabitants	4.03	43
Technology Subindex	4.91	25	Technology Subindex	4.91	25
New patents issued per 100.000 inhabitants	5.49	6	NIH support to institutions per capita	4.47	33
% of Comp and Eng Job	5.45	12			
IT employment	6.28	9			
Business Incubation Subindex	5.59	12	Business Incubation Subindex	5.59	12
Venture capital investment per capita	4.89	15			
Forbes Cost of Doing Business index	6.15	9	Employer firm births per 100,000 inhabitants	4.19	38
% of labor force represented by unions	6.07	4			
Openness Subindex	6.78	3	Openness Subindex	6.78	3
Exports per capita	7.29	2	Exports per capita	7.29	2
% of population born abroad	6.08	6	% of population born abroad	6.08	6
Environmental Policy Subindex	4.87	33	Environmental Policy Subindex	4.87	33
Toxic release, pounds per sq. mile	5.31	14			
			Pollution standards index	4.54	37
			High Ozone Days	4.90	34

BHI

Metro Index

Denver

Index
6.56

Overall Rank
4

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.92	30	Government and Fiscal Policy Subindex	4.92	30
State and Local Taxes per capita/Income per capita(cur \$), %	5.66	16			
Worker's Compensation premium rates	5.55	16			
Bond rating: S&P/Moody's composite	5.43	15	State Bond Rating	4.17	40
			Average benefit per first payment for unemployed	3.69	46
Security Subindex	4.87	24	Security Subindex	4.87	24
			Crime index change (%)	4.75	36
Violent crimes per 100,000 inhabitants	5.60	16			
Infrastructure Subindex	6.39	3	Infrastructure Subindex	6.39	3
			Median Monthly Housing Costs	4.78	35
Air passengers per capita	6.97	4			
Human Resources Subindex	5.69	13	Human Resources Subindex	5.69	13
% of population without health insurance	5.62	14			
% of student enrolled in degree-granting institutions per 1000	5.27	18	Unemployment rate	4.93	33
% of adults in the labor force	6.01	7			
Infant mortality rate, deaths per 1000 live births	5.80	15			
Technology Subindex	5.47	14	Technology Subindex	5.47	14
Academic R&D per \$1,000	5.43	14			
			NIH support to institutions per capita	4.26	39
Number of S&E graduate students per 100,000 inhabitants	6.39	7	New patents issued per 100,000 inhabitants	4.59	33
% of Comp and Eng Job	5.54	11			
IT employment	6.55	7			
Business Incubation Subindex	6.43	3	Business Incubation Subindex	6.43	3
			Bank deposits per capita	4.55	37
Venture capital investment per capita	5.26	7			
Employer firm births per 100,000 inhabitants	7.42	2			
Entrepreneurial Activity index	5.77	14			
Openness Subindex	4.71	23	Openness Subindex	4.71	23
			Exports per capita	3.96	47
% of population born abroad	5.32	17			
Environmental Policy Subindex	6.01	4	Environmental Policy Subindex	6.01	4
Toxic release, pounds per sq. mile	5.34	9			
Pollution standards index	5.99	5			
High Ozone Days	5.97	1			

Detroit

Overall Rank
Index
3.35 **48**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.29	39	Government and Fiscal Policy Subindex	4.29	39
Worker's Compensation premium rates	5.54	17	Bond rating: S&P/Moody's composite	3.57	45
			Average benefit per first payment for unemployed	4.04	44
Security Subindex	4.51	36	Security Subindex	4.51	36
Crime index change (%)	5.85	6	Violent crimes per 100,000 inhabitants	4.18	41
Thefts per 100,000 inhabitants	6.61	3	Murders per 100,000 inhabitants	4.40	45
Infrastructure Subindex	4.86	30	Infrastructure Subindex	4.86	30
			High-Speed Lines per 1000	3.93	42
Median Monthly Housing Costs	5.60	12	Travel time to work	4.72	34
			Air passengers per capita	3.76	49
Human Resources Subindex	3.16	49	Human Resources Subindex	3.16	49
% of population without health insurance	5.52	18	% of population that graduated from high school	3.31	47
% of student enrolled in degree-granting institutions per 1000	5.55	8	Unemployment rate	4.14	48
			% of adults in the labor force	2.13	49
Non-federal physicians per 100,000 inhabitants	5.23	11	Infant mortality rate, deaths per 1000 live births	4.14	40
Technology Subindex	4.97	23	Technology Subindex	4.97	23
Number of S&E graduate students per 100,000 inhabitants	5.34	14	NIH support to institutions per capita	4.27	38
% of Comp and Eng Job	5.59	10			
Business Incubation Subindex	3.42	46	Business Incubation Subindex	3.42	46
			IT employment	4.15	39
			Bank deposits per capita	4.57	36
			Venture capital investment per capita	4.40	41
			Employer firm births per 100,000 inhabitants	4.23	36
			% of labor force represented by unions	3.46	45
Openness Subindex	5.18	18	Openness Subindex	5.18	18
Exports per capita	5.79	8	% of population born abroad	4.06	43
Environmental Policy Subindex	4.84	34	Environmental Policy Subindex	4.84	34
			Toxic release, pounds per sq. mile	4.64	47

Grand Rapids

Index **Overall Rank**
4.90 **29**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.15	27	Government and Fiscal Policy Subindex	5.15	27
Worker's Compensation premium rates	5.54	17			
Bond rating: S&P/Moody's composite	5.86	9	Average benefit per first payment for unemployed	4.04	44
Security Subindex	6.04	8	Security Subindex	6.04	8
			Crime index change (%)	4.80	34
Violent crimes per 100,000 inhabitants	5.50	19			
Thefts per 100,000 inhabitants	6.02	10			
Murders per 100,000 inhabitants	5.84	9			
Infrastructure Subindex	4.82	33	Infrastructure Subindex	4.82	33
			High-Speed Lines per 1000	3.93	42
			Travel time to work	4.51	38
			Air passengers per capita	4.06	47
Human Resources Subindex	5.33	16	Human Resources Subindex	5.33	16
% of population that graduated from high school	6.09	9			
% of student enrolled in degree-granting institutions per 1000	5.55	8			
% of adults in the labor force	6.01	7	Infant mortality rate, deaths per 1000 live births	4.14	40
Non-federal physicians per 100,000 inhabitants	5.23	11			
Technology Subindex	4.58	35	Technology Subindex	4.58	35
			NIH support to institutions per capita	4.05	47
Number of S&E graduate students per 100,000 inhabitants	5.34	14	New patents issued per 100,000 inhabitants	4.58	35
			% of Comp and Eng Job	4.32	38
			IT employment	3.70	50
Business Incubation Subindex	3.06	50	Business Incubation Subindex	3.06	50
			Bank deposits per capita	3.93	48
			Venture capital investment per capita	4.40	41
			Employer firm births per 100,000 inhabitants	4.23	36
			Forbes Cost of Doing Business index	4.21	39
			% of labor force represented by unions	3.46	45
Openness Subindex	5.00	19	Openness Subindex	5.00	19
Exports per capita	5.79	8	% of population born abroad	4.17	41
Environmental Policy Subindex	5.71	9	Environmental Policy Subindex	5.71	9
Toxic release, pounds per sq. mile	5.31	13			
Pollution standards index	5.99	5			
High Ozone Days	5.47	16			

Greensboro

Index
4.80

Overall Rank
31

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.87	11	Government and Fiscal Policy Subindex	5.87	11
Worker's Compensation premium rates	5.56	13			
Bond rating: S&P/Moody's composite	5.71	10			
State Bond Rating	6.02	6			
Security Subindex	4.58	32	Security Subindex	4.58	32
Violent crimes per 100,000 inhabitants	5.52	18			
Infrastructure Subindex	5.20	28	Infrastructure Subindex	5.20	28
Median Monthly Housing Costs	5.98	9			
			Air passengers per capita	4.09	46
			Electricity prices	5.50	19
Human Resources Subindex	4.56	36	Human Resources Subindex	4.56	36
% of population without health insurance	5.58	15			
			Unemployment rate	4.76	38
			% of adults in the labor force	2.13	49
			Infant mortality rate, deaths per 1000 live births	4.05	43
			Non-federal physicians per 100,000 inhabitants	4.60	34
Technology Subindex	4.43	39	Technology Subindex	4.43	39
Academic R&D per \$1,000	5.83	7			
			NIH support to institutions per capita	4.06	46
New patents issued per 100,000 inhabitants	4.90	16			
			Number of S&E graduate students per 100,000 inhabitants	4.54	34
			% of Comp and Eng Job	3.93	48
			IT employment	4.06	44
Business Incubation Subindex	5.33	21	Business Incubation Subindex	5.33	21
			Bank deposits per capita	3.68	50
Forbes Cost of Doing Business index	6.47	3			
% of labor force represented by unions	6.51	1			
Openness Subindex	4.26	40	Openness Subindex	4.26	40
			Exports per capita	4.55	33
			% of population born abroad	4.20	38
Environmental Policy Subindex	5.19	27	Environmental Policy Subindex	5.19	27
Toxic release, pounds per sq. mile	5.30	17			
			Pollution standards index	4.91	32
			High Ozone Days	4.91	33

BHI

Metro Index

Hartford

Index
5.16

Overall Rank
20

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	4.70	35	Government and Fiscal Policy Subindex	4.70	35
			State and Local Taxes per capita/Income per capita(cur \$), %	4.45	39
Bond rating: S&P/Moody's composite	6.28	7	Worker's Compensation premium rates	4.77	38
			State Bond Rating	4.54	36
			Average benefit per first payment for unemployed	4.28	38
Security Subindex	5.59	15	Security Subindex	5.59	15
			Violent crimes per 100,000 inhabitants	3.87	46
			Thefts per 100,000 inhabitants	2.52	50
			Murders per 100,000 inhabitants	4.76	37
Infrastructure Subindex	5.09	29	Infrastructure Subindex	5.09	29
High-Speed Lines per 1000	7.05	2			
Travel time to work	5.83	8	Median Monthly Housing Costs	4.57	39
			Air passengers per capita	4.09	45
			Electricity prices	3.71	40
Human Resources Subindex	6.19	8	Human Resources Subindex	6.19	8
			% of population without health insurance	6.37	2
Unemployment rate	4.81	37	% of population that graduated from high school	6.01	10
% of student enrolled in degree-granting institutions per 1000	3.92	46			
			% of adults in the labor force	5.81	10
			Non-federal physicians per 100,000 inhabitants	6.61	7
Technology Subindex	5.45	15	Technology Subindex	5.45	15
Academic R&D per \$1,000	5.87	5			
			NIH support to institutions per capita	4.10	42
Number of S&E graduate students per 100,000 inhabitants	6.52	3	New patents issued per 100,000 inhabitants	4.61	32
% of Comp and Eng Job	5.45	13			
			IT employment	4.06	44
Business Incubation Subindex	3.68	44	Business Incubation Subindex	3.68	44
Bank deposits per capita	5.27	15			
Venture capital investment per capita	5.19	9	Employer firm births per 100,000 inhabitants	4.41	35
			Entrepreneurial Activity index	3.33	49
			Forbes Cost of Doing Business index	3.91	44
			% of labor force represented by unions	4.50	32
Openness Subindex	4.83	20	Openness Subindex	4.83	20
Environmental Policy Subindex	4.94	31	Environmental Policy Subindex	4.94	31
			Pollution standards index	4.50	39

