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PROSPERITY INDEX

The United States Prosperity Index
Texas
County report
2020

The Legatum Institute would like to extend their gratitude to The Helmsley Charitable Trust for their support, without which the production of this Index and report would not have been possible. The Institute would also like to thank The Walton Family Foundation, in particular for their support towards the county Index during the past year. Support for the county Index was also provided in part by a grant from the Robert Wood Johnson Foundation, for which the Institute is also very grateful. The opinions expressed in this publication are those of the Legatum Institute and do not necessarily reflect the views of the Helmsley Charitable Trust, the Robert Wood Johnson Foundation, the Walton Family Foundation, or any of their individual employees.



About the Helmsley Charitable Trust

The Leona M. and Harry B. Helmsley Charitable Trust aspires to improve lives by supporting exceptional efforts in the U.S. and around the world in health and select place-based initiatives. Since beginning active grant-making in 2008, Helmsley has committed more than \$2 billion for a wide range of charitable purposes. Learn more about Helmsley at helmsleytrust.org.

About the Robert Wood Johnson Foundation

For more than 45 years the Robert Wood Johnson Foundation has worked to improve health and health care. We are working alongside others to build a national Culture of Health that provides everyone in America a fair and just opportunity for health and well-being. For more information, visit www.rwjf.org. Follow the Foundation on Twitter at www.rwjf.org/twitter or on Facebook at <https://www.facebook.com/RRobertWoodJohnsonFoundation>.



About the Walton Family Foundation

The Walton Family Foundation is, at its core, a family-led foundation. Three generations of the descendants of our founders, Sam and Helen Walton, and their spouses, work together to lead the foundation and create access to opportunity for people and communities. We work in three areas: improving K-12 education, protecting rivers and oceans and the communities they support, and investing in our home region of Northwest Arkansas and the Arkansas-Mississippi Delta.

The Legatum Institute would like to thank the Legatum Foundation for their sponsorship and for making this report possible. Learn more about the Legatum Foundation at www.legatum.org



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Foreword



Our mission at the Legatum Institute is to create a global movement of people committed to creating the pathways from poverty to prosperity and the transformation of society. We analyze the many complex drivers of prosperity at a local, national, and global level to help understand how it is created and perpetuated.

Genuine prosperity is about far more than a society's economy or an individual's financial wealth; it represents an environment in which everybody is able to reach their full potential. A nation is prosperous when it has effective institutions, an open economy, and empowered people who are healthy and educated.

The measurement of prosperity is an important task for all leaders, and for those who hold them to account. It is the real test of whether a nation, state, or community is truly fulfilling the potential of its people, in terms of both their productive capacity and their collective wellbeing. Our Indexes deliberately combine the wide range of elements that drive prosperity, in order to help policymakers and influencers focus on the broader implications of institutional, economic, and social policies.

The United States is one of the world's economic powerhouses. It is open, with strong infrastructure and competitive markets in which individuals and businesses have easy access to finance, and its productive capacity is higher than almost all similar countries. In the main, its institutions are robust, its education system is one of the best in the world, and the majority of citizens feel connected to each other and engaged in society. However, the U.S. under-performs in areas such as safety and security, health, and living conditions. As a result, the country is ranked just 18th out of 167 countries in the Legatum Prosperity Index™, and has not advanced in the rankings for the last decade.

In 2019, with the generous support of The Leona M. and Harry B. Helmsley Charitable Trust, we published the inaugural United States Prosperity Index, seeking to explore why the country's undeniable economic success was not translating fully into social wellbeing. This year's report, with additional support from The Robert Wood Johnson Foundation (RWJF) and The Walton Family Foundation, presents an update on the prosperity of the 50 states and Washington D.C., as well as providing a brand-new, in-depth analysis of prosperity across 829 counties in eight selected states (California, Colorado, Georgia, Iowa, Montana, New York, Oklahoma, and Texas).

These Indexes have been purposefully designed to be transformational tools, that compliment each other. The comprehensive set of indicators provides a rich and policy-focused dataset, allowing the potential of all states (and all counties in the selected states) to be identified and understood. This enables much more targeted policy responses that can drive tangible improvements in prosperity. Our ambition is that national, state, and local governments, business leaders, investors, philanthropists, and civil society leaders across the U.S. will use the Index to help set their agendas for growth and development, and that others will use it to hold them to account.

The data in the Index, for the 10 years up to early 2020, reflects a picture of improving prosperity in the U.S., albeit not evenly distributed. The holistic perspective of the Index captures the structural characteristics of all 50 states and the capital city. However, this data reflects the situation before the coronavirus pandemic struck, which has obviously had significant health, social, and economic impacts, especially for the most vulnerable and disadvantaged.

By providing a comprehensive picture of the situation before the pandemic started, the Index is a helpful lens through which to consider the various dimensions of the coronavirus and its effects — from transmission, susceptibility, and the health response, to governance of the response measures, resilience through digital connectivity, and social capital, as well as fiscal resilience to the economic impacts.

In general, it is the most densely populated, well-connected areas of the U.S. that have been most impacted by the virus. The Index's *Market Access and Infrastructure* pillar recognizes the significant economic benefits that a robust *Transport* system provides, enabling goods, people, and ideas to come into and spread around the country. But this same infrastructure can also be a transmission vehicle for pathogens, as demonstrated in New York City this year. While the virus originated in China, and the first case of COVID-19 in America was actually recorded on the other side of the country, it was in and from NYC that the outbreak grew as

infected people arrived by plane from Europe, packed into local trains and subway cars, and journeyed on to areas such as Ohio, Wisconsin, Louisiana, Texas, Arizona, Idaho, and the West Coast.

Susceptibility to illness from coronavirus has been shown to be higher for people with underlying health conditions such as *Diabetes*, *High Blood Pressure*, and *Obesity*, three indicators captured in the *Health* pillar of the Index. However, our data shows that areas with poor scores in these health indicators tend not to be those with high density population and transport networks; as of mid-May, none of the 10 states with the highest prevalence of comorbidities appears in the top 10 states for COVID-19 death rates.

The quality of the healthcare system and its ability to respond to the pandemic has been a critical factor in local responses to the virus. The *Preventative Interventions* and *Care Systems* elements of the Index's *Health* pillar capture the pre-existing strength of the public health and hospital networks. The experience of Washington state, which is ranked highly for its *Care Systems*, is instructive — although Seattle was home to the first case of the virus in the country, the Governor was able to dismantle an emergency field hospital that had been set up in the city because it was not needed and sent hundreds of ventilators back to the Strategic National Stockpile. Meanwhile, in Massachusetts, which ranks first for *Preventative Interventions*, the Beth Israel Deaconess Medical Center has been at the forefront of the race to develop a coronavirus vaccine.

In addition to the health response, the social measures taken to contain the virus, such as stay-at-home orders and distancing guidelines, elicited a wide range of reactions and responses across the U.S. In general, authorities in places where there is a high degree of confidence in institutions find it easier to dial measures up and down as required to protect public health. For example, countries such as Singapore, the United Arab Emirates, and Switzerland had much smoother lockdown entry and exit processes than other nations where society is more suspicious of government, media, and other institutions. Similarly in the U.S., many areas where *Institutional Trust* is low, such as California, Ohio, and Oregon, saw large protests and widespread acts of defiance against lockdown restrictions.

In a time of forced isolation, people become more reliant on a combination of *Social Networks* and (digital) *Connectedness*. However, these do not often coincide — people living in more densely populated cities are much more likely to have strong broadband connections and high rates of smartphone ownership than those living in rural areas, but less likely to have strong connections with neighbors. Furthermore, those states and cities with stronger *Economic Quality*, and in particular *Fiscal Sustainability*, which among other things measures the resilience of states to deal with economic shocks, will be better placed to handle the increasingly important financial consequences of the response to the pandemic.

This year's Index illustrates how and why different areas of the U.S. have been more vulnerable to the spread of the coronavirus and/or more resilient to its health and socio-economic impacts. The ability of different states and cities to bounce back and to emerge even more prosperous in a post-COVID world will be the focus of our analysis over the coming years.

Over the past decade we have seen *Institutional Trust* decline across the U.S. Residents of counties with large minority populations such as El Paso in Texas and Riverside in California in particular have very low levels of trust in institutions such as the government, media, and corporations. At the same time, some counties in states like Georgia and Oklahoma have seen much higher use of racial epithets than other places (as recorded by Google). These trends are indicative of a society coming apart, rather than drawing together. The Index can also provide some context for the social unrest following the death of George Floyd in Minneapolis at the hands of the police in May.

The Index helps frame an agenda through which different challenges can be addressed. By explicitly recognizing the interconnectedness of many different elements of prosperity, it allows users to assess the relative strengths and weaknesses of states and counties across multiple dimensions. Combined with additional local insight and demographic data, this will enable a roadmap of targeted interventions to be developed that will benefit all Americans.

This is based on our experience that genuine, holistic, well-distributed prosperity is built on strong social foundations, with a robust social contract that is nurtured through high levels of social capital and tolerance, and governed by trustworthy and effective institutions, enabling an open and competitive economy that generates opportunity and wealth for all. This can be used to resource a resilient health system, high quality education, and good living conditions. This is the best way to increase resilience against future pandemics and other social emergencies and provide a bedrock for hope for the future.

Our analysis in this report shows that the key to unlocking greater prosperity in the U.S. lies in the potential for improvement at a state and county level, and not just nationally. For example, Washington D.C.'s prosperity growth over the last decade has been driven mainly by strengthening its education system, whereas economic quality been a big driver of improvement in California and South Carolina. When looking to the future, each area must recognize its distinct strengths and weaknesses and identify its own specific opportunities to improve and where lessons for improvement can be shared with and learned from other states and counties. The Index points to examples of best practice across many dimensions, demonstrating that there is much to be gained from benchmarking against peers, as well as from exploring the connections between development in different areas.

There is much to be hopeful about when considering prosperity in the U.S. While recognizing the challenges the country is currently facing, we can, and should, celebrate its high global ranking and historic improvement, which will provide a strong foundation upon which to build as it emerges from these challenging times.

While the state level Index covers all 50 states of the Union as well as Washington D.C., we are most ambitious about engaging with the eight selected states to use the findings at both county and state level to help them create targeted strategies for future development. Over the coming years we will be progressing our analysis by undertaking further deep dives into the prosperity of individual states, researching additional county-level patterns, and exploring the drivers of prosperity between and within different areas in more detail.

If you are interested in discussing how you can use the findings of the U.S. Prosperity Index, or want to know more about our work more broadly, please do contact us at info@li.com, or visit the dedicated United States Prosperity Index website at www.usprosperity.net.



Dr. Stephen Brien
Director of Policy, Legatum Institute



Using the United States Prosperity Index

The United States Prosperity Index has been developed as a practical tool to help identify what specific action needs to be taken to contribute to strengthening the pathways from poverty to prosperity across the 50 states of the Union and D.C., and the 829 counties of the eight selected states. The Index consists of 11 pillars of prosperity, built upon 48 actionable policy areas (elements), and is underpinned by over 200 indicators.

The Index has been designed to benefit a wide range of users, including state and county-leaders, policymakers, investors, business leaders, philanthropists, journalists, researchers and U.S. citizens.

- State and county leaders can use it to help shape priorities for a policy agenda for their area;
- Policymakers can use it to determine specific areas that require action to help increase prosperity;
- Investors can use it to inform capital allocation;
- Business leaders can use it to identify and communicate the changes they need to improve the business climate and the productive capacity of states and counties;
- Philanthropists can use it to identify the areas where they can have the greatest impact beyond the well-trodden paths;
- Journalists and U.S. citizens can use it to hold their state and local government to account;
- Researchers can use it to complement other datasets to analyze the underlying patterns behind economic and social issues, and inform the broader policy, business, and philanthropic community.

INTERPRETING THE INDEXES

For every U.S. state and D.C., the Index uses the same indicators, and combines them in the same way to create elements and pillars. Similarly, for the 829 counties in the eight selected states, a consistent set of indicators have been used and combined in the same way to create elements and pillars, mirroring the state level approach.

