

PROSPERITY INDEX



The United States
Prosperity Index
2021

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. Support for the county Index was provided in part by a grant from the Robert Wood Johnson Foundation, for which the Institute is very grateful. The Institute would also like to thank The Walton Family Foundation, in particular for their support towards the county Index during the past year. 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 \$3 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/RobertWoodJohnsonFoundation>.



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



Contents

Foreword	2
Executive summary.....	4
State-level findings	8
<i>Key findings</i>	10
<i>Mapping state prosperity in 2021</i>	12
<i>The pillars of U.S. prosperity at a glance</i>	13
<i>The United States Prosperity Index, rankings</i>	14
How to use the United States Prosperity Index.....	15
<i>Using the United States Prosperity Index</i>	17
<i>Guest essay: Getting recovery right, by Tyler Kleykamp</i>	21
Pillar profiles.....	25
<i>The building blocks of U.S. prosperity</i>	27
<i>Inclusive Societies</i>	28
<i>Guest essay: Rebuilding U.S. social capital in a polarized era, by Tim Dixon</i>	38
<i>Open Economies</i>	44
<i>Empowered People</i>	52
County-level findings.....	62
<i>The local nature of prosperity</i>	64
Methodology and Acknowledgements	90

Foreword



The United States stands tall on the global stage with much to be confident about and celebrate. It is one of the most prosperous countries in the world, ranking 18th out of 167 nations. It can be justifiably proud of its particularly strong and open economy, ranking 7th globally. In the decade to 2020, prosperity in the U.S. had been rising consistently, with all states benefiting from the improvement.

However, over the last year, the nation has faced three major challenges that are likely to be reflected upon as significant moments in U.S. history: the handling of a global pandemic and its consequences, a heavily contested presidential election, and increased tensions because of political, social and racial divisions. These all have a direct impact on what it means to have an inclusive society, an open economy, and empowered people – the building blocks of prosperity.

Even before the pandemic, other factors were acting as a brake on progress. Increases in suicides, drug overdose deaths and poor self-reported mental health reflect the deterioration of the Mental Health of Americans, which has fallen 21 places in the global rankings to 149th over the last decade, contributing to the nation ranking 59th globally for Health. There has been a steady increase in the frequency of mass killings and injuries, the high level of which is a factor in the U.S. ranking 66th globally on Safety and Security.

To create a more prosperous America, the new administration, seeking to address these and other challenges, must build on the nation's strengths and mitigate its weaknesses. To do so well, it is critically important to have a clear picture of the America it has inherited. This means understanding the true nature of these strengths and weaknesses at a local, state, and federal level across its institutions, economy, and the wellbeing of the people.

Through the generous support of The Leona M. and Harry B. Helmsley Charitable Trust, and with additional support from The Robert Wood Johnson Foundation and The Walton Family Foundation, the U.S. Prosperity Index provides a detailed and locally-based diagnosis of the underlying characteristics of the nation's prosperity. The Index uses a comprehensive set of indicators grouped into 48 policy-focused elements to present an update on the prosperity of the 50 states of the Union and Washington D.C., and an analysis of the prosperity across 1,196 counties in twelve selected states.*

By assessing a combination of institutional, economic, and social wellbeing measures, the Index can help frame an agenda through which the nation's interconnected challenges can be better understood and addressed. In particular, the Index reveals that the high levels of prosperity that enable the U.S. to stand tall on the global stage are distributed unevenly across the country, with significant disparities at state and local levels and among different groups in society.

Our analysis in this report shows that the key to unlocking greater prosperity in the U.S. lies in the potential for improvement in every state and county, and not just nationally. The response by state and local governments will be critical to the recovery. As political, social and racial divisions have widened, trust in the federal government is near historic lows. However, trust in local government has been stronger through the pandemic. The essay *Rebuilding U.S. social capital in a polarized era* illustrates how public trust in institutions is highest for those that are local, and that Americans' pride in their local community's handling of the COVID-19 pandemic was twice as strong as at a national level.

The Index has been intentionally designed to be a transformational tool at a local level. Its granular detail enables targeted policy responses that can drive tangible improvements in prosperity. Following the recently announced \$1.9 trillion American Rescue Plan (ARP), the Index is available for state and county leaders, to support them in their decision making on how and where best to focus these important resources. Combined with additional local insight and demographic data, this will enable a roadmap of targeted interventions to be developed that will benefit all Americans. The essay *Getting recovery right* discusses the need for states and counties to invest in the necessary data infrastructure and systems so they are best placed to utilize resources to address local challenges. It offers some reflections on how the Index can guide this process.