Houston

Index
5.01

Overall Rank
24

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.33	24	Government and Fiscal Policy Subindex	5.33	24
State and Local Taxes per capita/Income per capita(cur \$), %	5.90	7			
			Worker's Compensation premium rates	4.90	34
State Bond Rating	5.28	18	Bond rating: S&P/Moody's composite	4.71	36
Security Subindex	4.19	43	Security Subindex	4.19	43
			Crime index change (%)	4.62	41
			Violent crimes per 100,000 inhabitants	4.30	38
			Murders per 100,000 inhabitants	4.84	34
Infrastructure Subindex	4.55	36	Infrastructure Subindex	4.55	36
			High-Speed Lines per 1000	4.27	35
Air passengers per capita	5.46	13	Travel time to work	4.58	37
			Electricity prices	4.75	36
Human Resources Subindex	3.21	48	Human Resources Subindex	3.21	48
			% of population without health insurance	2.68	48
			% of population that graduated from high school	3.03	48
			Unemployment rate	4.53	46
			% of student enrolled in degree-granting institutions per 1000	4.14	40
Infant mortality rate, deaths per 1000 live births	5.55	17			
			Non-federal physicians per 100,000 inhabitants	4.03	43
Technology Subindex	5.66	9	Technology Subindex	5.66	9
NIH support to institutions per capita	5.54	8			
New patents issued per 100,000 inhabitants	7.93	2			
% of Comp and Eng Job	5.07	17			
			IT employment	4.06	44
Business Incubation Subindex	5.49	15	Business Incubation Subindex	5.49	15
Venture capital investment per capita	4.89	15			
			Employer firm births per 100,000 inhabitants	4.19	38
Forbes Cost of Doing Business index	5.73	14			
% of labor force represented by unions	6.07	4			
Openness Subindex	7.60	1	Openness Subindex	7.60	1
Exports per capita	7.29	2			
% of population born abroad	6.12	4			
Environmental Policy Subindex	3.99	45	Environmental Policy Subindex	3.99	45
			Toxic release, pounds per sq. mile	4.67	46
			High Ozone Days	1.92	49

BHI

Metro Index

Indianapolis

Index
4.64

Overall Rank
37

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.74	14	Government and Fiscal Policy Subindex	5.74	14
			State and Local Taxes per capita/Income per capita(cur \$), %	4.74	37
Worker's Compensation premium rates	6.49	1			
Bond rating: S&P/Moody's composite	6.43	1			
State Bond Rating	5.28	18	Average benefit per first payment for unemployed	4.63	32
Security Subindex	4.51	37	Security Subindex	4.51	37
			Crime index change (%)	3.99	45
			Murders per 100,000 inhabitants	4.93	31
Infrastructure Subindex	5.28	26	Infrastructure Subindex	5.28	26
			High-Speed Lines per 1000	3.65	47
Travel time to work	5.74	12			
Median Monthly Housing Costs	5.44	17	Air passengers per capita	4.57	31
Electricity prices	6.18	2			
Human Resources Subindex	4.60	34	Human Resources Subindex	4.60	34
% of population that graduated from high school	5.54	17	% of population without health insurance	2.68	48
			% of student enrolled in degree-granting institutions per 1000	4.24	38
% of adults in the labor force	5.60	15	Infant mortality rate, deaths per 1000 live births	4.47	35
			Non-federal physicians per 100,000 inhabitants	4.13	41
Technology Subindex	4.56	37	Technology Subindex	4.56	37
			Academic R&D per \$1,000	4.57	34
New patents issued per 100,000 inhabitants	5.02	12	% of Comp and Eng Job	4.55	33
			IT employment	4.15	39
Business Incubation Subindex	4.88	28	Business Incubation Subindex	4.88	28
			Bank deposits per capita	4.37	41
Entrepreneurial Activity index	6.40	5	Venture capital investment per capita	4.34	48
Forbes Cost of Doing Business index	5.55	17	Employer firm births per 100,000 inhabitants	3.98	44
Openness Subindex	4.61	27	Openness Subindex	4.61	27
Exports per capita	5.39	15	% of population born abroad	4.18	40
Environmental Policy Subindex	4.78	35	Environmental Policy Subindex	4.78	35
			Pollution standards index	4.45	40

Jacksonville

Index
4.77

Overall Rank
34

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.80	13	Government and Fiscal Policy Subindex	5.80	13
State and Local Taxes per capita/Income per capita(cur \$), %	6.01	3			
Bond rating: S&P/Moody's composite	5.43	15	Worker's Compensation premium rates	3.94	43
State Bond Rating	6.02	6			
Average benefit per first payment for unemployed	6.15	7			
Security Subindex	4.02	45	Security Subindex	4.02	45
			Violent crimes per 100,000 inhabitants	4.27	39
			Thefts per 100,000 inhabitants	4.76	33
			Murders per 100,000 inhabitants	4.53	42
Infrastructure Subindex	5.48	17	Infrastructure Subindex	5.48	17
High-Speed Lines per 1000	6.17	5			
Human Resources Subindex	5.31	18	Human Resources Subindex	5.31	18
% of population that graduated from high school	6.41	4	% of population without health insurance	2.68	48
Technology Subindex	3.50	48	Technology Subindex	3.50	48
			Academic R&D per \$1,000	3.53	46
			NIH support to institutions per capita	4.17	41
			New patents issued per 100,000 inhabitants	4.57	37
			Number of S&E graduate students per 100,000 inhabitants	3.75	45
			% of Comp and Eng Job	4.25	39
			IT employment	4.50	31
Business Incubation Subindex	5.48	16	Business Incubation Subindex	5.48	16
Bank deposits per capita	4.83	19			
Employer firm births per 100,000 inhabitants	6.62	5	Venture capital investment per capita	4.49	31
% of labor force represented by unions	5.85	14	Entrepreneurial Activity index	4.44	34
Openness Subindex	3.89	45	Openness Subindex	3.89	45
			Exports per capita	4.15	39
			% of population born abroad	4.22	37
Environmental Policy Subindex	5.84	7	Environmental Policy Subindex	5.84	7
Pollution standards index	5.49	16	Toxic release, pounds per sq. mile	5.07	32
High Ozone Days	5.94	4			

BHI

Metro Index

Kansas City

Index
5.16

Overall Rank
21

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.99	7	Government and Fiscal Policy Subindex	5.99	7
Worker's Compensation premium rates	5.56	15	Bond rating: S&P/Moody's composite	4.86	32
State Bond Rating	6.10	5			
Average benefit per first payment for unemployed	5.90	11			
Security Subindex	4.14	44	Security Subindex	4.14	44
Crime index change (%)	5.84	7	Violent crimes per 100,000 inhabitants	4.88	32
			Thefts per 100,000 inhabitants	4.26	40
			Murders per 100,000 inhabitants	4.86	33
Infrastructure Subindex	5.68	13	Infrastructure Subindex	5.68	13
Travel time to work	5.72	13	High-Speed Lines per 1000	4.42	31
Median Monthly Housing Costs	5.58	13			
Electricity prices	5.90	8			
Human Resources Subindex	5.26	23	Human Resources Subindex	5.26	23
% of population without health insurance	6.00	6	Unemployment rate	4.76	38
% of population that graduated from high school	6.13	7	Infant mortality rate, deaths per 1000 live births	4.28	39
% of student enrolled in degree-granting institutions per 1000	5.58	7	Non-federal physicians per 100,000 inhabitants	4.27	38
Technology Subindex	4.75	30	Technology Subindex	4.75	30
Number of S&E graduate students per 100,000 inhabitants	5.27	19	NIH support to institutions per capita	4.28	37
% of Comp and Eng Job	5.09	16	New patents issued per 100,000 inhabitants	4.42	43
IT employment	7.17	3			
Business Incubation Subindex	5.10	24	Business Incubation Subindex	5.10	24
Entrepreneurial Activity index	5.98	11	Venture capital investment per capita	4.49	35
Forbes Cost of Doing Business index	5.62	16	Employer firm births per 100,000 inhabitants	4.50	32
Openness Subindex	3.86	47	Openness Subindex	3.86	47
			Exports per capita	4.15	43
			% of population born abroad	4.06	43
Environmental Policy Subindex	5.69	10	Environmental Policy Subindex	5.69	10
High Ozone Days	5.78	10			

Las Vegas

Index
4.95

Overall Rank
26

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.40	22	Government and Fiscal Policy Subindex	5.40	22
State and Local Taxes per capita/Income per capita(cur \$), %	5.66	15	Bond rating: S&P/Moody's composite	4.71	36
State Bond Rating	5.28	18			
Security Subindex	3.91	46	Security Subindex	3.91	46
			Crime index change (%)	4.64	40
			Violent crimes per 100,000 inhabitants	4.44	37
			Murders per 100,000 inhabitants	4.55	41
Infrastructure Subindex	7.00	1	Infrastructure Subindex	7.00	1
High-Speed Lines per 1000	5.83	13	Median Monthly Housing Costs	4.30	41
Air passangers per capita	8.89	1	Electricity prices	4.79	34
Human Resources Subindex	4.37	37	Human Resources Subindex	4.37	37
% of population without health insurance	6.00	6	% of population that graduated from high school	4.83	31
Unemployment rate	5.43	12	% of student enrolled in degree-granting institutions per 1000	4.17	39
			% of adults in the labor force	4.84	31
Infant mortality rate, deaths per 1000 live births	5.89	11	Non-federal physicians per 100,000 inhabitants	3.63	49
Non-federal physicians per 100,000 inhabitants	3.63	49			
Technology Subindex	3.00	50	Technology Subindex	3.00	50
			Academic R&D per \$1,000	3.38	50
			NIH support to institutions per capita	4.02	50
			Number of S&E graduate students per 100,000 inhabitants	3.07	50
			% of Comp and Eng Job	3.52	50
			IT employment	3.79	49
Business Incubation Subindex	6.02	7	Business Incubation Subindex	6.02	7
Bank deposits per capita	4.98	17	Venture capital investment per capita	4.40	44
Employer firm births per 100,000 inhabitants	6.64	4			
Entrepreneurial Activity index	6.47	4			
Openness Subindex	4.77	21	Openness Subindex	4.77	21
% of population born abroad	5.54	14	Exports per capita	3.78	48
Environmental Policy Subindex	5.38	23	Environmental Policy Subindex	5.38	23
Toxic release, pounds per sq. mile	5.36	2	Pollution standards index	4.95	31
High Ozone Days	5.71	11			

BHI

Metro Index

Los Angeles

Index
2.57

Overall Rank
50

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	3.09	47	Government and Fiscal Policy Subindex	3.09	47
			State and Local Taxes per capita/Income per capita(cur \$), %	4.75	33
			Worker's Compensation premium rates	2.31	48
			State Bond Rating	2.69	48
			Average benefit per first payment for unemployed	4.27	39
Security Subindex	5.18	22	Security Subindex	5.18	22
Crime index change (%)	5.44	14			
Thefts per 100.000 inhabitants	6.11	8	Violent crimes per 100.000 inhabitants	4.61	34
			Murders per 100.000 inhabitants	4.71	38
Infrastructure Subindex	3.17	48	Infrastructure Subindex	3.17	48
High-Speed Lines per 1000	5.96	9			
			Travel time to work	3.68	45
			Median Monthly Housing Costs	3.77	46
			Air passengers per capita	4.44	36
			Electricity prices	3.59	42
Human Resources Subindex	4.74	31	Human Resources Subindex	4.74	31
			% of population without health insurance	3.80	45
Unemployment rate	5.21	17	% of population that graduated from high school	2.68	50
% of student enrolled in degree-granting institutions per 1000	6.95	2			
Infant mortality rate, deaths per 1000 live births	6.30	3	% of adults in the labor force	4.72	32
Technology Subindex	4.67	32	Technology Subindex	4.67	32
Academic R&D per \$1,000	5.40	15			
			NIH support to institutions per capita	4.58	31
Number of S&E graduate students per 100,000 inhabitants	5.29	16	New patents issued per 100.000 inhabitants	4.37	46
IT employment	6.90	4	% of Comp and Eng Job	4.42	36
Business Incubation Subindex	4.92	27	Business Incubation Subindex	4.92	27
Venture capital investment per capita	7.33	2	Bank deposits per capita	4.59	34
Employer firm births per 100,000 inhabitants	5.20	18			
			Forbes Cost of Doing Business index	3.30	47
			% of labor force represented by unions	4.42	36
Openness Subindex	6.62	4	Openness Subindex	6.62	4
Exports per capita	5.39	12			
% of population born abroad	7.37	2			
Environmental Policy Subindex	0.61	50	Environmental Policy Subindex	0.61	50
Toxic release, pounds per sq. mile	5.34	10			
			Pollution standards index	4.58	36
			High Ozone Days	0.22	50