By using the Index at a state and county level, it is possible to compare the relative performance of each state or county for overall prosperity and for each of the 11 pillars of prosperity, such as health, education, and social capital, as well as the 48 elements within the pillars. The elements have been established to represent key policy areas, such as K-12 Education, government integrity, and mental health, to help facilitate more targeted action at the appropriate level.

Making these comparisons will enable the user to explore which aspects of prosperity are more or less well developed within a state

or a county, and how these compare with other states and counties. The higher the ranking, the stronger the performance of that state or county for the pillar or element, when compared with another lower down the rankings. Further to this, the Index also provides data over a 10-year period, making it possible to see whether prosperity has been improving or deteriorating over time, and what specifically is driving that change. This will enable areas of strength, in a state or a county, to be built on and areas of weakness to be addressed. The county level Index enables the performance within a state to be more clearly understood, and it also enables comparison with counties in other states, thus creating an environment in which good practice can be identified and shared across state boundaries.

APPLYING THE INDEXES

The data in the state and county level Indexes and analysis contained in the report can be used for a variety of purposes, for example:

- Benchmarking performance against peers;
- In-depth analysis of prosperity at the state or county level;
- Understanding whether prosperity is improving or weakening over time, and why;
- Identifying the binding constraints to increased prosperity;
- Informing priorities for setting state and county agendas.

Where a state or a county is showing a strong or weak performance in a pillar, it is possible to drill down and identify what particular policy-related element is driving this trend. This will help inform the required policy action to strengthen performance.

For example, it may be discovered that a state or a county's poor prosperity rankings are driven by a weak performance in education. Upon further investigation, the Index reveals that, although current education policy in the state is weaker in K-12 education, it has been focused on improving tertiary education when contrasted with comparator states. In particular, further investigation of the Index reveals that low completion rates may be driving the weak performance in K-12 education. This information can help to target specific areas that need improvement and provide a starting point for what can be done to improve education, and thereby increase prosperity.

By using the historical data provided by the Index for the example above, it may become apparent that K-12 completion rates have declined rapidly over the past three years. Discussion with local education officials on the decline may reveal that this coincides with the conclusion of a learning difficulties support program, thus pointing to the particular area where action is needed.



RESOURCES AVAILABLE

There are several tools available to aid analysis and interpretation of, and elicit insight from, the United States Prosperity Index. Alongside this report, which provides a high-level analysis of the findings from the state and county Indexes, the following additional information is available for download via our website at www.usprosperity.net:

State profiles. This 15-page profile, for each of the 50 states and the District of Columbia, provides more detailed pillar, element and indicator information, including rankings and scores, and how these have changed over time.

County profiles. This 15-page profile, for each of the 829 counties in the 8 selected states, provides more detailed pillar, element and indicator information, including rankings and scores, and how these have changed over time.

Indicator scores. An Excel spreadsheet which contains the scores for all of the indicators for each year since 2007 at both the state and county level. Using these scores, the user can carry out more in-depth analysis. Further information on how the scores for each indicator are calculated can be found in the Methodology section (see page 24).

Team members at the Legatum Institute are also available to engage and provide support to those interested in addressing the challenges and opportunities presented by these materials. Please contact us at info@li.com.

USING THE INDEX

Political leaders

This report provides leaders at a state and local level with an overview of the performance of their state or county across the 11 pillars of prosperity and provides the foundation for setting an agenda to create pathways from poverty to prosperity. These can be developed and refined using the more in-depth accompanying resources outlined above.

Policymakers

The Index and its accompanying resources allow policymakers to benchmark the performance of their state or county against peers across 11 pillars and 48 elements of prosperity to create a much more granular perspective of performance and the potential binding constraints to development.

Each of the 48 elements of prosperity have been designed to be recognizable, discrete areas of domestic policy, and are measured using a combination of indicators from a variety of public data sources. The indicators should be interpreted as a set of proxies for the underlying policy concept, and we would encourage policymakers to interpret their score and rank for an element as the trigger for more fundamental analysis of the strengths and weaknesses of its performance. Benchmarking against the basket of indicators within the indexes must be complemented by in-depth context-sensitive analysis, which itself can lead to more balanced agendas across a range of policy areas.

In addition to helping focus analysis, these materials, together with the database of performance, also allow policymakers to develop diagnostic tools and to identify potential options to consider, based on the performance of other states and counties, and the case studies provided.

Philanthropists

There are many opportunities to invest in building stronger social, political, and economic outcomes across the United States. For example: on Social Capital. Reversing the decline seen in social capital across the United States will help further increase the prosperity of U.S. citizens. There is a unique role for philanthropists to identify and champion what it takes to build social capital across the counties and states of the U.S.

Investors and business leaders

The business community is well positioned to identify barriers to starting, operating, and growing business, and to demonstrate to government the economic potential from reforms such as lifting

onerous regulation and reducing other barriers to help improve the investment environment.

Furthermore, business leaders and investors can contribute to infrastructure policy development by demonstrating the economic impact of investment in communications, transport, and energy projects, where they can be the binding constraint on further increasing prosperity.

Academics and Researchers

For academics and researchers, our database of curated indicators is a unique resource enabling comparison of trends and patterns across the past 13 years for much of the data. By providing a holistic dataset across many disciplines, it provides an opportunity to compare in a straightforward way the impact of disparate factors,

such as how living conditions are related to education levels, or how levels of social tolerance are related to levels of institutional trust.

Journalists and civil society

The United States Prosperity Index, at a state and county level, is based on publicly available and verifiable data, which means it can be a powerful resource for those who want to hold up a mirror to those in power and society at large. Holding leaders to account is a crucial role for both journalists and civil society. The institutional, economic and social performance of a state and county is critical to its prosperity, and that of the United States as a whole, and having non-government actors calling out weaknesses, as well as celebrating successes, can help spur on state and county leaders. To do so well requires easy access to reliable data that can be represented in a digestible way.



THE PATHWAY TO TRANSFORMATION

Transformation is a process, not an event. Intermediate benchmarks are most helpful and effective, and the most obvious challenges facing a state, or a county, should be considered in the first instance. Understanding the specifics of each state and county's circumstances will be critical to determining the sequencing and prioritization. The Indexes provide a set of hypotheses to test. The areas of highest priority will likely be the elements that are performing relatively poorly, but are not necessarily the weakest-performing elements, as creating the conditions to warrant improving the weakest performing elements may require improving some of the elements that are less weak first.

It is important to identify the most binding constraint to progress and use it to inform the sequencing and prioritization. To give a rather simplified example, a state may

find itself with a weak environment for investment and also low levels of dynamism. In such a situation, simply seeking to increase investment is unlikely to have much of an impact, as investors will be more attracted to investing in an area where there is already a high number of start-ups and new entrepreneurs. In such a circumstance, creating an environment that attracts new businesses and start-ups would likely be a more impactful first step.

As no single state has yet succeeded in fully securing both economic and social wellbeing for its residents, clear opportunities therefore exist for states and counties to learn from each other. The Indexes identify these opportunities for improvement, and also where other states and counties have been successful in addressing the same challenges. This can guide supplementary research to inform the ways in which successful strategies from one region might be adapted to address weaknesses in another region.



Domain and Pillar definitions

Prosperity is a multi-dimensional concept, which the United States Prosperity Index seeks to measure, explore, and understand as fully as possible. The framework of the Index captures prosperity through three equally-weighted domains which are the essential foundations of prosperity — Inclusive Societies, Open

Economies, and Empowered People. These domains are made up of 11 pillars, which are themselves underpinned by 48 constituent elements. These are the building blocks and policy areas crucial for achieving true prosperity for all residents across the United States.

Inclusive Societies are an essential requirement for prosperity, where social and legal institutions protect the fundamental freedoms of individuals, and their ability to flourish. This domain explores the relationship structures that exist within a society, and the degree to which they either enable or obstruct societal cohesion and collective development. Areas within this domain range from the relationship of citizen and state, to the degree to which violence permeates societal norms, to the interaction of freedoms of different groups and individuals, to the way in which individuals interact with one another, their communities and institutions. These issues have been both a practical consideration for the majority of modern human experience, as well as a subject of academic study. We examine the fundamental aspects of inclusive societies across four pillars, each with component elements.

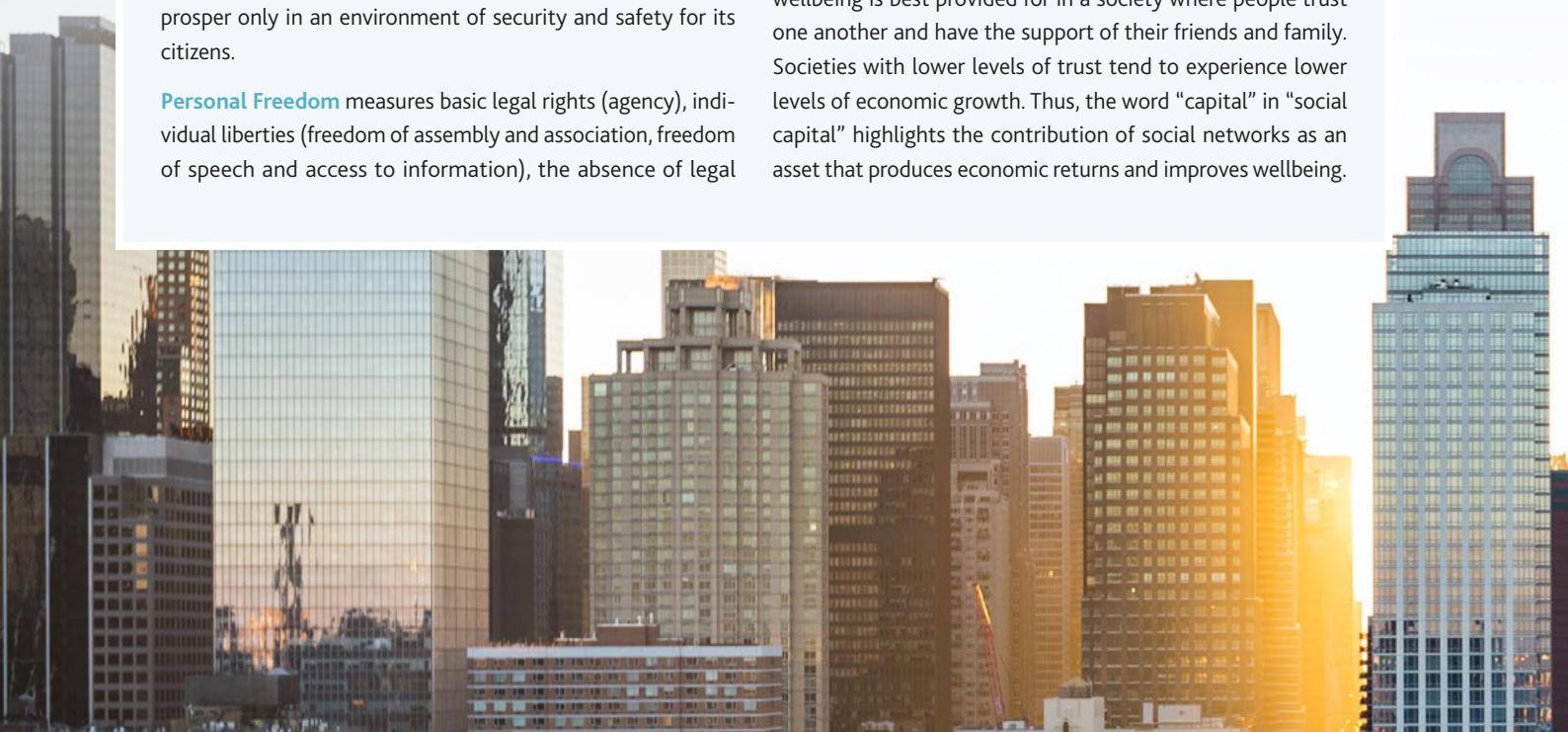
Safety and Security measures the degree to which individuals and communities are free from terrorism, violent crime, and property crime. The lives of individuals, their freedoms, and the security of their property are at risk in a society where these activities are present, both through their current prevalence, and long-lasting effects. In short, a community or society can prosper only in an environment of security and safety for its citizens.

