

The Beacon Hill Institute's *State Competitiveness Report*

Beacon Hill Institute's State Competitiveness Report presents an index that purports to measure the extent to which states have adopted the "policies and conditions that ensure and sustain a high level of per capita income and its continued growth" but in reality the index is an odd collection of variables that are of little use as a guide to public policy or as a predictor of state income growth.

The Competitiveness Index is a Grab Bag of Variables

While Beacon Hill Institute claims that their index measures the state policies and characteristics that will lead to greater economic growth, a number of the index variables don't cause growth but instead are the *outcomes* of growth, or part of the very definition of growth. [Read more](#)

Beacon Hill Institute Fails to Show that the Index Works

States scoring higher on the Competitiveness Index did not see income rise any more than low-scoring states. [Read more](#)

Anatomy of the State Competitiveness Index

Beacon Hill Institute's Competitiveness Index comprises 45 variables organized into eight sub-indexes, with the variables weighted in an arbitrary and often counterintuitive way. [Read more](#)

What is the Beacon Hill Institute?

The Beacon Hill Institute is affiliated with the economics department at Suffolk University in Boston. [Read more](#)