Louisville

Index
4.84

Overall Rank
30

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	4.79	33	Government and Fiscal Policy Subindex	4.79	33
			State and Local Taxes per capita/Income per capita(cur \$), %	4.74	36
			Worker's Compensation premium rates	4.93	32
			Bond rating: S&P/Moody's composite	4.86	32
			State Bond Rating	4.69	33
Security Subindex	7.42	1	Security Subindex	7.42	1
			Crime index change (%)	3.68	47
Violent crimes per 100.000 inhabitants	5.94	8			
Thefts per 100.000 inhabitants	5.84	11			
Infrastructure Subindex	5.42	18	Infrastructure Subindex	5.42	18
			High-Speed Lines per 1000	3.03	50
Travel time to work	5.83	8			
Median Monthly Housing Costs	6.25	4			
			Air passengers per capita	4.25	41
Electricity prices	6.49	1			
Human Resources Subindex	4.06	41	Human Resources Subindex	4.06	41
% of population without health insurance	5.52	18			
			Unemployment rate	4.59	42
			% of student enrolled in degree-granting institutions per 1000	4.26	37
			% of adults in the labor force	4.52	37
			Non-federal physicians per 100.000 inhabitants	4.22	39
Technology Subindex	4.03	44	Technology Subindex	4.03	44
			Academic R&D per \$1,000	4.02	44
New patents issued per 100.000 inhabitants	5.12	9			
			Number of S&E graduate students per 100,000 inhabitants	4.08	42
			% of Comp and Eng Job	4.02	45
			IT employment	4.23	37
Business Incubation Subindex	4.65	33	Business Incubation Subindex	4.65	33
			Bank deposits per capita	4.63	32
			Venture capital investment per capita	4.34	47
			Employer firm births per 100,000 inhabitants	3.88	47
			Entrepreneurial Activity index	4.65	31
Forbes Cost of Doing Business index	6.54	2			
Openness Subindex	4.60	28	Openness Subindex	4.60	28
Exports per capita	5.44	10			
			% of population born abroad	3.95	50
Environmental Policy Subindex	4.57	39	Environmental Policy Subindex	4.57	39
			Toxic release, pounds per sq. mile	4.97	43
			Pollution standards index	4.37	42
High Ozone Days	5.81	8			

Metro Index

Memphis

Index
4.02

Overall Rank
42

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	6.32	3	Government and Fiscal Policy Subindex	6.32	3
State and Local Taxes per capita/Income per capita(cur \$), %	6.69	2			
Worker's Compensation premium rates	5.40	19	State Bond Rating	4.86	32
Average benefit per first payment for unemployed	6.69	3			
Security Subindex	2.88	49	Security Subindex	2.88	49
			Crime index change (%)	4.87	33
			Violent crimes per 100.000 inhabitants	3.02	48
			Thefts per 100.000 inhabitants	3.85	44
			Murders per 100.000 inhabitants	4.47	43
Infrastructure Subindex	5.32	23	Infrastructure Subindex	5.32	23
Travel time to work	5.69	15	High-Speed Lines per 1000	3.42	49
Air passengers per capita	5.47	12			
Electricity prices	5.85	9			
Human Resources Subindex	3.57	45	Human Resources Subindex	3.57	45
% of population without health insurance	5.54	17	% of population that graduated from high school	4.79	33
Unemployment rate	5.71	6	% of student enrolled in degree-granting institutions per 1000	3.84	47
			% of adults in the labor force	4.59	36
			Infant mortality rate, deaths per 1000 live births	2.98	49
			Non-federal physicians per 100.000 inhabitants	4.74	32
Technology Subindex	3.96	45	Technology Subindex	3.96	45
NIH support to institutions per capita	5.31	13	Academic R&D per \$1,000	4.05	42
New patents issued per 100.000 inhabitants	4.82	19			
			Number of S&E graduate students per 100,000 inhabitants	3.80	44
			% of Comp and Eng Job	3.89	49
			IT employment	3.88	47
Business Incubation Subindex	5.92	8	Business Incubation Subindex	5.92	8
Bank deposits per capita	5.34	13	Venture capital investment per capita	4.41	38
Entrepreneurial Activity index	6.05	10			
Forbes Cost of Doing Business index	6.10	10			
% of labor force represented by unions	5.89	12			
Openness Subindex	4.21	42	Openness Subindex	4.21	42
			% of population born abroad	3.99	47
Environmental Policy Subindex	4.98	30	Environmental Policy Subindex	4.98	30
			Pollution standards index	4.20	44
			High Ozone Days	4.83	35

Miami

Index
5.21

Overall Rank
19

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.21	25	Government and Fiscal Policy Subindex	5.21	25
State and Local Taxes per capita/Income per capita(cur \$), %	6.01	3			
State Bond Rating	6.02	6	Worker's Compensation premium rates	3.94	43
Average benefit per first payment for unemployed	6.15	7	Bond rating: S&P/Moody's composite	3.72	44
Security Subindex	4.66	29	Security Subindex	4.66	29
Crime index change (%)	5.42	15			
Infrastructure Subindex	5.40	21	Infrastructure Subindex	5.40	21
High-Speed Lines per 1000	6.17	5	Violent crimes per 100.000 inhabitants	3.90	45
Median Monthly Housing Costs	5.68	11	Thefts per 100.000 inhabitants	4.40	35
Air passengers per capita	5.63	11	Travel time to work	4.21	40
Human Resources Subindex	3.51	46	Human Resources Subindex	3.51	46
Unemployment rate	5.55	9	% of population without health insurance	3.93	44
			% of population that graduated from high school	4.41	36
			% of adults in the labor force	4.11	42
Technology Subindex	3.36	49	Technology Subindex	3.36	49
			Academic R&D per \$1,000	3.53	46
			NIH support to institutions per capita	4.06	45
			New patents issued per 100.000 inhabitants	4.40	45
			Number of S&E graduate students per 100,000 inhabitants	3.75	45
			% of Comp and Eng Job	4.01	46
IT employment	5.04	17			
Business Incubation Subindex	5.37	20	Business Incubation Subindex	5.37	20
Bank deposits per capita	5.62	7	Venture capital investment per capita	4.49	31
Employer firm births per 100,000 inhabitants	6.62	5	Entrepreneurial Activity index	4.30	36
% of labor force represented by unions	5.85	14	Forbes Cost of Doing Business index	4.04	41
Openness Subindex	6.61	5	Openness Subindex	6.61	5
% of population born abroad	9.08	1	Exports per capita	4.15	39
Environmental Policy Subindex	6.50	1	Environmental Policy Subindex	6.50	1
Toxic release, pounds per sq. mile	5.35	8			
Pollution standards index	6.74	2			
High Ozone Days	5.94	4			

BHI

Metro Index

Milwaukee

Index
4.97

Overall Rank
25

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.66	36	Government and Fiscal Policy Subindex	4.66	36
Worker's Compensation premium rates	5.60	11	State and Local Taxes per capita/Income per capita(cur \$), %	3.36	47
Average benefit per first payment for unemployed	5.56	13	State Bond Rating	4.17	40
Security Subindex	5.23	21	Security Subindex	5.23	21
			Crime index change (%)	4.71	37
			Violent crimes per 100.000 inhabitants	4.22	40
			Thefts per 100.000 inhabitants	3.54	48
			Murders per 100.000 inhabitants	3.59	47
Infrastructure Subindex	5.41	19	Infrastructure Subindex	5.41	19
Travel time to work	5.88	5	High-Speed Lines per 1000	4.38	32
Median Monthly Housing Costs	5.57	14	Air passengers per capita	4.51	32
Human Resources Subindex	4.83	30	Human Resources Subindex	4.83	30
% of population without health insurance	5.93	11	% of population that graduated from high school	4.41	36
Unemployment rate	5.21	17	% of student enrolled in degree-granting institutions per 1000	4.54	33
			% of adults in the labor force	4.72	32
			Non-federal physicians per 100.000 inhabitants	4.74	33
Technology Subindex	5.26	17	Technology Subindex	5.26	17
Academic R&D per \$1,000	5.65	9			
Business Incubation Subindex	4.47	37	Business Incubation Subindex	4.47	37
Bank deposits per capita	5.52	9	Venture capital investment per capita	4.31	49
			Employer firm births per 100,000 inhabitants	4.16	42
			% of labor force represented by unions	4.35	39
Openness Subindex	4.57	30	Openness Subindex	4.57	30
			% of population born abroad	4.51	31
Environmental Policy Subindex	5.49	16	Environmental Policy Subindex	5.49	16
Pollution standards index	5.70	12	Toxic release, pounds per sq. mile	5.03	37

Minneapolis

Index
6.23

Overall Rank
6

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	4.90	31	Government and Fiscal Policy Subindex	4.90	31
			State and Local Taxes per capita/Income per capita(cur \$), %	4.17	40
Bond rating: S&P/Moody's composite	5.71	10			
State Bond Rating	5.97	13	Average benefit per first payment for unemployed	3.52	48
Security Subindex	5.82	11	Security Subindex	5.82	11
			Crime index change (%)	4.89	32
Violent crimes per 100,000 inhabitants	6.03	3			
Thefts per 100,000 inhabitants	5.56	14	Infrastructure Subindex	6.16	5
Murders per 100,000 inhabitants	5.93	7			
Infrastructure Subindex	6.16	5	Median Monthly Housing Costs	4.88	32
Travel time to work	5.97	4			
Air passengers per capita	5.83	9	Human Resources Subindex	6.73	2
Electricity prices	5.74	13			
Human Resources Subindex	6.73	2			
% of population without health insurance	6.70	1			
% of population that graduated from high school	6.49	3			
Unemployment rate	5.88	3			
% of adults in the labor force	6.07	6			
Infant mortality rate, deaths per 1000 live births	6.35	2	Non-federal physicians per 100,000 inhabitants	3.46	50
Technology Subindex	5.16	21	Technology Subindex	5.16	21
			Academic R&D per \$1,000	4.46	35
New patents issued per 100,000 inhabitants	5.06	11			
% of Comp and Eng Job	5.36	14	Business Incubation Subindex	3.66	45
Business Incubation Subindex	3.66	45			
Venture capital investment per capita	4.86	19	Entrepreneurial Activity index	3.61	45
			Forbes Cost of Doing Business index	4.41	34
Openness Subindex	5.19	17	% of labor force represented by unions	4.13	43
Environmental Policy Subindex	5.94	6	Openness Subindex	5.19	17
Pollution standards index	5.58	15	Environmental Policy Subindex	5.94	6

Metro Index

Nashville

Index
5.47

Overall Rank
14

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	6.41	2	Government and Fiscal Policy Subindex	6.41	2
State and Local Taxes per capita/Income per capita(cur \$), %	7.13	1			
Average benefit per first payment for unemployed	6.55	4			
Security Subindex	4.42	41	Security Subindex	4.42	41
Crime index change (%)	5.65	11			
			Violent crimes per 100,000 inhabitants	3.63	47
Infrastructure Subindex	5.26	27	Infrastructure Subindex	5.26	27
			High-Speed Lines per 1000	3.85	46
Travel time to work	5.55	18			
Electricity prices	5.95	6			
Human Resources Subindex	4.72	32	Human Resources Subindex	4.72	32
% of population without health insurance	5.58	15	% of population without health insurance	5.58	15
% of population that graduated from high school	5.70	11	% of population that graduated from high school	5.70	11
% of adults in the labor force	5.75	12	% of adults in the labor force	5.75	12
Technology Subindex	4.72	31	Technology Subindex	4.72	31
			Academic R&D per \$1,000	4.04	43
NIH support to institutions per capita	7.15	2			
			Number of S&E graduate students per 100,000 inhabitants	3.86	43
			% of Comp and Eng Job	4.07	44
IT employment	5.30	13			
Business Incubation Subindex	5.89	9	Business Incubation Subindex	5.89	9
			Venture capital investment per capita	4.44	36
Entrepreneurial Activity index	6.19	8			
Forbes Cost of Doing Business index	6.20	8			
% of labor force represented by unions	5.85	14			
Openness Subindex	4.54	31	Openness Subindex	4.54	31
Exports per capita	5.09	18			
Environmental Policy Subindex	5.40	22	Environmental Policy Subindex	5.40	22
			Pollution standards index	4.54	37
High Ozone Days	5.81	8			