Personal Freedom measures basic legal rights (agency), individual liberties (freedom of assembly and association, freedom of speech and access to information), the absence of legal

discrimination and the degree of social tolerance experienced in a society. Societies that foster strong civil rights and freedoms have been shown to enjoy increased levels of satisfaction among their citizens. Furthermore, a state benefits from higher levels of national income when its citizens' personal liberties are protected and when it is welcoming of the diversity that stimulates innovation.

Governance measures the extent to which there are checks and restraints on power, and whether governments operate effectively and without corruption. The nature of a state's governance has a material impact on its prosperity. The rule of law, strong institutions and regulatory quality contribute significantly to economic growth, as do competent governments that enact policy efficiently and design regulations that deliver policy objectives without being overly burdensome.

Social Capital measures the personal and family relationships, social networks and the cohesion a society experiences when there is high institutional trust, and people respect and engage with one another (civic and social participation), both of which have a direct effect on the prosperity of a country. A person's wellbeing is best provided for in a society where people trust one another and have the support of their friends and family. Societies with lower levels of trust tend to experience lower levels of economic growth. Thus, the word "capital" in "social capital" highlights the contribution of social networks as an asset that produces economic returns and improves wellbeing.



Open Economies encourage innovation and investment, promote business and trade, and facilitate inclusive growth. This domain captures the extent to which the economies of each state and county embody these ideals. Without an open, competitive economy, it is very challenging to create lasting social and economic wellbeing where individuals, communities, and businesses are empowered to reach their full potential. Trade between states, communities and other nations is fundamental to the advance of innovation, knowledge transfer, and productivity that creates economic growth and prosperity. Research shows that open economies are more productive, with a clear correlation between increased openness over time and productivity growth. In contrast, in an uncompetitive market, or one that is not designed to maximize welfare, growth stagnates, and crony capitalism thrives, with knock-on impacts elsewhere in society. One of the biggest opportunities for policymakers is to resist protectionism and cronyism, and to actively reinvigorate an agenda that embraces open and pro-competitive economies, both domestically and internationally, that attracts innovation, ideas, capital and talent. While most policymakers focus on the big fiscal and macro-economic policy tools at their disposal, the microeconomic factors are sometimes overlooked, and their potential to drive openness and growth is underestimated. With a focus on these microeconomic factors, we examine the fundamental aspects of open economies across three pillars, each with component elements.

Business Environment measures the amount and variety of investment finance available (Financing Ecosystems) and how easy it is for businesses to start, compete, and expand (Domestic Market Contestability). Contestable markets with low barriers to entry and adequate pools of funding are important for businesses to innovate and develop new ideas. This is essential for a dynamic and enterprising economy, where the Burden of Regulation and any inhibitors on the flow of goods and services between businesses (Price Distortions), enables, rather than hinders business and responds to the changing needs of society and ensures Labor Market Flexibility.

Market Access and Infrastructure measures the quality of the infrastructure that enables trade (Communications, Transport, and Resources). Where markets have sufficient infrastructure and few barriers to trade, they can flourish. Such trade leads to more competitive and efficient markets, allowing new products and ideas to be tested, funded, and commercialized, ultimately benefiting consumers through a greater variety of goods at more competitive prices.

Economic Quality measures how robust an economy is (Fiscal Sustainability) as well as how an economy is equipped to generate wealth (Productivity and Competitiveness, Dynamism). A strong economy is dependent on high labor force engagement and the production and distribution of a diverse range of valuable goods and services.

Empowered People captures the quality of people's lived experiences and the features present that enable individuals to reach their full potential through autonomy and self-determination. This domain starts with the necessary resources required for a basic level of wellbeing, ranging from levels of material resources, to adequate nutrition, to basic health and education outcomes, access, and quality, and to a safe and clean environment. Many of these issues are inter-related. The pillars in this domain differentiate states' performance on these fundamental measures of social wellbeing to distinguish where greater numbers of people are disadvantaged and less likely to achieve wellbeing. We examine the fundamental aspects of empowered people across four pillars, each with component elements.

Living Conditions measures the set of conditions or circumstances that are necessary for all individuals to attain a basic level of wellbeing. This set of circumstances includes a level of material resources, adequate nutrition and access to basic services and shelter. It also measures the level of connectedness of the population, and the extent to which they are in a safe living and working environment (protection from harm). These enable the individual to be a productive member of society and to pursue prosperity and build a flourishing life.

Health measures health service provision and the health outcomes of a population — including the quality of both mental

health and physical health, each of which affects longevity. It also assesses the set of behavioral risk factors that affect the quality of the population's health, and the quality of the healthcare provision through the lenses of care systems and preventative interventions. For a state to truly prosper, its residents must have good health. Those who enjoy good physical and mental health report high levels of wellbeing, while poor health keeps people from fulfilling their potential.

Education measures the enrollment, outcomes and quality of four stages of education (pre-primary, primary, secondary, and tertiary education) as well as the adult skills in the population. Education allows people to lead more fulfilling lives, and a better educated population is more able to contribute to society. Over the long-term, education can help to drive economic development and growth while improving social and health outcomes, as well as leading to greater civic engagement.

Natural Environment measures the elements of the physical environment that have a direct impact on the ability of residents to flourish in their daily lives. Also measured is the extent to which the ecosystems that provide resources for extraction (freshwater and forest, land and soil) are sustainably managed. A well-managed rural environment yields crops, material for construction, wildlife and food, and sources of energy. The extent of preservation efforts is also captured, as these are critical to longer-term sustainability.

Texas county findings

Developed over the past year is the county level Prosperity Index, which has been created to further understand the disparities that exists in prosperity across the U.S., in particular within the eight selected states: California, Colorado, Georgia, Iowa, Montana, Oklahoma, New York and Texas, 829 counties in all. These states were carefully selected to capture the full demographic and geographic variety, and also because they exhibit different levels of state prosperity. In the coming years, our ambition is to build out the Index to cover all counties within the United States to enable a more detailed understanding of prosperity at the local level.

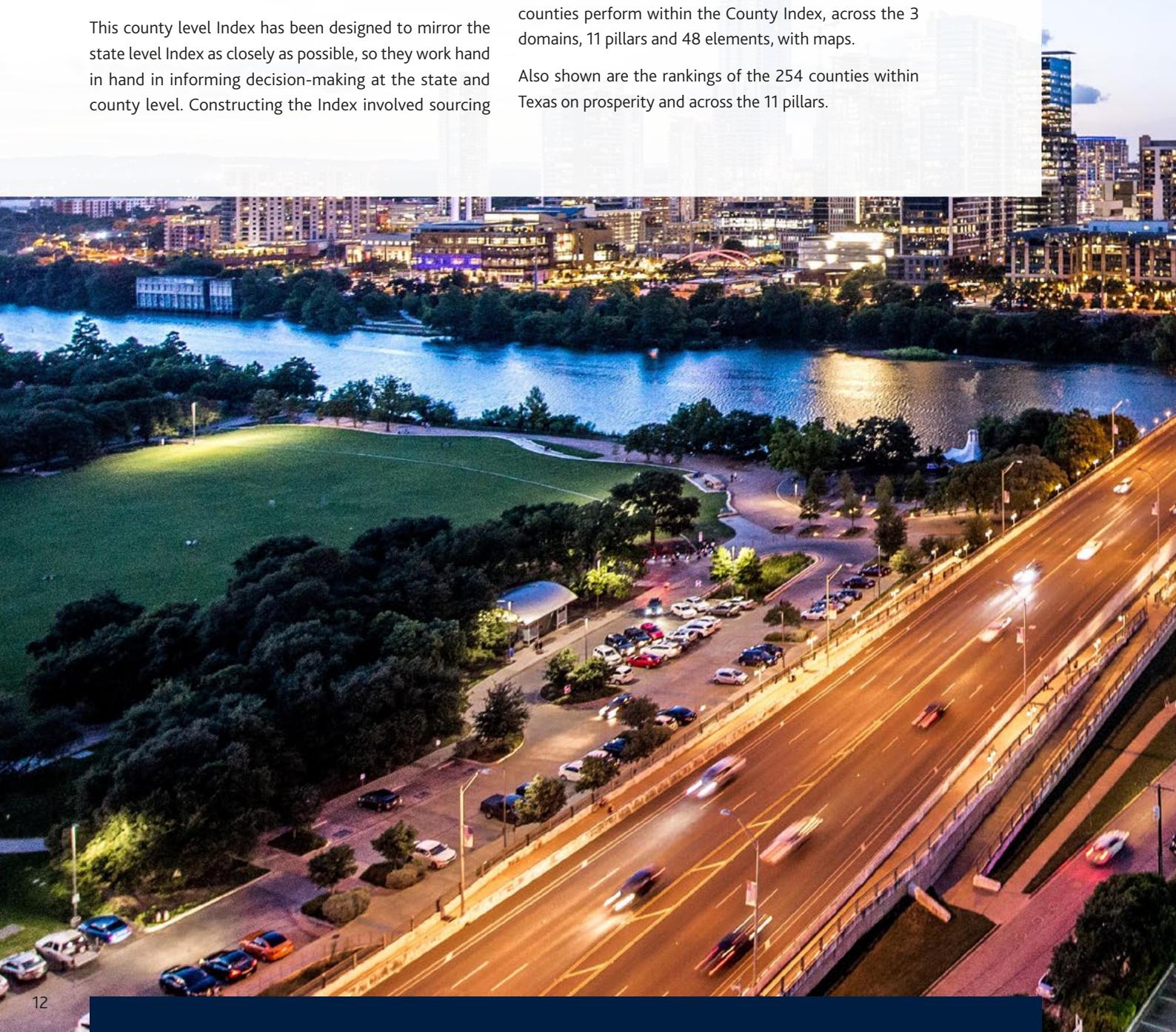
This county level Index has been designed to mirror the state level Index as closely as possible, so they work hand in hand in informing decision-making at the state and county level. Constructing the Index involved sourcing

county level data for the indicators used within the state level index. Of the 216 indicators in the state level Index, over 130 indicators were available at county or other sub-state levels. For the remaining indicators the state value has been used for all counties in the state. Further information is provided in the methodology section (see page 24).

The result is a holistic and comprehensive curated county level dataset, that enables the prosperity of the 829 counties within the 8 selected states to be identified and understood and how that has changed over the past decade.

In this report is an overview of how Texas and its 254 counties perform within the County Index, across the 3 domains, 11 pillars and 48 elements, with maps.

Also shown are the rankings of the 254 counties within Texas on prosperity and across the 11 pillars.