* California, Colorado, Florida, Georgia, Iowa, Kentucky, Minnesota, Montana, Nebraska, New York, Oklahoma and Texas.

While acknowledging the considerable challenges the nation is facing, there is much to be hopeful about when considering prosperity in the U.S. Its high global ranking and the long-term improvement across many aspects of U.S. society will provide a strong foundation upon which to reset and rebuild as it emerges from these challenging times. Innovation and dynamism will be critical to forging strong economies following the disruption of the pandemic. Hence, it is encouraging to see the entrepreneurial spirit already rising, with the number of new business applications in 2020 being the highest on record, and that this trend has continued into 2021.

We are keen to work with those who wish to play their part in building a more prosperous America. Over the past year, we have been encouraged to hear about the different ways the Index is already being used to effect change across the country, from informing the community needs assessments of rural hospitals in Montana to helping make the case for legislative change to reduce high healthcare costs in Mississippi and by a community foundation to shape their strategic priorities.

Our ambition is that other 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. 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 overall please contact us at info@li.com, or visit the dedicated website at www.usprosperity.net.

A handwritten signature in black ink, appearing to read "Stephen Brien".

Dr. Stephen Brien
Director of Policy, Legatum Institute

Executive summary

The following key findings emerge from the 2021 United States Prosperity Index.

- **The United States is one of the most prosperous countries in the world, ranking 18th out of 167 nations.**
- **Prosperity is distributed unevenly across the country.**
- **U.S. prosperity had been rising continuously for more than a decade.**
- **Prosperity weakened between 2020 and 2021, but a strong resurgence in new business applications signals hope for the recovery.**
- **Even prior to COVID-19, there were some significant challenges acting as a brake on U.S. prosperity.**

THE UNITED STATES IS ONE OF THE MOST PROSPEROUS COUNTRIES IN THE WORLD

The United States continues to be one of the most prosperous nations globally and is well positioned to prosper in the future. The U.S. business environment actively supports startups, promotes competition and expansion, and innovation and ideation are encouraged, which results in a very strong global ranking of 4th for Enterprise Conditions. It ranks 10th in the world for its Investment Environment: U.S. businesses have good access to capital from domestic and international sources, and there are strong property rights and protections in place for investors.

In addition to its many strengths, however, the country faces some significant challenges that are holding it back from performing even more strongly on the global stage. In particular, the United States ranks 66th on Safety and Security, on par with Morocco, and 59th on Health, weaker than Croatia. These weaknesses, which are experienced across many parts of the country, are acting as a brake on further progress.

PROSPERITY IS DISTRIBUTED UNEVENLY ACROSS THE COUNTRY

The Northeastern states exhibit the highest levels of prosperity, with Massachusetts almost always the top-performing state over the past decade. Outside the Northeast, **Minnesota (3rd)** and **Utah (5th)** also perform well. The Southeastern states are the least prosperous, with Mississippi the weakest-performing state in 2021 and in five of the past 11 years, and Arkansas the weakest in other years. The distribution of prosperity among counties in a state varies significantly across the 12 states. In **Nebraska (14th)** and **Oklahoma**

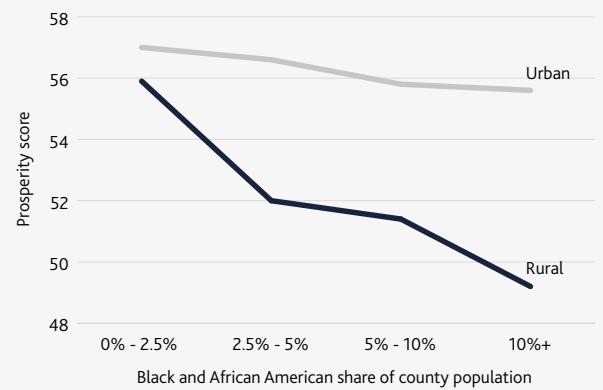
(47th), for example, all counties share similar levels of prosperity, whereas in **California (25th)** and in many of the other states, there is much greater variation in prosperity among the counties. On the whole, urban counties are more prosperous than rural counties, although this is not universally the case. For example, Yuma County in Colorado has a population of around 10,000 but it ranks within the top 100 counties across the 12 states due to low crime and a strong business environment.