New Orleans

Index
3.15

Overall Rank
49

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	4.37	38	Government and Fiscal Policy Subindex	4.37	38
			State and Local Taxes per capita/Income per capita(cur \$), %	4.64	38
			Worker's Compensation premium rates	4.65	39
			Bond rating: S&P/Moody's composite	3.43	46
Average benefit per first payment for unemployed	7.06	2	State Bond Rating	3.43	46
Security Subindex	2.39	50	Security Subindex	2.39	50
			Crime index change (%)	4.13	44
			Violent crimes per 100,000 inhabitants	4.53	36
			Thefts per 100,000 inhabitants	4.74	34
			Murders per 100,000 inhabitants	1.01	50
Infrastructure Subindex	5.40	20	Infrastructure Subindex	5.40	20
			High-Speed Lines per 1000	3.89	44
Median Monthly Housing Costs	5.99	8	Air passengers per capita	5.18	17
Human Resources Subindex	2.68	50	Human Resources Subindex	2.68	50
			% of population without health insurance	4.13	39
			Unemployment rate	0.00	50
			% of adults in the labor force	3.96	44
			Infant mortality rate, deaths per 1000 live births	2.31	50
Technology Subindex	4.31	41	Technology Subindex	4.31	41
			Academic R&D per \$1,000	4.63	33
NIH support to institutions per capita	5.45	9	New patents issued per 100,000 inhabitants	4.35	48
			Number of S&E graduate students per 100,000 inhabitants	4.52	36
			% of Comp and Eng Job	3.94	47
			IT employment	3.88	47
Business Incubation Subindex	4.42	38	Business Incubation Subindex	4.42	38
			Bank deposits per capita	4.62	33
			Venture capital investment per capita	4.27	50
			Employer firm births per 100,000 inhabitants	3.93	45
Forbes Cost of Doing Business index	6.01	11	Entrepreneurial Activity index	4.17	38
Openness Subindex	5.48	14	Openness Subindex	5.48	14
Exports per capita	6.58	6	% of population born abroad	4.07	42
Environmental Policy Subindex	5.63	12	Environmental Policy Subindex	5.63	12
			Toxic release, pounds per sq. mile	4.92	44
High Ozone Days	5.97	1			

New York

Index **Overall Rank**
3.92 **44**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	3.68	43	Government and Fiscal Policy Subindex	3.68	43
			State and Local Taxes per capita/Income per capita(cur \$), %	3.39	46
			Bond rating: S&P/Moody's composite	2.86	48
			State Bond Rating	4.32	39
			Average benefit per first payment for unemployed	4.11	43
Security Subindex	5.92	9	Security Subindex	5.92	9
Crime index change (%)	5.47	13			
Thefts per 100,000 inhabitants	6.74	2			
Murders per 100,000 inhabitants	5.49	16			
Infrastructure Subindex	2.00	50	Infrastructure Subindex	2.00	50
High-Speed Lines per 1000	6.23	4			
			Travel time to work	1.74	50
			Median Monthly Housing Costs	3.68	47
			Electricity prices	3.16	47
Human Resources Subindex	5.02	27	Human Resources Subindex	5.02	27
			% of population without health insurance	4.53	36
			% of population that graduated from high school	4.35	38
			% of adults in the labor force	4.15	40
Infant mortality rate, deaths per 1000 live births	5.92	10			
Non-federal physicians per 100,000 inhabitants	6.82	6			
Technology Subindex	4.86	27	Technology Subindex	4.86	27
			New patents issued per 100,000 inhabitants	4.54	40
Number of S&E graduate students per 100,000 inhabitants	5.84	9			
			% of Comp and Eng Job	4.35	37
IT employment	6.64	6			
Business Incubation Subindex	4.23	40	Business Incubation Subindex	4.23	40
Bank deposits per capita	6.68	3			
Venture capital investment per capita	5.06	10			
Employer firm births per 100,000 inhabitants	5.45	10			
			Entrepreneurial Activity index	4.37	35
			Forbes Cost of Doing Business index	3.21	49
			% of labor force represented by unions	3.31	47
Openness Subindex	6.54	7	Openness Subindex	6.54	7
% of population born abroad	6.95	3			
Environmental Policy Subindex	4.65	37	Environmental Policy Subindex	4.65	37
Toxic release, pounds per sq. mile	5.27	18			
			Pollution standards index	3.95	46

Norfolk

Index
5.58

Overall Rank
11

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	6.51	1	Government and Fiscal Policy Subindex	6.51	1
Worker's Compensation premium rates	6.20	4			
Bond rating: S&P/Moody's composite	6.43	1			
State Bond Rating	6.39	3			
Average benefit per first payment for unemployed	5.43	16			
Security Subindex	5.25	20	Security Subindex	5.25	20
Violent crimes per 100.000 inhabitants	5.63	14	Crime index change (%)	2.40	49
			Murders per 100.000 inhabitants	4.91	32
Infrastructure Subindex	4.48	38	Infrastructure Subindex	4.48	38
Median Monthly Housing Costs	5.34	19	Travel time to work	3.59	46
Electricity prices	5.76	12	Air passengers per capita	4.20	43
Human Resources Subindex	5.30	19	Human Resources Subindex	5.30	19
Unemployment rate	5.49	11			
% of student enrolled in degree-granting institutions per 1000	5.46	11			
Non-federal physicians per 100.000 inhabitants	4.89	19	% of adults in the labor force	3.96	44
Technology Subindex	4.63	34	Technology Subindex	4.63	34
			Academic R&D per \$1,000	4.29	40
Number of S&E graduate students per 100,000 inhabitants	5.48	12	NIH support to institutions per capita	4.07	43
% of Comp and Eng Job	5.04	18	New patents issued per 100.000 inhabitants	4.31	50
Business Incubation Subindex	5.56	13	Business Incubation Subindex	5.56	13
Venture capital investment per capita	5.02	12	IT employment	4.32	34
Entrepreneurial Activity index	5.70	15	Business Incubation Subindex	5.56	13
Forbes Cost of Doing Business index	5.50	18	Bank deposits per capita	4.01	47
% of labor force represented by unions	6.03	8			
Openness Subindex	4.43	35	Openness Subindex	4.43	35
Environmental Policy Subindex	5.52	15	Exports per capita	4.06	44
Pollution standards index	5.33	18	Environmental Policy Subindex	5.52	15

Oklahoma City

Index
4.72

Overall Rank
35

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.58	18	Government and Fiscal Policy Subindex	5.58	18
State and Local Taxes per capita/Income per capita(cur \$), %	5.76	13			
Average benefit per first payment for unemployed	6.22	6	Worker's Compensation premium rates	4.91	33
			State Bond Rating	4.54	36
Security Subindex	4.50	38	Security Subindex	4.50	38
Crime index change (%)	5.24	18			
Murders per 100,000 inhabitants	5.52	15	Thefts per 100,000 inhabitants	3.60	47
Infrastructure Subindex	5.71	11	Infrastructure Subindex	5.71	11
			High-Speed Lines per 1000	4.06	41
Travel time to work	6.55	1			
Median Monthly Housing Costs	6.05	6	Air passengers per capita	4.29	38
Human Resources Subindex	4.17	40	Human Resources Subindex	4.17	40
			% of population without health insurance	4.42	37
Unemployment rate	5.43	12	% of student enrolled in degree-granting institutions per 1000	4.11	44
			Infant mortality rate, deaths per 1000 live births	4.14	40
			Non-federal physicians per 100,000 inhabitants	3.80	48
Technology Subindex	4.08	43	Technology Subindex	4.08	43
			Academic R&D per \$1,000	3.92	45
			New patents issued per 100,000 inhabitants	4.36	47
			Number of S&E graduate students per 100,000 inhabitants	4.42	37
			% of Comp and Eng Job	4.58	32
Business Incubation Subindex	5.48	18	Business Incubation Subindex	5.48	18
			Bank deposits per capita	4.37	40
Entrepreneurial Activity index	5.49	18	Venture capital investment per capita	4.40	43
Forbes Cost of Doing Business index	6.59	1	Employer firm births per 100,000 inhabitants	4.45	34
% of labor force represented by unions	5.94	11			
Openness Subindex	3.52	50	Openness Subindex	3.52	50
			Exports per capita	3.47	50
Environmental Policy Subindex	6.16	2	Environmental Policy Subindex	6.16	2
Toxic release, pounds per sq. mile	5.35	7			
Pollution standards index	5.95	7			
High Ozone Days	5.71	11			

Orlando

Index
4.79

Overall Rank
32

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.94	10	Government and Fiscal Policy Subindex	5.94	10
State and Local Taxes per capita/Income per capita(cur \$), %	6.01	3			
Bond rating: S&P/Moody's composite	6.00	8	Worker's Compensation premium rates	3.94	43
State Bond Rating	6.02	6			
Average benefit per first payment for unemployed	6.15	7			
Security Subindex	4.57	33	Security Subindex	4.57	33
Crime index change (%)	5.74	9	Violent crimes per 100,000 inhabitants	4.16	42
Thefts per 100,000 inhabitants	5.13	19			
Murders per 100,000 inhabitants	5.49	16			
Infrastructure Subindex	5.83	8	Infrastructure Subindex	5.83	8
High-Speed Lines per 1000	6.17	5	Travel time to work	4.14	41
			Median Monthly Housing Costs	4.16	42
Air passengers per capita	7.09	3			
Human Resources Subindex	5.03	26	Human Resources Subindex	5.03	26
			% of population without health insurance	4.03	42
Unemployment rate	5.83	5	% of population that graduated from high school	3.98	44
% of adults in the labor force	6.20	3			
Technology Subindex	3.59	46	Technology Subindex	3.59	46
			Academic R&D per \$1,000	3.53	46
			NIH support to institutions per capita	4.05	48
			Number of S&E graduate students per 100,000 inhabitants	3.75	45
			% of Comp and Eng Job	4.50	34
Business Incubation Subindex	5.03	25	Business Incubation Subindex	5.03	25
			Bank deposits per capita	4.54	38
Employer firm births per 100,000 inhabitants	6.62	5	Venture capital investment per capita	4.49	31
			Entrepreneurial Activity index	4.23	37
% of labor force represented by unions	5.85	14	Forbes Cost of Doing Business index	4.28	37
Openness Subindex	4.53	32	Openness Subindex	4.53	32
% of population born abroad	5.27	18	Exports per capita	4.15	39
Environmental Policy Subindex	4.87	32	Environmental Policy Subindex	4.87	32
			Toxic release, pounds per sq. mile	5.00	39
High Ozone Days	5.85	7	Pollution standards index	3.33	47

BHI

Metro Index

Philadelphia

Index
3.54

Overall Rank
46

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.26	40	Government and Fiscal Policy Subindex	4.26	40
			Bond rating: S&P/Moody's composite	3.29	47
			Average benefit per first payment for unemployed	4.14	42
Security Subindex	5.06	23	Security Subindex	5.06	23
Crime index change (%)	6.64	3			
			Violent crimes per 100,000 inhabitants	1.13	50
			Thefts per 100,000 inhabitants	4.78	32
			Murders per 100,000 inhabitants	1.47	49
Infrastructure Subindex	3.67	45	Infrastructure Subindex	3.67	45
			Travel time to work	2.83	48
			Electricity prices	4.78	35
Human Resources Subindex	4.23	39	Human Resources Subindex	4.23	39
			% of population without health insurance	4.03	42
Unemployment rate	5.21	17	% of population that graduated from high school	3.98	44
			% of student enrolled in degree-granting institutions per 1000	4.05	45
Non-federal physicians per 100,000 inhabitants	5.99	9	% of adults in the labor force	2.93	48
Technology Subindex	5.25	18	Technology Subindex	5.25	18
Academic R&D per \$1,000	5.35	19			
NIH support to institutions per capita	6.13	7			
			New patents issued per 100,000 inhabitants	4.58	34
Business Incubation Subindex	4.41	39	Business Incubation Subindex	4.41	39
Bank deposits per capita	6.44	4			
Venture capital investment per capita	4.97	13			
			Entrepreneurial Activity index	3.40	48
			Forbes Cost of Doing Business index	3.88	45
			% of labor force represented by unions	4.34	40
Openness Subindex	4.36	36	Openness Subindex	4.36	36
			Exports per capita	4.22	38
Environmental Policy Subindex	4.55	40	Environmental Policy Subindex	4.55	40
			Toxic release, pounds per sq. mile	5.07	33
			Pollution standards index	4.70	34
			High Ozone Days	4.46	45