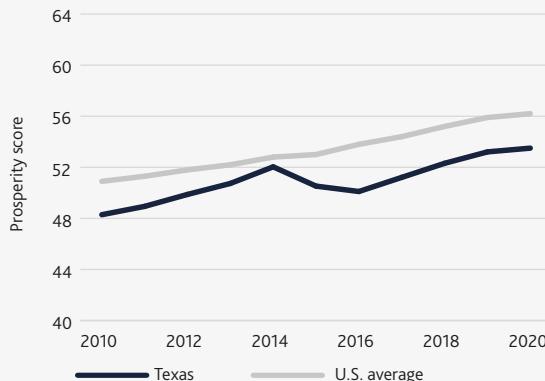




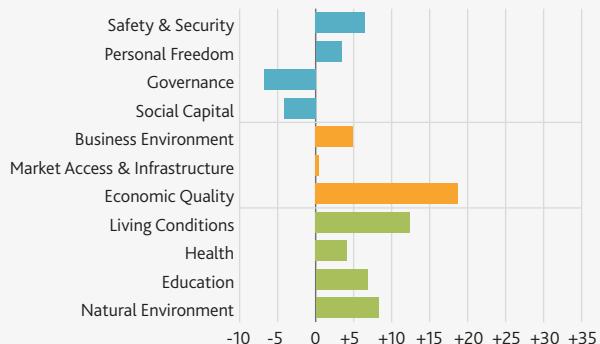


Texas (36th)

Texas prosperity

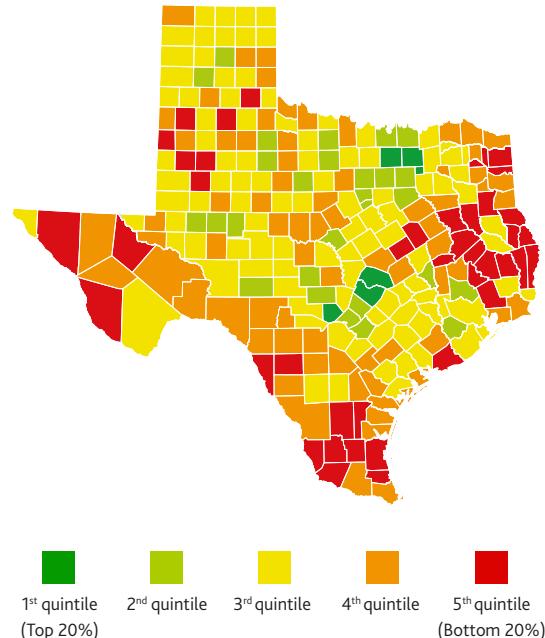


Texas score change 2010-20, by pillar

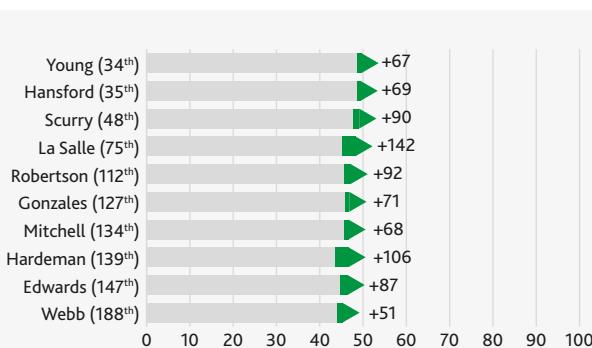


Prosperity of Texas' counties

Strongest		Weakest	
1	Collin	245	Limestone
2	Williamson	246	Presidio
3	Denton	247	Tyler
4	Travis	248	Starr
5	Kendall	249	Trinity
6	Rockwall	250	Polk
7	Midland	251	Cass
8	Montgomery	252	Zavala
9	Gillespie	253	Duval
10	Fort Bend	254	San Augustine



Most improved counties in Texas, 2010-2020



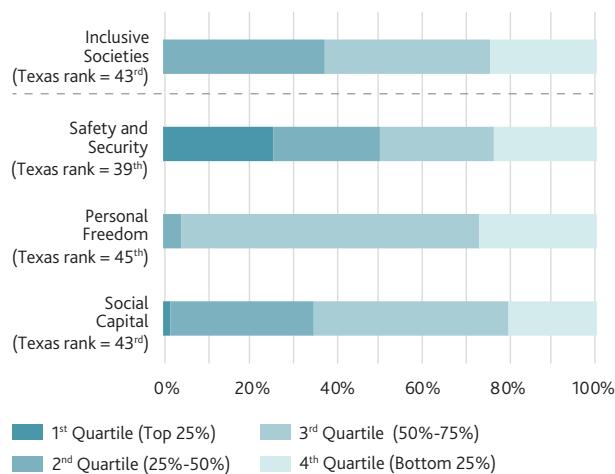
Least improved¹ counties within Texas, 2010-2020



¹Also shown are the two counties that have deteriorated.

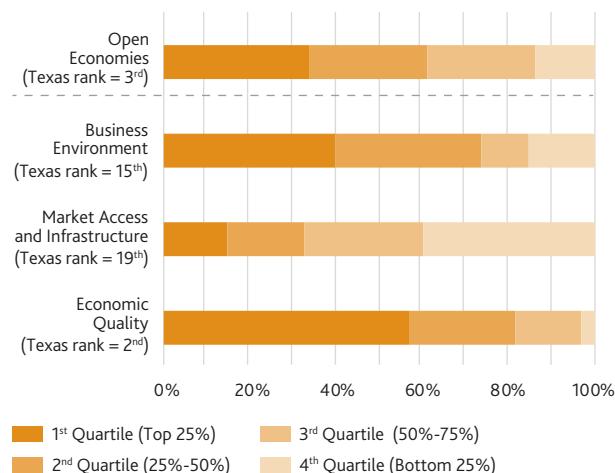
Performance of Texas' counties across the three Prosperity domains

Inclusive Societies (Distribution of county performance)



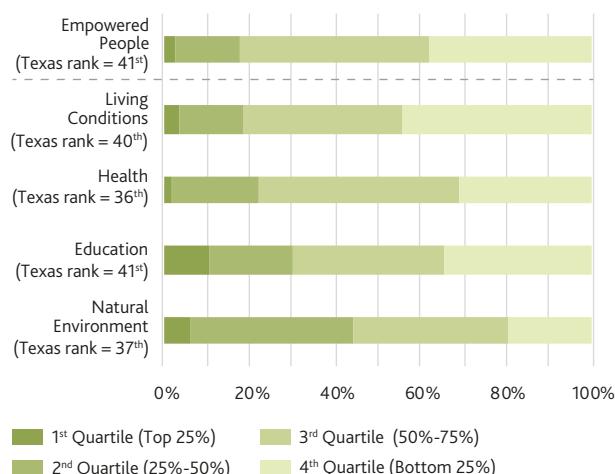
- Texas' institutional weaknesses are highlighted in its Inclusive Societies rank (43rd), with none of its counties appearing in the first quartile.
- Due to a reduction in property crime, Texas has seen an improvement in Safety and Security and county performance is better in this pillar, with a broadly even number of counties in each quartile.
- Texas ranks 45th for Personal Freedom. While it ranks 29th for Social Tolerance, less than 10% of counties are in the top quartile and over 50% are in the bottom quartile.
- Like most states, Texas saw a deterioration in its Social Capital over the past decade. Similar to the U.S. as a whole, trust in institutions, wider social networks and civic and social participation all declined but the strength of Personal and Family Relationships strengthened across the state.

Open Economies (Distribution of county performance)



- Texas has the 2nd largest state economy and it performs very strongly on open economies, ranking 3rd.
- In Business Environment, counties perform strongest in Labor Market Flexibility. Texan counties are typified as having low burden of regulation and high domestic market contestability.
- Texas ranks 19th on Market Access and Infrastructure, although performance is weakest in this pillar. The best performing element is Communications, with 20% of counties in the 1st quartile, including Brazos, Midland and Travis counties.
- Nearly 60% of Texan counties are in the 1st quartile for Economic Quality, contributing to the state's 2nd place ranking overall. Texas has helped drive the improvement seen in Economic Quality over the past decade, as result of increased exports and more business start-ups.

Empowered People (Distribution of county performance)

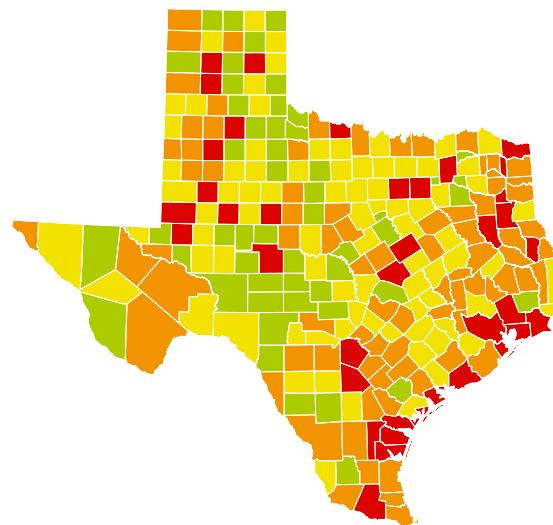


- Regarding social outcomes, Texas faces many challenges; the state ranks 41st for the Empowered People domain and fewer than 5% of counties are in the top quartile.
- Although Texas ranks 40th for Living Conditions, 65 counties are in the 1st quartile for Connectedness. For Nutrition, however, 52% are in the 4th quartile.
- Despite the state's ranking of 36th for Health, Mental Health and Behavioral Risk Factors buck the trend, with 46% and 41% of counties in the 1st quartile. Although this is not mirrored in Preventative Interventions and Care Systems, where all counties are in the 4th quartile.
- Education overall has improved over the past decade, but due to poorer test scores, Secondary Education has deteriorated. Despite this decline, over a quarter of counties are in the 1st quartile for Secondary Education, with 12% in the 4th quartile.
- On Natural Environment, performance is strongest on Freshwater, with 38% of counties in the top quartile.

Mapping the Domains across Texas

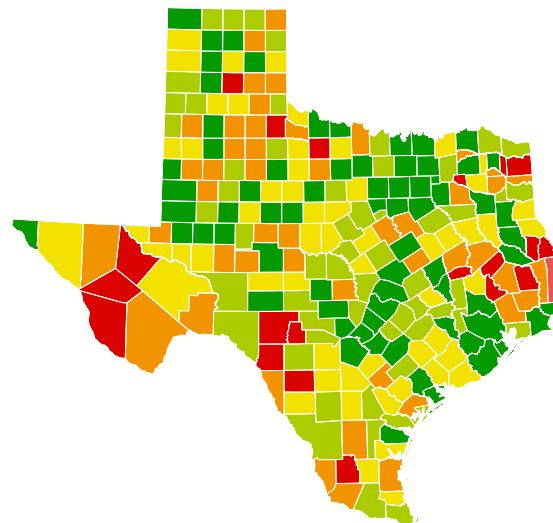
INCLUSIVE SOCIETIES

	Strongest		Weakest
1	Foard	245	Dawson
2	Menard	246	Potter
3	King	247	Wichita
4	Sterling	248	Harris
5	Roberts	249	Calhoun
6	Motley	250	Bell
7	Concho	251	Gregg
8	Culberson	252	Galveston
9	Throckmorton	253	Bexar
10	Mills	254	Nueces



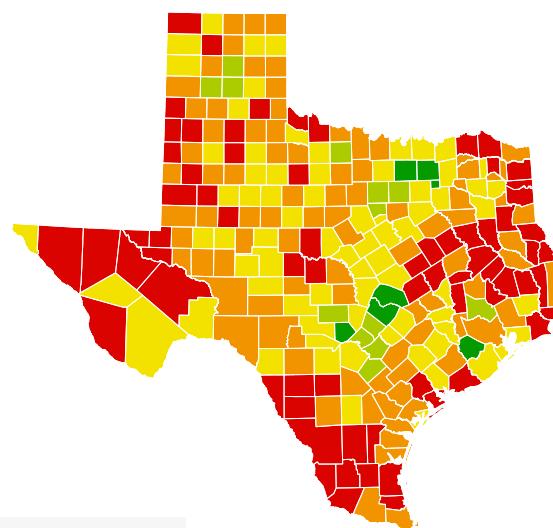
OPEN ECONOMIES

	Strongest		Weakest
1	Dallas	245	Tyler
2	Travis	246	Real
3	Midland	247	Jeff Davis
4	Collin	248	Rains
5	Harris	249	Presidio
6	Tarrant	250	San Augustine
7	Bexar	251	Trinity
8	McLennan	252	Jim Hogg
9	Kendall	253	Kinney
10	Potter	254	Newton



EMPOWERED PEOPLE

	Strongest		Weakest
1	Collin	245	Starr
2	Denton	246	Limestone
3	Williamson	247	Duval
4	Rockwall	248	Cochran
5	Kendall	249	Presidio
6	Fort Bend	250	Dimmit
7	Travis	251	Falls
8	Comal	252	San Augustine
9	Randall	253	Zavala
10	Hays	254	Hudspeth



█ 1st quintile (Top 20%)
 █ 2nd quintile
 █ 3rd quintile
 █ 4th quintile
 █ 5th quintile (Bottom 20%)