The socioeconomic differences that exist across the United States are reflected by race and ethnicity, and by place. For example, prior to the pandemic, one in two adults in a White family were degree-educated, compared to less than one in four for a Black family.¹ Furthermore, among those without college education, a Black American was nearly twice as likely as a White American to be unemployed (15.4% vs. 8.4%).²

Population demographics interact with county prosperity. Prosperity levels across urban and rural counties can vary considerably, depending on the share of the resident population from Black and African American backgrounds. For example, counties that have a Black population share of less than 2.5% exhibit similar levels of prosperity, irrespective of whether they are urban or rural. But in rural counties, prosperity is weakest in counties that have the highest Black population share (dark blue line in the chart). In urban counties, however, prosperity levels are broadly the same irrespective of the share of the Black population (grey line).

While this pattern is broadly consistent across the different characteristics of prosperity, there are a few notable exceptions. For example, Safety and Security is weakest in counties that have the highest black population share, across both urban and rural areas,

Prosperity of urban and rural counties, by Black and African American population share, 2021



although Safety and Security is weaker in urban counties than in rural counties across all four groups. Additionally, Infrastructure is strong in big cities, which have high Black share of population.

This fairly simple analysis suggests that the experiences of Black and African Americans across many aspects of society are variable when where they live is taken into account. To comprehend fully how prosperity is built and distributed across different ethnic and racial groups, further investigation is necessary, and we will be exploring that in greater detail in future editions.

U.S. PROSPERITY HAD BEEN RISING CONTINUOUSLY FOR MORE THAN A DECADE

Prior to the pandemic, U.S. prosperity had been rising year-on-year for over 10 years, due to long-term improvements across many aspects of U.S. society including the economy, education and crime, and as a result of Americans smoking and drinking less.

Increased productivity

The U.S. economy responded strongly following the global financial crisis, enjoying the longest period of economic growth in its history. The increase in prosperity was in part due to a steady increase in productivity and competitiveness. Labor productivity and the per-capita value of exported goods increased by over 10%, and the export value of non-manufactured goods increased by over 60%. Maryland and Massachusetts were among the 10 most improved states, with a number of other states seeing an increase in GVA per capita due to the fracking boom. Not all places in the U.S. improved, however, with six states experiencing a deterioration in productivity and competitiveness since 2011, with Wyoming and Idaho seeing the biggest decline. In Wyoming, labor productivity decreased from \$82 to \$76 per hour, whereas in Idaho, the per-capita value of manufactured goods decreased from \$1,950 to \$1,160.

Improved skills

The long-term improvement in U.S. prosperity was also the result of an increase in the skills of the adult population, as people became more educated. In 2009, 85% of adults had a high-school diploma, which had increased to nearly 89% by 2019; and the percentage that held a degree increased from 28% in 2009 to 33% by 2019, resulting in 20 million more degree-educated Americans in 2019 than there were in 2009. The strengthening of Adult Skills was widespread, with all states and nearly 94% of counties experiencing improvement, with Borden and McMullen counties in Texas and Meagher in Montana boasting major improvements. However, of the 76 counties in the Index that saw a deterioration in Adult Skills, over 40% are located in Texas.

Reductions in smoking and drinking

The rise in prosperity over the past decade has been a consequence of Americans becoming healthier overall, as rates of smoking and alcohol and pain-reliever abuse have all fallen. All states have experienced a reduction in smoking rates since 2011, with D.C., Oklahoma and Nevada seeing a reduction of over seven percentage points. In addition, all but 4 states and 107 counties saw a reduction in the percentage of residents who have an alcohol-use disorder, with Arizona, Kansas and New Jersey seeing the biggest decrease. Colorado, which saw the biggest state-level increase, is home to Denver county, which saw the percentage of the population with an

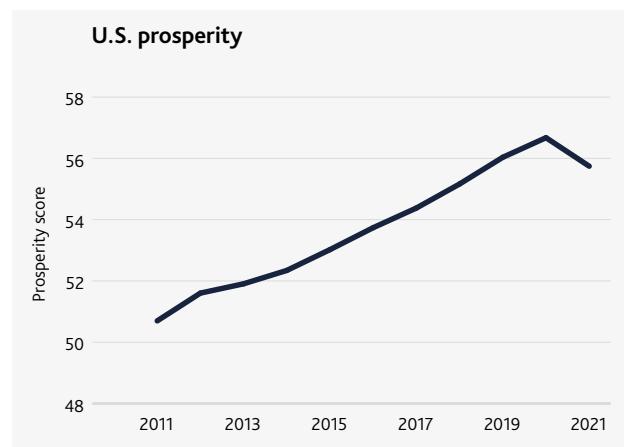
alcohol-use disorder rise from 8.2% to 10.5% over the past decade. Furthermore, all states but Iowa saw a reduction in pain-reliever abuse.