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	6.08	5	Government and Fiscal Policy Subindex	6.08	5
			State and Local Taxes per capita/Income per capita(cur \$), %	4.87	31
Worker's Compensation premium rates	6.28	2			
Bond rating: S&P/Moody's composite	5.43	15	State Bond Rating	4.17	40
Average benefit per first payment for unemployed	7.18	1			
Security Subindex	4.44	40	Security Subindex	4.44	40
Crime index change (%)	5.81	8	Thefts per 100,000 inhabitants	3.76	45
			Murders per 100,000 inhabitants	4.84	34
Infrastructure Subindex	5.73	10	Infrastructure Subindex	5.73	10
Air passengers per capita	5.93	7			
Human Resources Subindex	5.04	25	Human Resources Subindex	5.04	25
% of student enrolled in degree-granting institutions per 1000	5.25	19	% of population without health insurance	4.69	35
Infant mortality rate, deaths per 1000 live births	5.55	17			
Technology Subindex	4.11	42	Technology Subindex	4.11	42
			Non-federal physicians per 100,000 inhabitants	4.17	40
			Academic R&D per \$1,000	4.40	36
			NIH support to institutions per capita	4.06	44
			New patents issued per 100,000 inhabitants	4.48	41
			Number of S&E graduate students per 100,000 inhabitants	4.36	39
			IT employment	4.41	33
Business Incubation Subindex	5.18	22	Business Incubation Subindex	5.18	22
			Bank deposits per capita	4.35	42
			Venture capital investment per capita	4.39	46
			Employer firm births per 100,000 inhabitants	3.91	46
Entrepreneurial Activity index	6.68	1	% of labor force represented by unions	5.81	19
Openness Subindex	5.57	12	Openness Subindex	5.57	12
% of population born abroad	5.73	7			
Environmental Policy Subindex	4.60	38	Environmental Policy Subindex	4.60	38
			Toxic release, pounds per sq. mile	4.51	48
			Pollution standards index	4.66	35
			High Ozone Days	4.47	43

Pittsburgh

Overall Rank
Index
4.15 **40**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	4.03	41	Government and Fiscal Policy Subindex	4.03	41
State and Local Taxes per capita/Income per capita(cur \$), %	5.44	18	Bond rating: S&P/Moody's composite	2.29	50
			Average benefit per first payment for unemployed	4.32	36
Security Subindex	6.23	5	Security Subindex	6.23	5
Violent crimes per 100,000 inhabitants	5.90	11	Crime index change (%)	4.80	35
Thefts per 100,000 inhabitants	6.50	5			
Murders per 100,000 inhabitants	5.78	10			
Infrastructure Subindex	4.85	32	Infrastructure Subindex	4.85	32
Median Monthly Housing Costs	5.54	16	High-Speed Lines per 1000	4.16	39
Human Resources Subindex	5.27	21	Human Resources Subindex	5.27	21
% of population without health insurance	6.14	4	% of student enrolled in degree-granting institutions per 1000	3.80	49
% of population that graduated from high school	6.19	6	% of adults in the labor force	4.71	34
			Infant mortality rate, deaths per 1000 live births	4.55	34
Non-federal physicians per 100,000 inhabitants	6.04	8			
Technology Subindex	5.74	7	Technology Subindex	5.74	7
Academic R&D per \$1,000	5.84	6			
NIH support to institutions per capita	6.89	4	% of Comp and Eng Job	4.59	31
New patents issued per 100,000 inhabitants	4.92	14	IT employment	4.50	31
Business Incubation Subindex	3.93	42	Business Incubation Subindex	3.93	42
Employer firm births per 100,000 inhabitants	4.51	31	Bank deposits per capita	5.38	11
Entrepreneurial Activity index	3.26	50			
% of labor force represented by unions	4.52	31			
Openness Subindex	3.54	49	Openness Subindex	3.54	49
			Exports per capita	4.00	46
Environmental Policy Subindex	3.94	46	% of population born abroad	4.02	45
Pollution standards index	6.78	1	Environmental Policy Subindex	3.94	46
			Toxic release, pounds per sq. mile	4.46	49
			High Ozone Days	4.46	45

Portland

Index
6.20

Overall Rank
7

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.49	21	Government and Fiscal Policy Subindex	5.49	21
State and Local Taxes per capita/Income per capita(cur \$), %	5.48	17			
Worker's Compensation premium rates	5.77	8			
Bond rating: S&P/Moody's composite	5.71	10	State Bond Rating	4.39	38
Security Subindex	5.32	19	Security Subindex	5.32	19
Crime index change (%)	5.60	12			
Violent crimes per 100.000 inhabitants	6.02	4	Thefts per 100.000 inhabitants	4.17	41
Murders per 100.000 inhabitants	5.95	6			
Infrastructure Subindex	5.87	7	Infrastructure Subindex	5.87	7
High-Speed Lines per 1000	5.59	18			
Air passengers per capita	5.14	18			
Electricity prices	6.03	4			
Human Resources Subindex	6.02	10	Human Resources Subindex	6.02	10
% of population that graduated from high school	6.27	5	% of population without health insurance	4.94	31
Unemployment rate	5.55	9			
% of student enrolled in degree-granting institutions per 1000	5.36	15			
Infant mortality rate, deaths per 1000 live births	6.05	8			
Non-federal physicians per 100.000 inhabitants	4.94	16			
Technology Subindex	5.04	22	Technology Subindex	5.04	22
NIH support to institutions per capita	5.44	10	Academic R&D per \$1,000	4.75	32
			Number of S&E graduate students per 100,000 inhabitants	4.14	40
% of Comp and Eng Job	5.31	15			
Business Incubation Subindex	4.83	29	Business Incubation Subindex	4.83	29
Employer firm births per 100,000 inhabitants	6.09	9	Bank deposits per capita	4.25	44
Forbes Cost of Doing Business index	6.29	6	Entrepreneurial Activity index	3.89	41
			% of labor force represented by unions	4.30	41
Openness Subindex	5.43	15	Openness Subindex	5.43	15
Exports per capita	5.82	7			
Environmental Policy Subindex	5.45	19	Environmental Policy Subindex	5.45	19
			Pollution standards index	4.45	40

Metro Index

Providence

Index
5.44

Overall Rank
15

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	3.60	44	Government and Fiscal Policy Subindex	3.60	44
			State and Local Taxes per capita/Income per capita(cur \$), %	4.00	43
			State Bond Rating	4.67	34
			Average benefit per first payment for unemployed	2.75	49
Security Subindex	6.27	4	Security Subindex	6.27	4
Violent crimes per 100,000 inhabitants	5.95	6			
Thefts per 100,000 inhabitants	6.20	6			
Murders per 100,000 inhabitants	6.08	2			
Infrastructure Subindex	4.51	37	Infrastructure Subindex	4.51	37
High-Speed Lines per 1000	6.53	3			
			Median Monthly Housing Costs	4.73	36
			Air passengers per capita	3.71	50
			Electricity prices	3.58	45
Human Resources Subindex	5.93	11	Human Resources Subindex	5.93	11
% of population without health insurance	5.89	12			
			% of population that graduated from high school	4.47	35
% of student enrolled in degree-granting institutions per 1000	5.66	6	Unemployment rate	4.93	33
% of adults in the labor force	5.64	13			
Infant mortality rate, deaths per 1000 live births	5.64	16			
Non-federal physicians per 100,000 inhabitants	6.98	5			
Technology Subindex	5.63	11	Technology Subindex	5.63	11
Academic R&D per \$1,000	6.79	3			
NIH support to institutions per capita	5.08	19			
			New patents issued per 100,000 inhabitants	4.57	36
Number of S&E graduate students per 100,000 inhabitants	6.76	2			
			% of Comp and Eng Job	4.09	43
			IT employment	4.32	34
Business Incubation Subindex	5.14	23	Business Incubation Subindex	5.14	23
Bank deposits per capita	4.89	18			
Venture capital investment per capita	6.43	6			
Employer firm births per 100,000 inhabitants	5.36	12			
			Entrepreneurial Activity index	3.82	42
Openness Subindex	4.60	29	Openness Subindex	4.60	29
			Exports per capita	4.39	36
Environmental Policy Subindex	5.59	14	Environmental Policy Subindex	5.59	14
Pollution standards index	5.83	9			

Raleigh

Index
7.05

Overall Rank
2

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.94	9	Government and Fiscal Policy Subindex	5.94	9
Worker's Compensation premium rates	5.56	13			
Bond rating: S&P/Moody's composite	6.43	1			
State Bond Rating	6.02	6			
Security Subindex	7.04	2	Security Subindex	7.04	2
Crime index change (%)	7.55	1			
Violent crimes per 100,000 inhabitants	6.07	2			
Thefts per 100,000 inhabitants	6.15	7			
Murders per 100,000 inhabitants	5.69	11			
Infrastructure Subindex	5.55	15	Infrastructure Subindex	5.55	15
Travel time to work	5.58	17			
Air passengers per capita	4.97	19			
Electricity prices	5.50	19			
Human Resources Subindex	5.65	14	Human Resources Subindex	5.65	14
Unemployment rate	5.38	14	% of population without health insurance	4.86	32
% of adults in the labor force	6.57	1			
			Infant mortality rate, deaths per 1000 live births	4.05	43
			Non-federal physicians per 100,000 inhabitants	4.60	34
Technology Subindex	5.56	12	Technology Subindex	5.56	12
Academic R&D per \$1,000	5.83	7			
			NIH support to institutions per capita	4.23	40
			Number of S&E graduate students per 100,000 inhabitants	4.54	34
% of Comp and Eng Job	6.96	3			
IT employment	5.57	11			
Business Incubation Subindex	6.08	6	Business Incubation Subindex	6.08	6
Entrepreneurial Activity index	6.54	3	Bank deposits per capita	3.90	49
Forbes Cost of Doing Business index	6.45	4			
% of labor force represented by unions	6.51	1			
			Openness Subindex	4.64	26
% of population born abroad	5.73	7	Exports per capita	4.55	33
Environmental Policy Subindex	5.43	20	Environmental Policy Subindex	5.43	20
Toxic release, pounds per sq. mile	5.36	6			
Pollution standards index	5.33	18	High Ozone Days	4.66	40

BHI

Metro Index

Richmond

Index **Overall Rank**
5.56 **12**

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	6.26	4	Government and Fiscal Policy Subindex	6.26	4
State and Local Taxes per capita/Income per capita(cur \$), %	5.43	19			
Worker's Compensation premium rates	6.21	3			
Bond rating: S&P/Moody's composite	5.71	10			
State Bond Rating	6.40	1			
Average benefit per first payment for unemployed	5.44	15			
Security Subindex	4.79	26	Security Subindex	4.79	26
Violent crimes per 100,000 inhabitants	5.61	15			
Thefts per 100,000 inhabitants	5.37	17			
Infrastructure Subindex	4.75	34	Infrastructure Subindex	4.75	34
Median Monthly Housing Costs	6.38	3	Murders per 100,000 inhabitants	3.83	46
Electricity prices	5.76	11	Travel time to work	4.49	39
Human Resources Subindex	5.61	15	Air passengers per capita	4.16	44
% of population that graduated from high school	5.68	13	Human Resources Subindex	5.61	15
Unemployment rate	5.66	8			
% of student enrolled in degree-granting institutions per 1000	5.47	10			
% of adults in the labor force	5.64	13			
Non-federal physicians per 100,000 inhabitants	4.90	18	Technology Subindex	4.87	26
Technology Subindex	4.87	26	Academic R&D per \$1,000	4.27	41
New patents issued per 100,000 inhabitants	5.07	10			
Number of S&E graduate students per 100,000 inhabitants	5.49	11			
% of Comp and Eng Job	5.00	19	IT employment	4.15	39
Business Incubation Subindex	6.17	4	Business Incubation Subindex	6.17	4
Bank deposits per capita	6.27	5			
Venture capital investment per capita	5.02	11			
Entrepreneurial Activity index	5.49	18			
% of labor force represented by unions	6.02	9			
Openness Subindex	3.88	46	Openness Subindex	3.88	46
			Exports per capita	4.06	45
Environmental Policy Subindex	5.30	26	% of population born abroad	4.48	33
			Environmental Policy Subindex	5.30	26
			Toxic release, pounds per sq. mile	5.06	34