The U.S. Prosperity Index, Texas county rankings¹

ranks 1–51



2010 Rank	2019 Rank	2020 Rank	County	Safety and Security	Personal Freedom	Social Capital	Business Environment	Market Access and Infrastructure	Economic Quality	Living Conditions	Health	Education	Natural Environment
1	1	1	Collin	135	9	60	3	18	8	2	2	1	18
3	2	2	Williamson	116	7	9	25	14	55	7	3	3	9
4	5	3	Denton	143	12	69	27	19	61	4	4	4	19
6	4	4	Travis	231	5	13	6	1	13	50	1	6	2
2	3	5	Kendall	63	254	193	13	12	42	9	8	5	1
5	6	6	Rockwall	76	39	61	22	25	173	1	7	7	40
10	7	7	Midland	160	18	5	11	2	2	47	44	133	11
12	9	8	Montgomery	125	13	199	16	27	80	10	11	19	22
7	11	9	Gillespie	15	98	68	57	73	90	63	9	27	8
9	8	10	Fort Bend	153	11	173	28	38	139	3	5	2	221
8	10	11	Hays	163	15	10	109	21	60	42	6	25	12
13	12	12	Comal	154	35	225	53	7	91	6	15	20	34
26	14	13	Parker	105	33	77	95	50	110	17	27	33	49
19	13	14	Tarrant	232	69	148	4	8	47	21	29	36	102
20	17	15	Dallas	248	6	200	1	4	50	81	10	91	128
21	21	16	Hood	87	66	71	60	65	94	8	51	129	15
22	16	17	Shackelford	45	227	62	50	106	3	209	63	32	39
27	18	18	Carson	51	131	15	236	76	65	11	57	10	156
14	15	19	Glasscock	23	239	27	199	66	6	31	60	108	190
18	20	20	Randall	237	20	38	56	17	123	18	43	9	4
30	22	21	Brazos	199	37	55	45	9	95	72	14	11	217
59	19	22	Cooke	142	81	163	46	39	11	22	55	70	125
15	27	23	Stonewall	39	239	20	199	30	74	123	48	90	35
49	26	24	Ellis	149	25	88	135	47	34	13	19	48	210
11	23	25	King	1	239	31	42	228	5	210	69	49	105
28	25	26	Sutton	47	216	66	75	64	25	114	56	153	135
36	24	27	Mills	12	208	49	106	58	193	107	64	138	88
23	30	28	Sterling	6	203	78	199	113	15	122	126	150	60
37	28	29	Mason	37	212	103	52	119	44	174	31	75	55
34	33	30	Somervell	54	174	59	174	94	148	89	47	14	160
69	31	31	Grayson	181	29	70	19	31	76	54	160	45	67
25	47	32	Archer	69	138	101	234	72	81	12	89	12	127
39	32	33	Guadalupe	164	31	241	170	44	51	16	37	37	85
101	29	34	Young	67	136	168	12	137	7	101	224	80	56
104	34	35	Hansford	16	202	63	35	198	32	76	67	134	195
51	35	36	Taylor	227	38	22	20	23	56	88	208	40	14
43	43	37	Sherman	32	228	48	124	180	12	56	42	130	207
38	39	38	Brazoria	148	16	208	119	71	19	20	17	22	246
53	36	39	Oldham	33	196	12	34	238	137	99	30	43	81
68	55	40	Tom Green	242	21	121	33	6	138	15	140	62	7
50	48	41	Kimble	21	210	213	98	120	100	200	40	52	46
54	44	42	Smith	220	24	64	18	22	53	110	135	58	78
17	38	43	Borden	80	239	45	74	156	130	131	34	8	99
61	49	44	Lubbock	247	28	52	14	13	104	139	116	13	13
112	37	45	El Paso	173	4	253	49	10	154	79	25	81	30
33	46	46	Wise	94	45	85	156	91	75	49	112	122	33
58	45	47	Foard	1	239	19	199	128	190	75	83	102	139
138	42	48	Scurry	89	140	187	73	43	118	46	106	156	68
35	51	49	Austin	106	63	179	39	147	20	77	20	76	193
40	65	50	Blanco	117	163	100	136	70	166	78	36	42	10
78	50	51	Kaufman	147	36	107	145	33	179	70	35	68	119

1. There is no county variation in Governance, all counties have been given the state score value. Texas is the 38th ranked state for Governance.

The U.S. Prosperity Index, Texas county rankings¹

ranks 52–102



2010 Rank	2019 Rank	2020 Rank	County	Safety and Security	Personal Freedom	Social Capital	Business Environment	Market Access and Infrastructure	Economic Quality	Living Conditions	Health	Education	Natural Environment
48	56	52	Harris	250	14	233	2	20	24	82	24	50	240
46	58	53	Schleicher	19	230	29	199	224	21	196	21	30	73
76	61	54	Briscoe	13	239	33	47	214	117	188	96	24	186
29	40	55	Roberts	7	239	41	253	219	88	53	16	65	113
83	53	56	Hemphill	79	213	51	43	243	1	127	71	60	44
64	71	57	Bexar	254	8	245	5	3	134	61	77	61	188
118	59	58	Hopkins	59	86	122	70	77	92	125	164	148	161
125	63	59	Menard	1	237	28	133	221	126	191	90	74	95
92	74	60	McLennan	236	27	89	7	5	38	108	176	55	233
47	41	61	Johnson	138	26	134	132	37	106	38	111	168	145
16	62	62	McMullen	102	239	54	199	149	36	36	12	23	224
79	52	63	Lavaca	74	125	76	90	203	52	117	100	35	116
24	57	64	Bandera	100	78	238	177	45	229	105	26	94	3
100	68	65	Moore	75	113	220	108	40	23	51	157	219	227
87	72	66	Fannin	66	89	82	163	97	196	44	120	69	197
129	85	67	San Saba	29	197	91	241	51	103	95	118	176	104
77	70	68	Wilson	120	49	236	192	145	169	5	61	38	177
102	77	69	Erath	98	77	67	118	168	64	124	110	34	142
73	93	70	Washington	146	88	79	17	122	133	52	99	87	109
109	78	71	Crockett	38	222	114	30	235	28	167	49	123	94
113	73	72	Caldwell	155	42	21	180	85	78	34	38	208	80
75	69	73	Jack	108	175	81	134	124	18	58	168	163	47
52	75	74	Armstrong	30	200	18	252	231	165	32	41	28	111
217	66	75	La Salle	18	184	86	29	174	86	134	130	195	209
62	88	76	Coke	28	226	93	246	99	202	59	85	73	42
94	67	77	Motley	8	239	25	199	215	97	86	66	144	172
55	76	78	Kerr	196	73	132	83	54	203	91	93	31	6
63	80	79	Burnet	126	74	141	131	104	87	183	108	66	5
111	54	80	Childress	27	186	126	91	86	224	160	204	97	92
72	89	81	Callahan	43	116	16	186	135	192	192	149	79	65
80	96	82	Montague	110	129	80	103	103	107	66	166	125	87
65	81	83	Throckmorton	1	239	205	235	226	49	103	81	106	71
95	86	84	Garza	68	195	175	194	55	172	28	91	239	41
67	79	85	Goliad	90	52	2	166	117	199	41	58	95	249
105	97	86	Bosque	36	132	109	143	196	183	25	137	145	98
82	87	87	Yoakum	84	176	112	122	142	10	121	152	198	120
108	64	88	Ochiltree	64	169	75	58	167	27	112	205	200	90
98	82	89	Martin	123	127	4	247	67	37	152	114	167	114
56	60	90	Galveston	244	190	218	8	49	39	37	86	17	237
42	83	91	Irion	53	203	36	199	195	143	190	13	51	43
157	115	92	Colorado	95	118	90	107	166	120	19	72	173	196
130	90	93	Lampasas	86	120	250	146	141	176	62	82	53	24
41	92	94	Fayette	137	101	32	38	173	59	69	50	93	229
90	94	95	Gaines	55	122	161	115	105	26	199	94	250	103
31	107	96	Kent	77	239	11	251	100	162	155	46	82	66
114	103	97	Delta	11	207	99	222	127	186	166	123	39	216
148	99	98	Andrews	213	137	144	151	11	33	162	95	215	117
136	101	99	Crane	26	209	157	191	210	62	104	117	218	32
86	91	100	Hale	141	90	164	116	53	149	140	147	146	110
57	84	101	Lipscomb	14	224	40	229	236	54	118	70	86	201
154	95	102	Potter	252	23	98	9	16	45	128	252	119	62

1. There is no county variation in Governance, all counties have been given the state score value. Texas is the 38th ranked state for Governance.

The U.S. Prosperity Index, Texas county rankings¹

ranks 103–153



2010 Rank	2019 Rank	2020 Rank	County	Safety and Security	Personal Freedom	Social Capital	Business Environment	Market Access and Infrastructure	Economic Quality	Living Conditions	Health	Education	Natural Environment
96	119	103	Bastrop	238	30	14	171	63	125	27	22	155	168
149	113	104	Jackson	104	146	138	102	201	77	74	138	54	198
133	110	105	Fisher	73	215	50	244	108	121	175	45	47	184
174	108	106	Concho	10	211	43	161	178	182	211	32	243	75
119	105	107	Donley	52	225	39	130	245	160	143	113	16	189
81	100	108	Hardin	129	50	1	218	107	207	150	122	78	16
117	106	109	Parmer	50	171	136	114	183	35	144	144	216	164
155	98	110	Nacogdoches	176	61	123	67	36	161	206	231	63	52
74	139	111	Franklin	169	166	87	138	159	152	67	109	21	152
204	109	112	Robertson	114	141	34	165	57	128	68	124	126	253
126	133	113	Hunt	225	41	110	144	95	73	73	68	96	107
99	121	114	Brewster	139	173	46	77	194	209	145	62	15	48
179	112	115	Deaf Smith	130	130	226	87	179	17	71	107	210	83
165	145	116	Hill	111	85	106	153	185	189	24	163	117	57
132	122	117	Castro	83	183	149	141	150	41	142	174	180	181
183	140	118	Van Zandt	62	67	97	176	175	218	135	87	132	134
187	111	119	Orange	180	44	6	88	92	40	119	248	118	235
88	104	120	Stephens	112	172	115	69	131	135	80	190	205	37
84	118	121	Lee	88	142	165	48	163	70	203	141	139	182
110	102	122	Ector	249	19	92	59	15	29	148	193	225	17
143	123	123	Wood	128	76	127	104	154	200	85	119	103	64
89	117	124	Coryell	145	59	251	140	59	236	45	153	84	28
151	120	125	Angelina	168	55	201	78	46	147	173	215	116	140
115	114	126	Hamilton	132	178	44	154	186	127	106	209	44	51
198	126	127	Gonzales	159	121	178	111	129	16	57	182	212	143
71	146	128	Upton	46	220	133	249	160	14	202	84	207	100
141	127	129	Victoria	230	10	3	54	69	102	126	201	161	226
103	128	130	Burleson	103	135	56	76	146	206	215	33	128	149
140	131	131	Waller	170	46	223	160	125	79	113	78	136	148
44	138	132	Hartley	133	201	83	250	164	30	40	28	151	176
120	143	133	Wichita	246	34	214	23	41	72	35	254	92	123
202	125	134	Mitchell	65	179	227	168	126	222	84	145	170	133
121	130	135	Refugio	71	188	119	189	133	220	156	79	149	132
139	129	136	Baylor	97	221	73	233	220	159	29	131	26	101
159	134	137	Hutchinson	189	115	143	150	48	85	23	173	154	242
60	116	138	Loving	44	239	182	199	114	131	169	65	224	175
245	135	139	Hardeman	35	214	35	129	205	58	222	238	183	129
182	152	140	Bailey	58	191	156	113	177	67	102	189	248	86
172	124	141	Wheeler	57	205	57	89	252	22	231	128	143	77
161	136	142	Wilbarger	185	153	211	80	24	31	214	227	178	211
85	141	143	Collingsworth	34	231	24	101	254	105	194	162	41	202
146	144	144	Bell	240	32	252	92	29	164	55	154	99	20
190	137	145	Palo Pinto	113	96	162	149	158	99	98	167	189	158
150	164	146	De Witt	179	124	167	24	190	48	30	142	199	112
234	166	147	Edwards	42	238	17	199	239	181	151	39	179	50
158	147	148	Medina	188	48	240	152	165	195	60	75	64	23
93	150	149	Panola	119	108	139	112	176	124	178	203	113	93
66	156	150	Live Oak	178	157	116	82	96	93	87	54	160	239
135	148	151	Walker	162	58	140	162	83	221	137	202	120	38
170	132	152	Lamar	191	72	189	84	75	57	176	232	111	205
45	159	153	Reagan	48	217	202	248	204	9	120	97	235	121

1. There is no county variation in Governance, all counties have been given the state score value. Texas is the 38th ranked state for Governance.