Falling property crime

Another contributor to improving prosperity prior to the pandemic was falling rates of property crime, with reductions in burglary, larceny and motor vehicle theft. Florida and Massachusetts saw the biggest improvement. Burglary rates, for example, fell in Florida from 955 to 292 incidents per 100,000 population over the last decade. Eight states experienced an increase in rates of property crime, since 2011, with North Dakota experiencing the biggest increase, where rates of motor vehicle theft increased from 133 to 234 thefts per 100,000 population and rates of larceny also increased.

PROSPERITY WEAKENED BETWEEN 2020 AND 2021, AS COVID-19 IMPACTED MANY ASPECTS OF U.S. SOCIETY

The direct and indirect impacts of the pandemic have resulted in many aspects of prosperity deteriorating over the past year. As the pandemic took hold, all but a handful of states introduced restrictions that curtailed other aspects of prosperity. Social Wellbeing, the economy, and institutional strength have all been impacted by the pandemic and how states have responded to it. Nonetheless, the U.S. entrepreneurial spirit has risen to the challenge, and the number of new business applications has been the highest on record, which bodes well for a post-pandemic recovery.



Health

Adult mortality rates, which were already on the rise prior to the pandemic, have been further impacted by the 600,000 covid-related deaths as of mid-2021. Between 2019 and 2020, the mortality rate for those aged 15-64 increased by 20% from 288 to 347 per 100,000 population, and the likelihood of a 65-year-old dying before they reach the age of 85, which had been falling in recent years, increased substantially from 49% to 57%. Both age groups are experiencing rates not seen since at least the late 2000s.

COVID-19 has had a significant impact on U.S. mental health. In a survey conducted by the Centers for Disease Control and Prevention (CDC) in June 2020, 40% of adults reported struggling with mental health or substance abuse, 13% reported starting or increasing substance use as a way of coping with stress or emotions related to

COVID-19, and one in four young adults reported having seriously considered suicide in the 30 days before completing the survey.³ Initial estimates show that more than 90,000 Americans died from overdoses in the 12-month period to October 2020, compared to roughly 70,000 drug deaths during the same period a year earlier.⁴

Education

Schools were closed across many states, resulting in millions of American pupils being denied a normal education, the impact of which they are likely to carry into their working lives. According to one study, a total of 24.2 million children aged 5 to 11 years were enrolled at public schools that were closed during the 2020 pandemic, losing a median of 54 days of teaching.⁵ Another study estimates that by the end of June 2021, students could lose five to nine months of learning, on average.⁶ Research by the Brookings Institution showed that while students in the Fall of 2020 performed as well as students in the Fall of 2019 in Reading, the achievement of students in Math in 2020 was about 5 to 10 percentage points lower when compared to same-grade students the year before.⁷

Living conditions

The poverty rate increased from 15% in February 2020 to 16.7% in September 2020.⁸ In addition, figures from U.S. Department of Housing and Urban Development show that the rate of homelessness increased by 2.2% between 2019 and 2020. Consequently, in 2020, 18 Americans in every 10,000 were homeless, equating to over 550,000 people — roughly equivalent to all residents of Wyoming being homeless.

Economic quality

Prosperity was weakened as restaurants, bars and non-essential retail closed. Shutting down certain parts of the U.S. economy resulted in 20 million non-farm workers losing their jobs. As a result of this action, unemployment spiked sharply upwards, from just over 4% in March 2020 to over 14% in April 2020. Although this has fallen back sharply since, it is still over 50% higher than it was pre-pandemic, and there were still eight million fewer jobs in April 2021 than in February 2020. No state was spared job losses, but some were hit harder than others. Nevada's unemployment peaked at nearly 30%, Michigan rose to nearly 24% and unemployment in a number of Northeastern states, including New York and Massachusetts, rose above 15%. All states have seen unemployment rates fall back since the peak in April 2020, although the rate of progress has been uneven. Nevada was one of six states still to have a rate above 8% in April 2021. Counties have been impacted unevenly, with urban counties being harder hit than rural counties. Rural counties experienced a two-percentage-point rise in unemployment, whereas urban counties saw a rise of 3.4 percentage points.