Rochester

Index
5.14

Overall Rank
22

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	3.68	42	Government and Fiscal Policy Subindex	3.68	42
			State and Local Taxes per capita/Income per capita(cur \$), %	2.61	48
			Bond rating: S&P/Moody's composite	4.57	39
			State Bond Rating	4.17	40
			Average benefit per first payment for unemployed	4.61	33
Security Subindex	5.80	12	Security Subindex	5.80	12
Violent crimes per 100,000 inhabitants	6.35	1			
Thefts per 100,000 inhabitants	5.58	13			
Murders per 100,000 inhabitants	5.41	19			
Infrastructure Subindex	4.31	40	Infrastructure Subindex	4.31	40
High-Speed Lines per 1000	5.77	14			
Median Monthly Housing Costs	5.86	10	Travel time to work	3.54	47
			Air passengers per capita	4.26	40
			Electricity prices	2.77	48
Human Resources Subindex	6.55	3	Human Resources Subindex	6.55	3
Unemployment rate	6.11	2	% of population that graduated from high school	4.02	41
% of student enrolled in degree-granting institutions per 1000	5.38	12			
% of adults in the labor force	6.57	1			
Infant mortality rate, deaths per 1000 live births	5.89	11			
Non-federal physicians per 100,000 inhabitants	7.22	2			
Technology Subindex	7.09	2	Technology Subindex	7.09	2
Academic R&D per \$1,000	5.55	11			
NIH support to institutions per capita	6.20	6			
New patents issued per 100,000 inhabitants	9.89	1			
Number of S&E graduate students per 100,000 inhabitants	6.40	4			
% of Comp and Eng Job	6.14	8			
Business Incubation Subindex	3.29	49	Business Incubation Subindex	3.29	49
Employer firm births per 100,000 inhabitants	5.21	15	Bank deposits per capita	4.23	45
			Entrepreneurial Activity index	4.03	39
			Forbes Cost of Doing Business index	4.51	33
			% of labor force represented by unions	2.99	48
Openness Subindex	4.27	39	Openness Subindex	4.27	39
% of population born abroad	5.56	13			
Environmental Policy Subindex	5.41	21	Environmental Policy Subindex	5.41	21
Toxic release, pounds per sq. mile	5.26	19			
High Ozone Days	5.43	17			

Metro Index

Sacramento

Index
3.81

Overall Rank
45

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	3.14	46	Government and Fiscal Policy Subindex	3.14	46
			State and Local Taxes per capita/Income per capita(cur \$), %	4.77	32
			Worker's Compensation premium rates	2.37	47
			State Bond Rating	2.75	47
			Average benefit per first payment for unemployed	4.28	37
Security Subindex	4.52	34	Security Subindex	4.52	34
			Crime index change (%)	3.67	48
Murders per 100,000 inhabitants	5.47	18	Violent crimes per 100,000 inhabitants	5.01	31
Infrastructure Subindex	4.37	39	Infrastructure Subindex	4.37	39
High-Speed Lines per 1000	5.96	12			
Travel time to work	5.46	19	Median Monthly Housing Costs	4.07	45
			Electricity prices	3.62	41
Human Resources Subindex	5.15	24	Human Resources Subindex	5.15	24
			% of population without health insurance	4.42	37
% of student enrolled in degree-granting institutions per 1000	6.89	5	% of population that graduated from high school	4.02	41
Infant mortality rate, deaths per 1000 live births	6.29	6	% of adults in the labor force	4.15	40
Technology Subindex	4.81	28	Technology Subindex	4.81	28
Academic R&D per \$1,000	5.35	18	NIH support to institutions per capita	4.32	36
			New patents issued per 100,000 inhabitants	4.33	49
Business Incubation Subindex	4.69	32	Business Incubation Subindex	4.69	32
			Bank deposits per capita	4.31	43
Venture capital investment per capita	7.27	5	Entrepreneurial Activity index	4.51	33
Employer firm births per 100,000 inhabitants	5.23	14	Forbes Cost of Doing Business index	3.42	46
			% of labor force represented by unions	4.43	35
Openness Subindex	5.84	11	Openness Subindex	5.84	11
Exports per capita	5.35	16			
% of population born abroad	5.35	16			
Environmental Policy Subindex	4.06	44	Environmental Policy Subindex	4.06	44
Toxic release, pounds per sq. mile	5.36	1	High Ozone Days	3.39	48

Salt Lake City

Index
5.85

Overall Rank
9

BHI

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	5.86	12	Government and Fiscal Policy Subindex	5.86	12
Worker's Compensation premium rates	6.16	5	State and Local Taxes per capita/Income per capita(cur \$), %	4.02	41
State Bond Rating	6.40	1	Bond rating: S&P/Moody's composite	4.86	32
Security Subindex	4.70	28	Security Subindex	4.70	28
Violent crimes per 100.000 inhabitants	5.94	7	Crime index change (%)	4.92	31
Murders per 100.000 inhabitants	6.02	3	Thefts per 100.000 inhabitants	3.44	49
Infrastructure Subindex	5.52	16	Infrastructure Subindex	5.52	16
Travel time to work	5.79	11	High-Speed Lines per 1000	3.50	48
Air passengers per capita	6.10	6	Median Monthly Housing Costs	4.85	34
Electricity prices	6.02	5			
Human Resources Subindex	6.42	5	Human Resources Subindex	6.42	5
Unemployment rate	5.21	17	% of population that graduated from high school	4.22	39
% of student enrolled in degree-granting institutions per 1000	9.01	1			
% of adults in the labor force	6.18	4			
Infant mortality rate, deaths per 1000 live births	6.22	7	Non-federal physicians per 100.000 inhabitants	3.96	47
Technology Subindex	5.52	13	Technology Subindex	5.52	13
Academic R&D per \$1,000	5.89	4			
NIH support to institutions per capita	5.27	14			
New patents issued per 100.000 inhabitants	4.92	15			
Number of S&E graduate students per 100,000 inhabitants	5.71	10			
IT employment	5.04	17			
Business Incubation Subindex	7.75	1	Business Incubation Subindex	7.75	1
Bank deposits per capita	9.78	1			
Employer firm births per 100,000 inhabitants	6.95	3	Entrepreneurial Activity index	3.68	44
Forbes Cost of Doing Business index	5.99	12			
% of labor force represented by unions	6.01	10			
Openness Subindex	4.28	38	Openness Subindex	4.28	38
			Exports per capita	4.42	35
Environmental Policy Subindex	2.41	49	Environmental Policy Subindex	2.41	49
			Toxic release, pounds per sq. mile	0.00	50
High Ozone Days	5.54	14	Pollution standards index	4.83	33

Metro Index

San Antonio

Index
5.24

Overall Rank
17

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.53	19	Government and Fiscal Policy Subindex	5.53	19
State and Local Taxes per capita/Income per capita(cur \$), %	5.90	7			
Bond rating: S&P/Moody's composite	5.29	19	Worker's Compensation premium rates	4.90	34
State Bond Rating	5.28	18			
Security Subindex	4.60	31	Security Subindex	4.60	31
Crime index change (%)	5.24	19	Thefts per 100,000 inhabitants	3.74	46
Infrastructure Subindex	4.85	31	Infrastructure Subindex	4.85	31
High-Speed Lines per 1000	4.27	35	Travel time to work	5.65	16
Air passengers per capita	4.49	33	Median Monthly Housing Costs	5.56	15
Electricity prices	4.75	36			
Human Resources Subindex	3.77	44	Human Resources Subindex	3.77	44
Unemployment rate	5.21	17	% of population without health insurance	3.45	46
Infant mortality rate, deaths per 1000 live births	5.55	17	% of population that graduated from high school	4.22	39
Technology Subindex	4.52	38	% of student enrolled in degree-granting institutions per 1000	4.14	40
NIH support to institutions per capita	5.15	16	% of adults in the labor force	4.33	39
% of Comp and Eng Job	6.25	6	Non-federal physicians per 100,000 inhabitants	4.03	43
IT employment	5.21	14	Technology Subindex	4.52	38
Business Incubation Subindex	5.43	19	New patents issued per 100,000 inhabitants	4.65	31
Venture capital investment per capita	4.89	15	Business Incubation Subindex	5.43	19
Entrepreneurial Activity index	5.56	17	Employer firm births per 100,000 inhabitants	4.19	38
Forbes Cost of Doing Business index	5.64	15			
% of labor force represented by unions	6.07	4	New publicly traded companies	4.37	43
Openness Subindex	6.34	9	Openness Subindex	6.34	9
Exports per capita	7.29	2			
% of population born abroad	5.73	7	Environmental Policy Subindex	5.66	11
Environmental Policy Subindex	5.66	11			
Toxic release, pounds per sq. mile	5.31	15			
Pollution standards index	5.66	13			

San Diego

Index
4.72

Overall Rank
36

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
Subindex/Variable	Index	Rank	Subindex/Variable	Index	Rank
Government and Fiscal Policy Subindex	3.09	47	Government and Fiscal Policy Subindex	3.09	47
			State and Local Taxes per capita/Income per capita(cur \$), %	4.75	33
			Worker's Compensation premium rates	2.31	48
			State Bond Rating	2.69	48
			Average benefit per first payment for unemployed	4.27	39
Security Subindex	5.43	17	Security Subindex	5.43	17
			Crime index change (%)	4.67	39
Thefts per 100,000 inhabitants	5.68	12			
Murders per 100,000 inhabitants	5.65	12			
Infrastructure Subindex	3.59	46	Infrastructure Subindex	3.59	46
High-Speed Lines per 1000	5.96	9			
			Median Monthly Housing Costs	2.54	48
			Electricity prices	3.59	42
Human Resources Subindex	6.02	9	Human Resources Subindex	6.02	9
% of population that graduated from high school	5.62	14			
% of student enrolled in degree-granting institutions per 1000	6.95	2			
Infant mortality rate, deaths per 1000 live births	6.30	3			
Technology Subindex	5.63	10	Technology Subindex	5.63	10
Academic R&D per \$1,000	5.40	15			
New patents issued per 100,000 inhabitants	6.38	4			
Number of S&E graduate students per 100,000 inhabitants	5.29	16			
% of Comp and Eng Job	5.66	9			
IT employment	5.04	17			
Business Incubation Subindex	5.00	26	Business Incubation Subindex	5.00	26
			Bank deposits per capita	4.66	31
Venture capital investment per capita	7.33	2			
Employer firm births per 100,000 inhabitants	5.20	18			
			Forbes Cost of Doing Business index	3.26	48
			% of labor force represented by unions	4.42	36
Openness Subindex	6.03	10	Openness Subindex	6.03	10
Exports per capita	5.39	12			
% of population born abroad	5.73	7			
Environmental Policy Subindex	4.40	43	Environmental Policy Subindex	4.40	43
Toxic release, pounds per sq. mile	5.36	5			
			Pollution standards index	4.33	43
			High Ozone Days	4.47	43

San Francisco

Index
4.92

Overall Rank
27

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	3.03	49	Government and Fiscal Policy Subindex	3.03	49
			State and Local Taxes per capita/Income per capita(cur \$), %	4.75	33
			Worker's Compensation premium rates	2.31	48
			State Bond Rating	2.69	48
			Average benefit per first payment for unemployed	4.27	39
Security Subindex	4.21	42	Security Subindex	4.21	42
			Crime index change (%)	3.91	46
Infrastructure Subindex	2.53	49	Infrastructure Subindex	2.53	49
High-Speed Lines per 1000	5.96	9			
			Travel time to work	3.98	43
Air passengers per capita	5.31	14	Median Monthly Housing Costs	1.54	50
			Electricity prices	3.59	42
Human Resources Subindex	6.22	7	Human Resources Subindex	6.22	7
% of population that graduated from high school	5.56	16			
% of student enrolled in degree-granting institutions per 1000	6.95	2	Unemployment rate	4.59	42
% of adults in the labor force	5.81	10			
Infant mortality rate, deaths per 1000 live births	6.30	3			
Technology Subindex	6.42	4	Technology Subindex	6.42	4
Academic R&D per \$1,000	5.40	15			
NIH support to institutions per capita	5.11	17	New patents issued per 100,000 inhabitants	4.55	39
Number of S&E graduate students per 100,000 inhabitants	5.29	16			
% of Comp and Eng Job	8.57	1			
IT employment	6.73	5			
Business Incubation Subindex	5.54	14	Business Incubation Subindex	5.54	14
Bank deposits per capita	5.41	10			
Venture capital investment per capita	7.33	2	Forbes Cost of Doing Business index	3.98	43
Employer firm births per 100,000 inhabitants	5.20	18	% of labor force represented by unions	4.42	36
			Openness Subindex	6.46	8
Openness Subindex	6.46	8			
Exports per capita	5.39	12			
% of population born abroad	5.73	7			
Environmental Policy Subindex	5.37	24	Environmental Policy Subindex	5.37	24
Toxic release, pounds per sq. mile	5.31	16			
High Ozone Days	5.97	1			