The U.S. Prosperity Index, Texas county rankings¹

ranks 154–205



2010 Rank	2019 Rank	2020 Rank	County	Safety and Security	Personal Freedom	Social Capital	Business Environment	Market Access and Infrastructure	Economic Quality	Living Conditions	Health	Education	Natural Environment
142	157	154	Comanche	134	151	142	123	109	157	233	155	98	61
123	155	155	Dickens	107	234	94	31	242	223	109	74	59	97
191	161	156	Red River	93	161	108	185	74	175	228	229	135	191
186	151	157	Nueces	251	17	248	32	26	69	83	53	121	244
163	162	158	Val Verde	118	70	206	110	140	140	132	104	231	147
127	149	159	Jeff Davis	61	233	23	199	246	215	208	18	29	144
70	153	160	Knox	158	219	30	242	82	142	165	73	83	155
147	167	161	McCulloch	78	181	158	15	225	96	232	195	187	79
166	142	162	Crosby	20	193	58	199	223	145	147	115	244	138
91	154	163	Haskell	49	199	128	225	52	217	217	192	165	146
124	178	164	Nolan	235	109	159	86	34	119	129	247	110	115
122	163	165	Gray	229	111	145	94	90	68	39	221	152	179
162	184	166	Leon	72	139	174	61	212	219	90	194	104	219
160	174	167	Brown	198	82	102	81	211	136	43	197	67	131
173	160	168	Bowie	223	57	217	36	81	208	48	244	57	166
203	169	169	Uvalde	202	99	198	100	144	122	33	134	220	54
189	172	170	Upshur	140	60	146	164	213	194	26	181	89	165
145	171	171	Culberson	1	235	212	199	143	178	154	228	246	223
116	158	172	Dallam	203	187	53	21	130	4	111	216	247	222
128	168	173	Terrell	109	239	65	199	237	116	180	80	46	108
106	175	174	Chambers	224	53	194	190	111	129	93	52	18	243
167	176	175	Eastland	157	134	47	126	191	84	213	161	109	70
171	170	176	Llano	101	119	147	63	206	240	220	88	101	27
194	173	177	Hockley	194	107	118	85	208	71	177	103	112	45
228	194	178	Navarro	183	71	207	99	139	114	65	132	177	225
207	179	179	Cameron	210	3	243	72	61	227	193	98	182	141
107	165	180	Aransas	241	104	113	65	60	242	96	169	72	89
206	181	181	Howard	239	84	197	127	28	98	64	236	229	171
185	180	182	Cottle	25	239	105	245	218	146	149	146	217	126
153	191	183	Jones	177	94	26	142	116	225	153	139	203	72
176	186	184	San Patricio	222	43	247	169	62	171	94	101	174	151
177	185	185	Frio	92	128	230	157	118	212	100	125	253	82
230	189	186	Henderson	214	56	129	148	115	109	184	218	124	173
215	199	187	Atascosa	195	51	246	173	162	113	14	165	188	218
239	205	188	Webb	215	1	231	128	68	216	218	121	166	162
195	183	189	Kinney	40	218	42	199	253	251	115	23	164	76
211	198	190	Winkler	31	182	184	175	217	156	164	214	252	159
227	177	191	Dimmit	24	165	229	188	153	112	250	188	240	183
144	196	192	Runnels	122	168	117	226	155	153	182	151	147	59
180	193	193	Grimes	190	97	192	158	98	115	138	187	172	230
32	203	194	Clay	151	123	155	227	89	201	212	148	56	170
152	182	195	Milam	115	103	191	147	87	177	197	198	141	250
197	187	196	Bee	136	91	210	184	121	228	172	159	196	96
181	188	197	Wharton	205	79	204	66	197	66	92	196	159	213
216	195	198	Hidalgo	206	2	254	64	35	246	186	102	137	180
196	192	199	Ward	187	160	111	105	207	43	116	250	213	29
168	190	200	Freestone	85	126	135	178	110	214	157	235	142	252
188	197	201	Pecos	175	143	120	139	138	158	159	150	227	192
200	201	202	Harrison	197	47	151	37	161	82	207	240	115	241
184	202	203	Gregg	243	236	171	10	157	89	163	210	77	203
224	200	204	Jefferson	253	22	7	51	79	83	170	234	140	251
134	207	205	Swisher	201	185	150	224	88	108	136	129	222	137

1. There is no county variation in Governance, all counties have been given the state score value. Texas is the 38th ranked state for Governance.

The U.S. Prosperity Index, Texas county rankings¹

ranks 206–254



2010 Rank	2019 Rank	2020 Rank	County	Safety and Security	Personal Freedom	Social Capital	Business Environment	Market Access and Infrastructure	Economic Quality	Living Conditions	Health	Education	Natural Environment
205	220	206	Karnes	193	144	215	62	229	168	133	59	181	178
178	210	207	Titus	208	92	152	44	78	141	130	170	175	254
156	209	208	Calhoun	245	112	181	97	84	46	141	143	131	248
137	208	209	Rains	41	162	131	217	241	210	226	178	114	136
199	212	210	Coleman	131	177	72	121	216	101	239	237	221	58
221	206	211	Kleberg	219	93	195	120	171	150	146	200	127	200
169	214	212	Real	60	223	216	230	234	197	181	171	194	25
192	213	213	Camp	167	155	130	79	240	188	201	220	71	118
201	218	214	Hall	81	229	137	55	251	155	234	207	204	174
164	204	215	Rusk	233	54	160	71	42	198	179	223	158	245
235	215	216	Houston	121	110	170	26	227	226	235	175	185	185
131	219	217	Lynn	186	194	37	228	148	185	185	186	85	153
225	217	218	Shelby	161	102	166	41	202	132	241	199	184	215
214	226	219	Liberty	228	40	234	181	123	235	97	222	192	26
226	211	220	Maverick	127	64	224	183	134	248	221	245	211	69
248	225	221	Brooks	99	189	244	238	56	204	245	249	193	167
238	222	222	Cherokee	217	68	190	137	152	180	230	213	107	199
212	221	223	Jim Wells	221	80	219	93	93	170	237	185	197	204
231	223	224	Madison	150	149	153	167	250	167	187	212	157	124
220	216	225	Jim Hogg	9	206	232	232	244	244	219	92	228	169
193	228	226	Hudspeth	17	133	249	199	80	232	252	136	251	234
232	224	227	Zapata	70	148	235	239	132	191	249	105	238	122
223	229	228	Matagorda	226	83	196	179	136	151	205	184	162	231
218	227	229	Newton	56	150	176	237	184	254	204	180	186	31
219	230	230	Cochran	156	232	84	40	193	163	247	217	237	163
243	233	231	San Jacinto	152	100	177	198	199	233	198	172	234	53
233	241	232	Lamb	144	152	185	219	182	111	171	230	191	232
237	238	233	Sabine	124	167	124	187	249	238	240	158	105	208
240	234	234	Anderson	212	65	183	125	170	187	227	246	169	214
209	231	235	Jasper	165	87	154	155	169	237	189	225	190	236
210	237	236	Morris	218	158	96	216	222	144	161	183	100	212
242	244	237	Marion	174	170	95	195	181	239	195	233	171	220
175	247	238	Kenedy	171	239	8	199	247	63	246	76	202	228
208	232	239	Terry	172	156	221	117	200	184	238	206	236	84
213	239	240	Falls	96	105	104	220	102	241	243	251	245	194
97	235	241	Floyd	216	198	74	231	112	205	158	156	232	150
241	243	242	Willacy	192	114	222	193	32	252	236	239	233	157
236	240	243	Dawson	234	154	209	68	209	174	225	219	206	36
249	236	244	Reeves	200	145	180	182	192	247	168	127	242	106
247	245	245	Limestone	204	106	169	96	151	231	223	242	201	238
244	242	246	Presidio	22	192	172	254	248	234	251	133	249	130
222	246	247	Tyler	209	117	125	221	172	245	216	177	223	21
246	249	248	Starr	166	62	242	196	101	253	242	226	226	187
252	252	249	Trinity	91	147	186	240	232	250	224	253	214	91
251	248	250	Polk	184	75	228	159	187	243	244	243	209	206
250	251	251	Cass	207	95	203	172	230	230	229	211	88	247
254	250	252	Zavala	82	159	239	243	188	211	253	191	254	63
229	253	253	Duval	182	164	237	197	189	213	248	179	241	154
253	254	254	San Augustine	211	180	188	223	233	249	254	241	230	74

1. There is no county variation in Governance, all counties have been given the state score value. Texas is the 38th ranked state for Governance.

Methodology and Acknowledgements





Methodology

The United States Prosperity Index has been developed as a practical tool to help identify what specific action needs to be taken to contribute to strengthening the pathways from poverty to prosperity across the 50 states of the U.S., and the District of Columbia, and the 829 counties within the eight selected states, on the promotion of their citizens' flourishing, reflecting both wealth and wellbeing at a state and local level.

To cover both economic and social wellbeing, and not just one or the other, the U.S. Prosperity Index faces the challenge of finding a meaningful measure of success at state and county level. We endeavor to create an Index that is methodologically sound. This is something that the Legatum Institute has sought to achieve with academic and analytical rigor over the past decade in its work on The Legatum Prosperity Index™.

Building upon the structure of the global Prosperity Index in 2019, we worked with around forty U.S. academic and policy experts (see page 98 for a full listing) with particular expertise on the different aspects of prosperity, in a U.S. context, to develop an appropriate taxonomy that accurately defines prosperity in the U.S. Over multiple iterations, through many meetings and subsequent correspondence, we discussed these concepts and developed a taxonomy that captured the characteristics across the three domains of prosperity: Open Economies; Inclusive Societies; and Empowered People. Through this engagement we constructed a U.S.-focused Prosperity taxonomy that contained 11 pillars and 48 policy-focused elements.

Creating the state level Prosperity Index required the identification and application of datasets that captured the different characteristics of prosperity for each of the 50 states of the Union and D.C., for which our expert panel provided invaluable guidance on the most appropriate datasets. The state-level Index was first published in 2019, and since last year we have made some minor improvements and modifications to the Index. These include using several new and alternative data sources, equally weighting the domains of the Index and adjusting the approach used for a few indicators. Full details of these changes can be found in the methodology report, available at www.usprosperity.net.

We have also applied the U.S. prosperity taxonomy at a county level to construct a county-level Index for eight selected states: California, Colorado, Georgia, Iowa, Montana, New York, Oklahoma and Texas, covering the 829 counties within them. This county-level Index has been designed to mirror the state level Index as closely as possible, so they can work hand in hand in informing decision-making at the different geographical levels.

These two indexes aim to capture the richness of a truly prosperous life, moving beyond traditional macro-economic measurements of the prosperity of a state or county, which rely solely on indicators of wealth such as average income per person (GDP per capita). It seeks to redefine the way we measure success, changing the conversation from what we are getting to who we are becoming. This makes it an authoritative measure of human progress, offering a unique insight into how prosperity is forming and changing across the nation.



Step by Step

1

Selecting the indicators

Having established the taxonomy for measuring prosperity across the U.S., the next stage was to identify and capture the data variables that best measure the different characteristics of prosperity in the U.S. at a state and county level.