Seattle

Index
6.78

Overall Rank
3

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.19	26	Government and Fiscal Policy Subindex	5.19	26
Worker's Compensation premium rates	5.66	10			
Bond rating: S&P/Moody's composite	6.43	1			
State Bond Rating	5.28	18			
Security Subindex	4.83	25	Security Subindex	4.83	25
Violent crimes per 100,000 inhabitants	5.95	5	Average benefit per first payment for unemployed	3.53	47
Murders per 100,000 inhabitants	5.91	8	Crime index change (%)	4.47	42
Infrastructure Subindex	5.56	14	Thefts per 100,000 inhabitants	4.09	43
High-Speed Lines per 1000	5.64	17	Infrastructure Subindex	5.56	14
			Travel time to work	4.95	32
Air passengers per capita	5.27	15	Median Monthly Housing Costs	4.14	43
Electricity prices	6.17	3			
Human Resources Subindex	5.71	12	Human Resources Subindex	5.71	12
% of population that graduated from high school	6.70	2	Unemployment rate	4.87	36
Infant mortality rate, deaths per 1000 live births	6.05	8			
Technology Subindex	5.71	8	Technology Subindex	5.71	8
NIH support to institutions per capita	6.96	3			
New patents issued per 100,000 inhabitants	4.86	18	Number of S&E graduate students per 100,000 inhabitants	3.73	49
% of Comp and Eng Job	6.75	4			
IT employment	7.44	1			
Business Incubation Subindex	4.82	30	Business Incubation Subindex	4.82	30
Venture capital investment per capita	5.23	8			
Employer firm births per 100,000 inhabitants	7.42	1	Entrepreneurial Activity index	3.96	40
			Forbes Cost of Doing Business index	4.53	32
			% of labor force represented by unions	3.80	44
Openness Subindex	7.27	2	Openness Subindex	7.27	2
Exports per capita	7.50	1			
% of population born abroad	5.54	14			
Environmental Policy Subindex	6.02	3	Environmental Policy Subindex	6.02	3
Toxic release, pounds per sq. mile	5.33	11			
Pollution standards index	6.04	4			
High Ozone Days	5.90	6			

BHI

Metro Index

St. Louis

Index
5.23

Overall Rank
18

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.63	17	Government and Fiscal Policy Subindex	5.63	17
State and Local Taxes per capita/Income per capita(cur \$), %	5.68	14			
State Bond Rating	5.94	14	Bond rating: S&P/Moody's composite	3.86	42
Average benefit per first payment for unemployed	6.29	5			
Security Subindex	5.87	10	Security Subindex	5.87	10
Crime index change (%)	5.72	10			
Thefts per 100,000 inhabitants	5.25	18			
Infrastructure Subindex	5.39	22	Infrastructure Subindex	5.39	22
			High-Speed Lines per 1000	3.86	45
Median Monthly Housing Costs	6.46	2	Travel time to work	4.91	33
Electricity prices	5.91	7			
Human Resources Subindex	4.60	35	Human Resources Subindex	4.60	35
% of population without health insurance	6.20	3	% of population that graduated from high school	4.53	34
			% of adults in the labor force	4.39	38
			Infant mortality rate, deaths per 1000 live births	4.03	45
			Non-federal physicians per 100,000 inhabitants	4.47	37
Technology Subindex	5.27	16	Technology Subindex	5.27	16
NIH support to institutions per capita	6.34	5			
New patents issued per 100,000 inhabitants	5.24	7	Number of S&E graduate students per 100,000 inhabitants	4.67	33
			IT employment	4.32	34
Business Incubation Subindex	4.64	34	Business Incubation Subindex	4.64	34
Forbes Cost of Doing Business index	5.39	19	Employer firm births per 100,000 inhabitants	4.50	33
Openness Subindex	3.82	48	Openness Subindex	3.82	48
			Exports per capita	4.24	37
			% of population born abroad	4.20	38
Environmental Policy Subindex	5.46	17	Environmental Policy Subindex	5.46	17
Pollution standards index	5.79	10	Toxic release, pounds per sq. mile	5.00	41
			High Ozone Days	4.82	37

Tampa

Index
4.32

Overall Rank
39

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.67	15	Government and Fiscal Policy Subindex	5.67	15
State and Local Taxes per capita/Income per capita(cur \$), %	6.01	3			
			Worker's Compensation premium rates	3.94	43
State Bond Rating	6.02	6	Bond rating: S&P/Moody's composite	4.71	36
Average benefit per first payment for unemployed	6.15	7			
Security Subindex	4.47	39	Security Subindex	4.47	39
Crime index change (%)	6.05	4			
			Violent crimes per 100.000 inhabitants	4.02	44
Murders per 100.000 inhabitants	5.60	13	Thefts per 100.000 inhabitants	4.78	31
Infrastructure Subindex	6.01	6	Infrastructure Subindex	6.01	6
High-Speed Lines per 1000	6.17	5			
Travel time to work	5.88	5			
			Median Monthly Housing Costs	4.97	31
Air passengers per capita	5.19	16			
Human Resources Subindex	4.84	29	Human Resources Subindex	4.84	29
			% of population without health insurance	4.09	41
Unemployment rate	5.71	6			
Technology Subindex	3.58	47	Technology Subindex	3.58	47
			Academic R&D per \$1,000	3.53	46
			NIH support to institutions per capita	4.50	32
			New patents issued per 100.000 inhabitants	4.41	44
			Number of S&E graduate students per 100,000 inhabitants	3.75	45
			% of Comp and Eng Job	4.22	41
Business Incubation Subindex	4.79	31	Business Incubation Subindex	4.79	31
			Venture capital investment per capita	4.49	31
Employer firm births per 100,000 inhabitants	6.62	5			
			Entrepreneurial Activity index	3.75	43
% of labor force represented by unions	5.85	14	Forbes Cost of Doing Business index	4.07	40
Openness Subindex	4.24	41	Openness Subindex	4.24	41
			Exports per capita	4.15	39
Environmental Policy Subindex	4.44	42	Environmental Policy Subindex	4.44	42
			Toxic release, pounds per sq. mile	5.05	35
High Ozone Days	5.67	13	Pollution standards index	2.33	48

BHI

Metro Index

Washington

Index
6.15

Overall Rank
8

COMPETITIVE ADVANTAGES			COMPETITIVE DISADVANTAGES		
<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>	<i>Subindex/Variable</i>	<i>Index</i>	<i>Rank</i>
Government and Fiscal Policy Subindex	5.37	23	Government and Fiscal Policy Subindex	5.37	23
State and Local Taxes per capita/Income per capita(cur \$), %	5.81	12			
Worker's Compensation premium rates	6.04	6			
Average benefit per first payment for unemployed	5.83	12	Bond rating: S&P/Moody's composite	3.86	42
Security Subindex	5.39	18	Security Subindex	5.39	18
Thefts per 100.000 inhabitants	7.77	1	Crime index change (%)	4.20	43
			Murders per 100.000 inhabitants	4.47	43
Infrastructure Subindex	4.64	35	Infrastructure Subindex	4.64	35
			Travel time to work	4.14	41
Electricity prices	5.66	14	Median Monthly Housing Costs	4.14	43
Human Resources Subindex	6.33	6	Air passengers per capita	4.24	42
% of population without health insurance	5.87	13			
% of population that graduated from high school	5.58	15	Human Resources Subindex	6.33	6
Unemployment rate	5.88	3			
% of student enrolled in degree-granting institutions per 1000	5.34	17			
Non-federal physicians per 100.000 inhabitants	5.87	10			
Technology Subindex	6.83	3	Technology Subindex	6.83	3
Academic R&D per \$1,000	8.15	2			
			NIH support to institutions per capita	4.40	34
New patents issued per 100.000 inhabitants	5.00	13			
Number of S&E graduate students per 100,000 inhabitants	5.35	13			
% of Comp and Eng Job	7.46	2			
IT employment	5.84	10			
Business Incubation Subindex	5.48	17	Business Incubation Subindex	5.48	17
Venture capital investment per capita	4.92	14			
Employer firm births per 100,000 inhabitants	5.38	11			
Entrepreneurial Activity index	6.33	6			
			Forbes Cost of Doing Business index	4.25	38
New publicly traded companies	4.96	18			
Openness Subindex	4.18	44	Openness Subindex	4.18	44
			Exports per capita	3.67	49
Environmental Policy Subindex	5.08	28	Environmental Policy Subindex	5.08	28
Pollution standards index	5.37	17			
			High Ozone Days	4.62	41

About the Beacon Hill Institute

Founded in 1991, BHI is an independent, nonpartisan economic research organization, located within Suffolk University in Boston, that applies a market-clearing approach to the analysis of tax, fiscal and regulatory issues. In addition to analyzing tax policy, we study issues including education spending, charitable tax incentives, federal tax reform universal health care, tort reform and economic competitiveness. BHI develops innovative solutions and applies economic analysis to public-policy issues affecting the states and the nation.



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Front cover photograph: The Black Shoals, a rowing team consisting of BHI staff and Suffolk University graduate students in Economics, paddle up the Charles River as it competes in the Hong Kong Dragon Boat Festival of Boston, June 2005. Photo credit: Domenic Conte.