In constructing the state level Index, we identified the most relevant indicators within each of the 48 elements, driven by a set of selection criteria as well as advice from external experts on U.S. data and research around each pillar. We used an extensive variety of publicly available data sources that gave comprehensive coverage of all 50 states and D.C. This list was refined based on input from the academic and policy experts in each pillar area, who advised on the reliability of data sources, alternative measures, and the credibility of indicators' measurement. This resulted in 216 indicators from over 80 different sources, grouped into 48 discrete policy-focused elements and 11 pillars of prosperity. Each of the 11 pillars captures a fundamental theme of prosperity, and each element helps to capture discrete policy areas measured by the indicators. Each pillar has between three and six elements, and each element has between one and nine indicators.

In constructing the county-level Index, we wanted to mirror as closely as possible the state level Index. This involved sourcing county-level data for the indicators used for state level index. Of the 216 indicators in the state level Index, we have sourced over 130 indicators at county or other sub-state levels (e.g. Metropolitan Statistical Areas — MSAs). For certain indicators, the state value for the indicator is relevant for all counties within a state (e.g. whether anti-discrimination laws have been enacted within a state). However, for approximately 60 indicators, whilst we expect there to be underlying county variation, county-level data was not publicly available. For these 60 indicators, we have used the state figure for each county in the state, as an indicative proxy. This approach has the advantage in that it provides some variation when comparing the performance of individual counties across the different states but does not impact the effectiveness of the Index when making comparisons between counties within each state. Hopefully, over time, these indicators will become available at a county level and we can replace the state average with more relevant county data.

2

Standardisation

The indicators in each Index are based on many different units of measurement, including numbers of events, years, percentages and ordinal scales. These different units need to be normalized for comparison between indicators and geographic entities to be meaningful. We employ a distance to frontier approach for this task. In the state level index, a state's performance in an indicator is compared with the value of the observed or logical best case, as well as that of the observed or logical worst case, to create a normalised score between 0 and 1. The same approach is used in the county level index, with a wider set of best and worse values, where the range of the observed or logical data is wider than that at state level. As a result, the distance to frontier score captures a state's relative position in the state-index and a county's relative position in the county-index. (Where state values are applied at the county level, the state set of best and worse values are applied). This approach also enables us to compare Index scores over time in each of the respective indexes, to understand whether a state or a county's performance is improving or weakening over time.

3

Indicator weights

Each indicator is assigned a weight, reflecting the level of importance it has in affecting prosperity. Weights fall into four buckets: 0.5, 1, 1.5, and 2. Each indicator is weighted as 1 by default, but based on its significance to prosperity, this may be adjusted downwards or upwards accordingly. For example, an indicator with a weight of 2 means that it is twice as important in affecting the element as another indicator in that element with a weight of 1. Weights in the state level index were determined and the same weighting was applied to the county-index, with several exceptions (please see our separate methodology report for full details). Two factors were used in determining weights, ordered by priority: (1) the relevance and significance of the indicator to prosperity, as informed by the academic literature and our experts' opinions, and, to a lesser degree, (2) the statistical significance of the indicator to the productive capacity and wellbeing of a state, as measured by Cantril's Ladder.

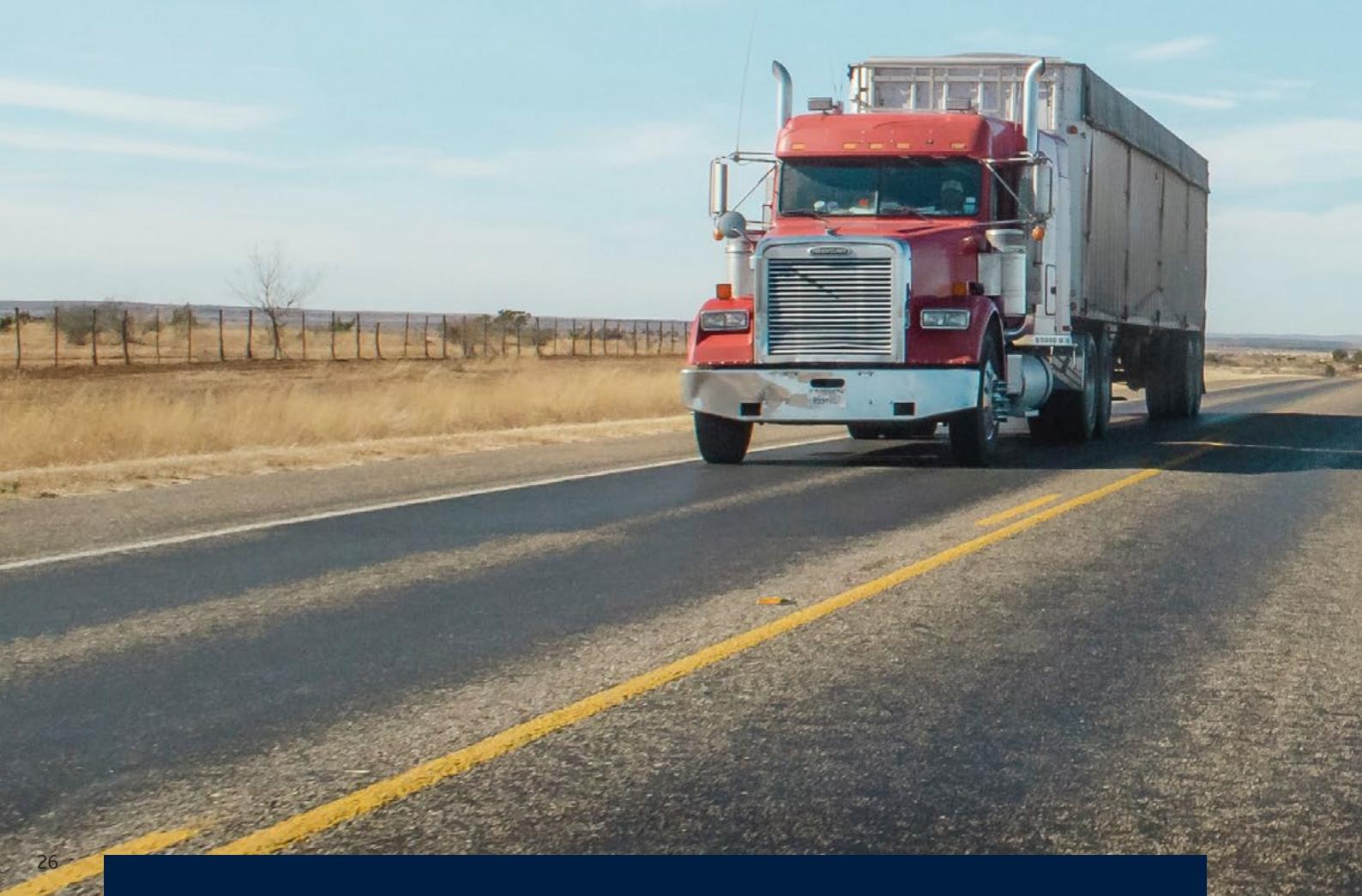
4

Element, Pillar, Domain and Index scores

Within each of the 11 pillars, indicators' distance to frontier scores are multiplied by their weights and then summed to generate element scores and subsequently pillar scores for each state in the state level index and each county in the county level index. Element weighting was determined in the same manner and applied using percentages. Whilst indicator weights represent their relative significance within the corresponding element only, element weights are comparable across the Index. Once pillar scores are established, these are aggregated into domains with an equal weight applied to each pillar to determine a domain score.

Subsequently, the index score is determined by assigning an equal weight to each of the domains, the mean of which yields an overall score on which the overall prosperity rankings are based. This marks a slight change from the methodology last year, where equal weights were given to each pillar, rather than each domain.

While the Index score provides an overall assessment of a state's or county's prosperity, each element, pillar and domain score serve as a reliable guide to how that state or county is performing with respect to a particular foundation of prosperity.



NOTE ON AVERAGES

When calculating scores for the U.S., we take a population-weighted average score. This is because we want to capture the effect on individuals. For example, if two states improve their score, then the more populous state will have a greater effect on the national score than the less populous state.

COMPARABILITY OF THE U.S. INDEX WITH THE GLOBAL INDEX FOR THE U.S.

In the Global Prosperity Index, we also calculate element, pillar and prosperity scores for the United States. The global taxonomy for prosperity is slightly different to the U.S. taxonomy for prosperity. For example, there are 65 policy focused elements and 12 pillars of prosperity in the global Index, whereas there

are 48 policy focused elements and 11 pillars of prosperity in the U.S. Index. Furthermore, the indicators used in each Index, whilst trying to capture the same aspects where the elements are the same, maybe slightly different. The global Index will use sources that cover the countries of the globe, while the sources used for the U.S. Index will cover the states and counties of the U.S.

The aggregation approach in producing each Index is the same, although the Distance to Frontiers and weights are applied in a manner that is appropriate to each Index. Combined with using different data sources and a slightly different taxonomy, caution should be exercised in comparing the results from each Index. Whilst there should be, and indeed is, some similarity in the overall findings between the two indexes there are also some differences.