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	Overall index and rank		Subindexes, rank in 2005															
			Govt and fiscal policy		Security		Infrastructure		Human resources		Technology		Business Incubation		Openness		Environ. policy	
	Overall Index	Overall Rank	I	R	I	R	I	R	I	R	I	R	I	R	I	R	I	R
Boston	7.41	1	4.8	32	6.2	6	3.3	47	6.8	1	8.8	1	5.8	10	5.4	16	5.8	8
Raleigh	7.05	2	5.9	9	7.0	2	5.5	15	5.7	14	5.6	12	6.1	6	4.6	26	5.4	20
Seattle	6.78	3	5.2	26	4.8	25	5.6	14	5.7	12	5.7	8	4.8	30	7.3	2	6.0	3
Denver	6.56	4	4.9	30	4.9	24	6.4	3	5.7	13	5.5	14	6.4	3	4.7	23	6.0	4
Austin	6.55	5	5.5	19	5.6	14	4.3	41	4.9	28	6.0	5	5.7	11	6.5	6	5.9	5
Minneapolis	6.23	6	4.9	31	5.8	11	6.2	5	6.7	2	5.2	21	3.7	45	5.2	17	5.9	6
Portland	6.20	7	5.5	21	5.3	19	5.9	7	6.0	10	5.0	22	4.8	29	5.4	15	5.5	19
Washington	6.15	8	5.4	23	5.4	18	4.6	35	6.3	6	6.8	3	5.5	17	4.2	44	5.1	28
Salt Lake City	5.85	9	5.9	12	4.7	28	5.5	16	6.4	5	5.5	13	7.7	1	4.3	38	2.4	49
Charlotte	5.69	10	6.0	6	3.4	47	5.8	9	5.3	17	4.4	40	7.4	2	4.6	25	5.0	29
Norfolk	5.58	11	6.5	1	5.2	20	4.5	38	5.3	19	4.6	34	5.6	13	4.4	35	5.5	15
Richmond	5.56	12	6.3	4	4.8	26	4.7	34	5.6	15	4.9	26	6.2	4	3.9	46	5.3	26
Atlanta	5.53	13	6.0	8	4.7	27	6.2	4	4.0	43	4.6	36	6.1	5	4.7	24	5.3	25
Nashville	5.47	14	6.4	2	4.4	41	5.3	27	4.7	32	4.7	31	5.9	9	4.5	31	5.4	22
Providence	5.44	15	3.6	44	6.3	4	4.5	37	5.9	11	5.6	11	5.1	23	4.6	29	5.6	14
Phoenix	5.27	16	6.1	5	4.4	40	5.7	10	5.0	25	4.1	42	5.2	22	5.6	12	4.6	38
San Antonio	5.24	17	5.5	19	4.6	31	4.9	31	3.8	44	4.5	38	5.4	19	6.3	9	5.7	11
St. Louis	5.23	18	5.6	17	5.9	10	5.4	22	4.6	35	5.3	16	4.6	34	3.8	48	5.5	17
Miami	5.21	19	5.2	25	4.7	29	5.4	21	3.5	46	3.4	49	5.4	20	6.6	5	6.5	1
Hartford	5.16	20	4.7	35	5.6	15	5.1	29	6.2	8	5.4	15	3.7	44	4.8	20	4.9	31
Kansas City	5.16	21	6.0	7	4.1	44	5.7	13	5.3	23	4.8	30	5.1	24	3.9	47	5.7	10
Rochester	5.14	22	3.7	42	5.8	12	4.3	40	6.6	3	7.1	2	3.3	49	4.3	39	5.4	21
Cincinnati	5.03	23	4.9	29	5.7	13	6.6	2	4.7	33	5.9	6	4.5	36	4.5	34	3.3	48
Houston	5.01	24	5.3	24	4.2	43	4.6	36	3.2	48	5.7	9	5.5	15	7.6	1	4.0	45
Milwaukee	4.97	25	4.7	36	5.2	21	5.4	19	4.8	30	5.3	17	4.5	37	4.6	30	5.5	16
Las Vegas	4.95	26	5.4	22	3.9	46	7.0	1	4.4	37	3.0	50	6.0	7	4.8	21	5.4	23
San Francisco	4.92	27	3.0	49	4.2	42	2.5	49	6.2	7	6.4	4	5.5	14	6.5	8	5.4	24
Dallas	4.90	28	5.7	16	4.5	35	3.9	44	3.5	47	4.9	25	5.6	12	6.8	3	4.9	33
Grand Rapids	4.90	29	5.2	27	6.0	8	4.8	33	5.3	16	4.6	35	3.1	50	5.0	19	5.7	9
Louisville	4.84	30	4.8	33	7.4	1	5.4	18	4.1	41	4.0	44	4.7	33	4.6	28	4.6	39
Greensboro	4.80	31	5.9	11	4.6	32	5.2	28	4.6	36	4.4	39	5.3	21	4.3	40	5.2	27
Orlando	4.79	32	5.9	10	4.6	33	5.8	8	5.0	26	3.6	46	5.0	25	4.5	32	4.9	32
Albany	4.78	33	3.5	45	6.7	3	4.1	42	6.5	4	5.2	19	3.4	47	4.3	37	5.6	13
Jacksonville	4.77	34	5.8	13	4.0	45	5.5	17	5.3	18	3.5	48	5.5	16	3.9	45	5.8	7
Oklahoma City	4.72	35	5.6	18	4.5	38	5.7	11	4.2	40	4.1	43	5.5	18	3.5	50	6.2	2
San Diego	4.72	36	3.1	47	5.4	17	3.6	46	6.0	9	5.6	10	5.0	26	6.0	10	4.4	43
Indianapolis	4.64	37	5.7	14	4.5	37	5.3	26	4.6	34	4.6	37	4.9	28	4.6	27	4.8	35
Cleveland	4.34	38	4.4	37	6.1	7	5.7	12	4.0	42	4.8	29	3.9	43	4.5	33	4.7	36
Tampa	4.32	39	5.7	15	4.5	39	6.0	6	4.8	29	3.6	47	4.8	31	4.2	41	4.4	42
Pittsburgh	4.15	40	4.0	41	6.2	5	4.9	32	5.3	21	5.7	7	3.9	42	3.5	49	3.9	46
Columbus	4.11	41	5.1	28	4.6	30	5.3	25	5.3	20	4.7	33	4.2	41	4.8	22	3.6	47
Memphis	4.02	42	6.3	3	2.9	49	5.3	23	3.6	45	4.0	45	5.9	8	4.2	42	5.0	30
Buffalo	4.01	43	2.9	50	5.5	16	5.3	24	5.3	22	5.2	20	3.3	48	4.2	43	5.5	18
New York	3.92	44	3.7	43	5.9	9	2.0	50	5.0	27	4.9	27	4.2	40	6.5	7	4.7	37
Sacramento	3.81	45	3.1	46	4.5	34	4.4	39	5.2	24	4.8	28	4.7	32	5.8	11	4.1	44
Philadelphia	3.54	46	4.3	40	5.1	23	3.7	45	4.2	39	5.2	18	4.4	39	4.4	36	4.6	40
Chicago	3.51	47	4.8	34	3.2	48	4.0	43	4.3	38	4.9	24	4.5	35	5.5	13	4.4	41
Detroit	3.35	48	4.3	39	4.5	36	4.9	30	3.2	49	5.0	23	3.4	46	5.2	18	4.8	34
New Orleans	3.15	49	4.4	38	2.4	50	5.4	20	2.7	50	4.3	41	4.4	38	5.5	14	5.6	12
Los Angeles	2.57	50	3.1	47	5.2	22	3.2	48	4.7	31	4.7	32	4.9	27	6.6	4	0.6	50



**Overall
index and
rank**

Subindexes, Rank in 2005

**Govt &
fiscal policy**

Security

Infrastructure

**Human
resources**

Technology

**Business
Incubation**

Openness

**Environ.
policy**

	Overall		Rank		Index		Rank		Index		Rank		Index		Rank		Index		Rank	
MASSACHUSETTS	7.16	1	4.97	24	5.65	11	3.63	47	6.64	2	8.64	1	7.65	1	6.26	8	3.92	43		
UTAH	6.78	2	5.61	15	5.46	16	6.26	7	6.49	4	6.02	6	6.81	3	4.40	35	5.01	28		
NEW HAMPSHIRE	6.67	3	5.78	13	5.74	10	4.59	34	6.25	5	5.67	10	6.20	6	5.86	10	5.58	21		
WASHINGTON	6.45	4	4.61	35	4.70	35	6.01	11	5.53	17	6.02	5	5.87	10	6.39	7	5.80	14		
NORTH DAKOTA	6.41	5	4.75	32	6.78	2	6.88	1	6.08	6	4.99	27	4.78	29	4.67	29	5.88	9		
COLORADO	6.37	6	4.32	39	4.89	30	5.98	12	5.51	20	6.41	3	6.88	2	4.75	28	5.91	6		
MINNESOTA	6.05	7	4.54	37	5.87	9	6.07	9	6.70	1	5.54	14	4.68	31	4.39	36	5.79	16		
NEBRASKA	6.02	8	4.82	29	6.36	4	6.67	2	5.86	9	5.06	24	4.89	27	3.98	42	5.81	13		
ALASKA	6.00	9	7.18	1	5.47	15	6.43	5	4.99	28	4.32	37	2.49	50	6.74	3	5.80	15		
MARYLAND	5.95	10	6.10	7	5.31	19	4.96	24	5.96	8	7.23	2	5.88	9	4.62	30	3.19	46		
VIRGINIA	5.73	11	6.34	4	5.09	23	4.01	42	5.52	19	5.49	15	6.22	5	4.85	27	4.98	29		
SOUTH DAKOTA	5.71	12	5.85	11	5.28	20	6.04	10	5.69	13	4.12	40	5.79	11	3.60	48	6.06	1		
KANSAS	5.71	13	4.78	31	4.82	31	6.44	4	6.07	7	5.60	13	4.54	34	4.31	39	5.86	10		
IDAHO	5.67	14	4.88	27	5.56	13	5.16	21	5.29	23	5.61	11	5.98	8	3.96	43	5.85	12		
IOWA	5.45	15	5.24	20	5.37	18	5.34	17	5.81	10	5.13	22	4.74	30	4.24	40	5.66	18		
WISCONSIN	5.42	16	4.20	41	7.23	1	5.52	16	5.67	14	5.00	26	3.89	46	4.43	34	5.48	22		
MISSOURI	5.40	17	6.54	3	4.46	40	5.81	13	4.93	30	4.89	29	5.04	22	4.38	37	5.31	26		
VERMONT	5.37	18	4.40	38	4.61	36	4.56	35	6.58	3	5.94	7	3.91	44	5.29	20	6.00	3		
OREGON	5.32	19	4.90	26	5.11	21	6.23	8	5.10	26	5.30	19	3.69	47	4.86	25	5.91	7		
TEXAS	5.25	20	5.15	21	4.71	34	4.33	39	3.98	40	4.90	28	5.42	17	7.02	1	5.35	25		
CONNECTICUT	5.21	21	4.11	42	6.11	6	4.38	38	5.77	11	6.11	4	4.18	40	5.80	11	4.24	41		
ARIZONA	5.17	22	5.79	12	4.15	43	4.91	27	4.61	34	5.18	21	4.87	28	5.21	21	5.85	11		
DELAWARE	5.17	23	6.66	2	4.94	29	3.92	43	4.30	38	5.25	20	6.45	4	6.67	4	2.38	49		
WYOMING	5.14	24	3.82	46	5.07	24	6.46	3	5.52	18	4.16	39	5.58	15	3.93	44	5.95	5		
NORTH CAROLINA	5.05	25	5.42	17	4.52	37	5.28	19	4.46	36	5.04	25	5.62	14	5.10	23	4.73	35		
CALIFORNIA	5.02	26	2.07	50	5.02	26	3.64	46	4.85	31	5.88	9	6.15	7	6.86	2	5.59	20		
GEORGIA	4.92	27	6.25	5	3.93	44	5.09	22	3.91	42	4.54	33	5.72	12	5.37	17	4.92	31		
FLORIDA	4.79	28	5.86	10	5.06	25	4.27	40	4.60	35	4.08	41	5.42	18	5.39	16	4.58	38		
SOUTH CAROLINA	4.77	29	5.99	9	4.30	42	4.99	23	3.80	46	3.84	45	5.03	24	6.53	6	4.75	34		
MICHIGAN	4.68	30	4.74	33	5.10	22	4.45	37	5.07	27	5.35	18	3.69	48	5.58	13	4.95	30		
RHODE ISLAND	4.67	31	3.93	45	6.71	3	4.91	28	5.47	21	5.92	8	3.90	45	4.22	41	3.81	45		
PENNSYLVANIA	4.65	32	5.13	23	4.72	32	5.16	20	5.15	24	5.40	16	5.02	25	4.34	38	3.88	44		
MONTANA	4.62	33	4.73	34	5.52	14	4.92	26	4.78	32	4.51	35	5.31	19	2.95	50	5.99	4		
NEVADA	4.62	34	5.72	14	3.91	45	6.27	6	4.36	37	3.18	50	5.25	20	5.19	22	4.81	33		
ILLINOIS	4.58	35	4.85	28	4.48	39	4.96	25	4.97	29	5.08	23	4.05	41	5.57	14	4.63	37		
NEW JERSEY	4.54	36	4.09	43	6.11	7	3.33	49	5.61	15	4.80	30	5.63	13	6.63	5	2.24	50		
TENNESSEE	4.48	37	6.21	6	3.74	47	5.29	18	3.87	43	4.00	42	5.20	21	5.44	15	4.45	39		
MAINE	4.46	38	3.23	48	5.97	8	4.89	29	5.74	12	3.68	47	4.24	39	4.52	31	5.90	8		
KENTUCKY	4.42	39	4.21	40	5.60	12	5.68	14	3.82	45	3.87	44	4.35	37	5.79	12	4.73	36		
NEW YORK	4.27	40	3.39	47	5.44	17	2.30	50	5.42	22	5.60	12	4.24	38	6.08	9	5.05	27		
OKLAHOMA	4.16	41	4.92	25	4.50	38	4.60	33	3.98	41	4.24	38	5.45	16	3.71	47	5.73	17		
OHIO	4.07	42	4.56	36	4.95	28	5.67	15	5.13	25	4.68	31	3.97	42	4.86	26	3.00	47		
ALABAMA	4.05	43	6.08	8	3.79	46	4.53	36	3.84	44	4.66	32	4.53	35	4.44	33	4.90	32		
NEW MEXICO	4.00	44	5.14	22	2.65	49	4.63	32	3.99	39	5.37	17	5.03	23	3.77	46	6.00	2		
HAWAII	3.95	45	3.00	49	6.23	5	4.20	41	5.58	16	4.32	36	3.17	49	4.49	32	5.45	23		
INDIANA	3.73	46	5.55	16	4.44	41	3.75	44	4.70	33	4.53	34	4.52	36	5.35	19	2.84	48		
WEST VIRGINIA	3.40	47	4.79	30	5.01	27	4.77	31	3.32	48	3.83	46	3.95	43	4.92	24	3.96	42		
ARKANSAS	3.08	48	5.39	19	2.83	48	3.71	45	3.70	47	3.36	49	4.94	26	3.86	45	5.66	19		
MISSISSIPPI	2.83	49	5.41	18	4.72	33	3.34	48	2.42	50	3.67	48	4.58	33	3.07	49	5.42	24		
LOUISIANA	2.60	50	4.00	44	2.03	50	4.80	30	2.62	49	4.00	43	4.61	32	5.36	18	4.42	40		

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