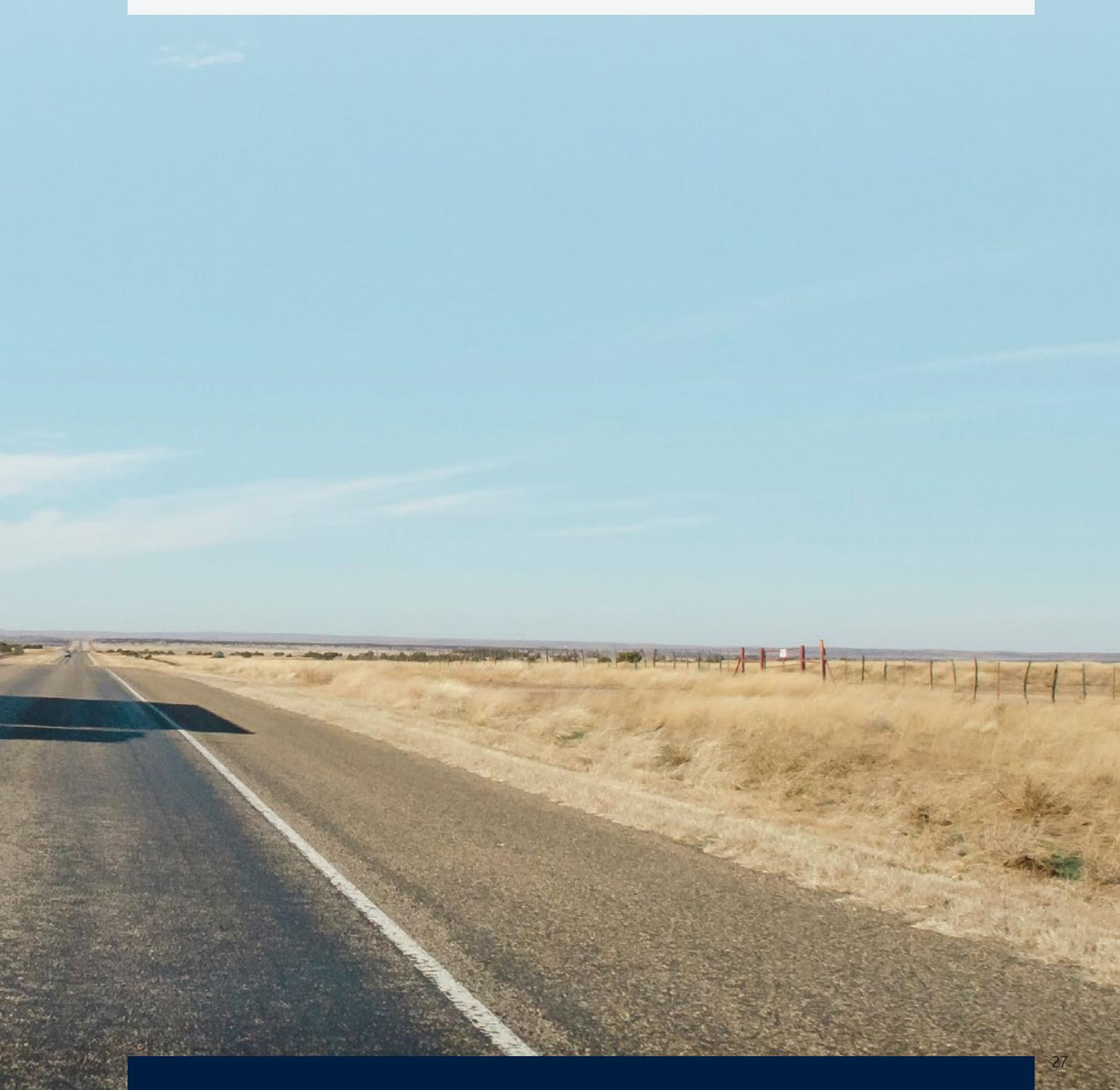


Table of sources

Source abbreviation	Source description	Data availability at state and/or county level
AAR	Association of American Railroads	State
ACLU	American Civil Liberties Union	State
ANES	American National Election Studies	State
ATRF	American Tort Reform Association	State
Ballotp	Ballotpedia	State
BBN	BroadbandNow	State and county
BIEM	Brookings Institution Export Monitor	County
BRFSS	Behavioral Risk Factor Surveillance System	State and county
Cato	Cato — Freedom in the 50 States	State
CAWP	Center for American Women and Politics	State
CDC	Centers for Disease Control and Prevention	State and county
CHR	County Health Rankings	County
CJRP	Census of Juveniles in Residential Placement	State
CMS	Centers for Medicare & Medicaid Services	State
CNCS	Corporation for National and Community Service, Volunteering & Civil Life in America	County
CPI	Center for Public Integrity	State
CPS	Current Population Survey, Civic Engagement Supplement	State and county
Cuil.	Dave Cuillier	State
FA	Feeding America	County
FBI	Federal Bureau of Investigation Uniform Crime Reporting Statistics	State
FCC	Federal Communications Commission	State and county
FDIC	Federal Deposit Insurance Corporation	State and county
FI	Fraser Institute	State
FR	Federal Reserve	State
FTC	Federal Trade Commission, Consumer Sentinel Network	State and county
Gallup	Gallup Dailies	State
GT	Google Trends	State and county
GTD	Global Terrorism Database	State and county
GVA	Gun Violence Archive	State and county
HCAHPS	Hospital Consumer Assessment of Healthcare Providers and Systems	State and county
HJK	Henry J Kaiser Family Foundation	State
ICS	Institute for Corruption Studies	State
IJ	Institute for Justice	State
IMHE	Institute for Health Metrics and Evaluation	State and county
JBEN	Bennett et al. 2019. "Particulate matter air pollution and national and county life expectancy loss in the USA: A spatiotemporal analysis".	County
Kauf	Kauffman Foundation	State and county
MAP	Movement Advancement Project	State
MIT	MIT Election and Data Science Lab coding of state policies	State
Mukh.	Mukherjee et al.	State and county
NAACP	National Association for the Advancement of Colored People	State
NACJD	National Archive Of Criminal Justice Data	County
NAEP	National Assessment of Educational Progress	State
NCAJ	National Center for Access to Justice	State

Source abbreviation	Source description	Data availability at state and/or county level
NCES	National Center for Education Statistics	State and county
NCIRD	National Center for Immunization and Respiratory Diseases	State
NCSL	National Conference of State Legislatures	State
NIEER	National Institute for Early Education Research	State
NIMP	National Institute on Money in Politics	State
NLCD	National Land Cover Database	State and county
NLIHC	National Low Income Housing Coalition	State
NSCH	National Survey of Children's Health	State
NTIA	National Telecommunications and Information Administration	State
NVCA	National Venture Capital Association	State and county
OECD	Organisation for Economic Cooperation and Development	State and county
Oreg.	State of Oregon	State and county
Pew	Pew Research Center	State
PNS	Prosperity Now Scorecard	State and county
Pol. Proj.	Polaris Project	State
PRRI	Public Religion Research Institute	State
QG	QuantGov	State
QS	QS World University Rankings	State
SAMHSA	Substance Abuse and Mental Health Services Administration, The National Survey on Drug Use and Health	State and county
SEDA	Stanford Education Data Archive	County
SPLC	Southern Poverty Law Center	State and county
TF	Tax Foundation	State
TP	Talk Poverty	State
UI	Urban Institute	County
USACS	United States Census Bureau, American Community Survey	State and county
USBEA	United States Bureau of Economic Analysis	State and county
USBJS	United States Bureau of Justice Statistics	State
USBLS	United States Bureau of Labor Statistics	State and county
USBTS	United States Bureau of Transportation Statistics	State and county
USCB	United States Census Bureau	State and county
USDA	United States Department of Agriculture	State
USDE	United States Department of Education	State
USDOL	United States Department of Labor	State
USEIA	United States Energy Information Administration	State and county
USEPA	United States Environmental Protection Agency	State and county
USFWS	United States Fish and Wildlife Service	State and county
USGS	United States Geological Survey	State and county
USHUD	United States Department of Housing and Urban Development	State and county
USPFT	United States Press Freedom Tracker	State
USPIRG	United States Public Interest Research Group	State
USPTO	United States Patent and Trademark Office	State and county
USRC	United States Religious Census	State and county
Wash. Post.	Washington Post	State and county

Acknowledgements

The United States Prosperity Index Team

The following team has worked tirelessly, and with huge passion and rigor, in producing the United States Prosperity Index. We are incredibly grateful for their dedication and hard work.

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Unless otherwise stated, all data is from the 2020 United States Prosperity Index.

All original data sources can be found in the methodology report and online at www.usprosperity.net.

We encourage you to share the contents of this document. In so doing, we request that all data, findings, and analysis be attributed to the 2020 United States Prosperity Index.

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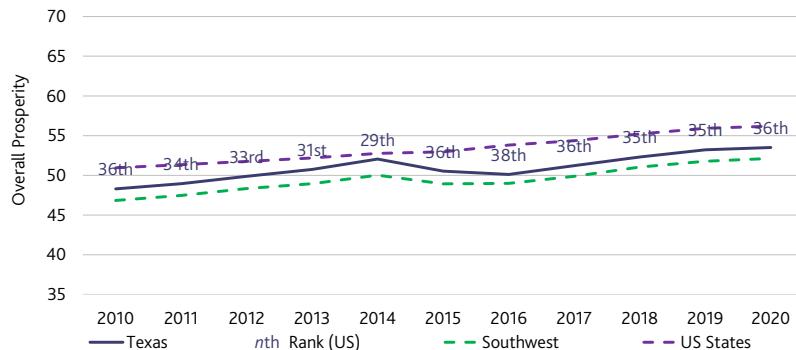
#USProsperity



Texas: Overall Prosperity 53.5 (36th)



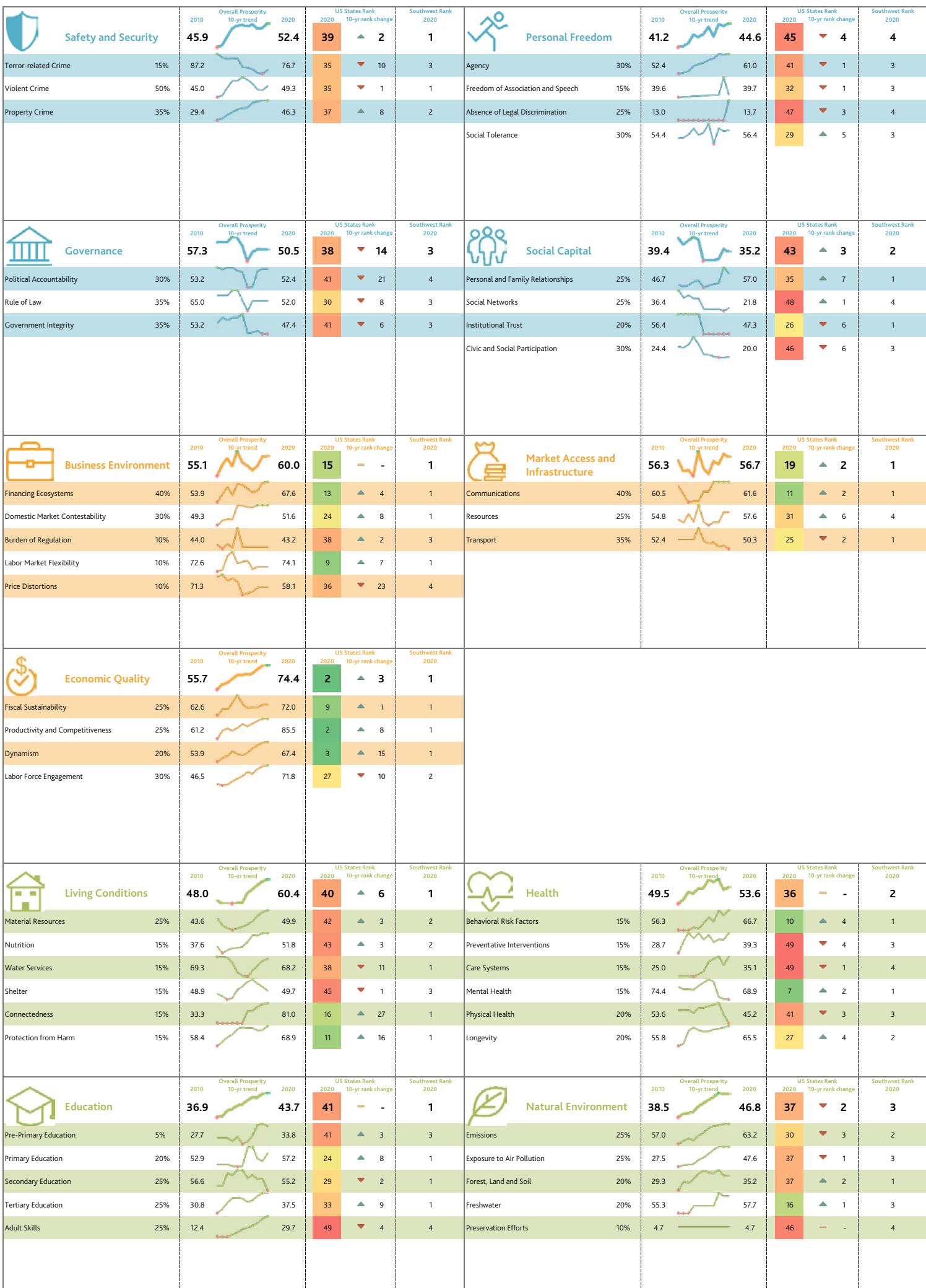
Prosperity over time



Breakdown of performance

	Score 10-year trend	2010	2020	Rank - US States (1 to 51) 2020	10-year rank change	Rank - Southwest (1 to 4) 2020
Overall Prosperity	48.3	48.3	53.5	36	-	1
Inclusive Societies	45.9	45.9	45.7	43	▼ 4	3
Safety and Security	45.9	45.9	52.4	39	▲ 2	1
Personal Freedom	41.2	41.2	44.6	45	▼ 4	4
Governance	57.3	57.3	50.5	38	▼ 14	3
Social Capital	39.4	39.4	35.2	43	▲ 3	2
Open Economies	55.7	55.7	63.7	3	▲ 1	1
Business Environment	55.1	55.1	60.0	15	-	1
Market Access and Infrastructure	56.3	56.3	56.7	19	▲ 2	1
Economic Quality	55.7	55.7	74.4	2	▲ 3	1
Empowered People	43.2	43.2	51.1	41	▲ 1	2
Living Conditions	48.0	48.0	60.4	40	▲ 6	1
Health	49.5	49.5	53.6	36	-	2
Education	36.9	36.9	43.7	41	-	1
Natural Environment	38.5	38.5	46.8	37	▼ 2	3

Texas (36th)





CREATING THE PATHWAYS FROM POVERTY TO PROSPERITY

PROSPERITY INDEX

The Legatum Institute is a London-based think-tank with a bold vision to create a global movement of people committed to creating the pathways from poverty to prosperity and the transformation of society.

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