The early stages of the pandemic saw a fall in the number of new businesses applications, with an initial sharp decline from late March through May 2020.⁹ However, there was a resurgence in applications in June 2020, which continued through to May 2021. As a result, new business applications in 2020 were 20% higher than in 2019 and this was the highest annual figure since records began in 2004. The surge in new applications has been uneven across the U.S., with new applications especially numerous in Georgia, Florida

and Texas, with California, New York, and New Jersey seeing much less of a surge. Analysis, prior to the pandemic, shows that a surge in new business applications yielded substantial and significant increases in both business numbers and worker turnover over the subsequent four years, which is an encouraging sign for post-pandemic economic recovery.

Safety and security

Crime has fallen as a result of the pandemic, with robbery rates during the first six months of 2020 7% lower than in the same period of 2019, and property crime rates down 8%.¹⁰ However, by way of contrast, rates of identity theft significantly increased. Over the past few years, rates of identity theft have oscillated around 150 per 100,000 population. In the latest year the rate had risen sharply to nearly 400, although Kansas, Rhode Island and Illinois experienced rates in excess of 1,000 per 100,000 population. There was also an increase in fraud complaints during the pandemic. In 2019, the Federal Trade Commission received 1.7 million fraud complaints, which increased to 2.2 million in 2020.¹¹

EVEN PRIOR TO COVID-19, THERE WERE SOME SIGNIFICANT CHALLENGES ACTING AS A BRAKE ON U.S. PROSPERITY

Even before COVID-19 arrived in the U.S., there were a number of long-term challenges that were holding the nation back from performing even more strongly on the global stage, a number of which were affecting large parts of the country.

More mass shootings

The rise in mass killings and injuries over the past decade has devastated many communities and weakened Safety and Security across many parts of the nation. The United States ranks 122nd globally for Mass Killings and Injuries (including terrorism), just below Eritrea and just above Iran. Since 2013, death rates from mass killings in the U.S. have increased by over 50%, and injuries from such events have increased by 80%. More than half of the 50 states have been subject to at least one mass shooting in every year since 2013, and D.C. has seen a mass shooting every year except in 2014. Nearly 17% of counties across the 12 states have experienced at least one mass shooting since 2013 and ten counties have endured one in each year since then, five of which are in California. Hawaii, Idaho, New Hampshire and North Dakota are the only states not to have experienced a mass shooting since 2013.

Rising obesity

As mentioned above, there had been notable improvements in certain behavioral risk factors prior to the pandemic. Offsetting this are high and increasing rates of obesity, which contribute to the United States ranking 165th globally for the Behavioral Risk Factors element. Over 40% of adult Americans are now identified as obese, up from 33% in 2008. Self-reported obesity rates vary considerably by state and even more so by county. Colorado and D.C. have the lowest self-reported rate of all states, with less than one in four residents classifying as obese. Mississippi has the highest rate at over 40% followed by West Virginia. The obesity rate in Okfuskee county, Oklahoma, stands at 59% and in Candler county, Georgia, it is 53%. Georgia boasts the county with the lowest obesity rate, Taliaferro county at 13%, again highlighting the considerable disparity that

can exist within a state and emphasizing the need to consider more localized policies to address certain challenges.

Weakening mental health

Since 2016, the mental health of America has deteriorated year on year, with every state and D.C. having weaker mental health than in 2016. Even prior to the pandemic, the increase in the number of 'deaths of despair' — suicides and drug overdose deaths — was well documented,¹² claiming tens of thousands of American lives each year. These events have a devastating impact on family, friends and the wider community, but also cost the U.S. nearly \$80 billion a year in healthcare, lost productivity, addiction treatment and criminal justice involvement, according to the CDC. Delaware, Kansas and D.C. had seen the greatest deterioration in the five years leading up to the pandemic. In Delaware, drug overdose rates more than doubled to 48 deaths per 100,000 population, over twice the national rate. In Kansas, the prevalence of serious mental illness increased by a quarter, and the percentage of people reporting their mental health as not good increased by 40%. All but 6 of the 1,196 counties analyzed experienced a weakening in mental health since 2016, with 6 counties in Colorado seeing the biggest deterioration. Over the past decade there has been an increase in illicit drug-use disorders, with all but eight states seeing an increase. Over 5% of residents in Colorado are reported to have an illicit drug-use disorder, equivalent to nearly 300,000 people.

Declining social networks

U.S. Social Capital weakened between 2011 and 2016 but had been gradually improving since then, although more nuanced patterns emerge across the different elements within the pillar. Personal and Family Relationships have continued to strengthen since 2011, benefiting from reductions in divorce and teen birth rates and more frequent contact between friends and family. However, Social Networks continued to deteriorate over the past decade.

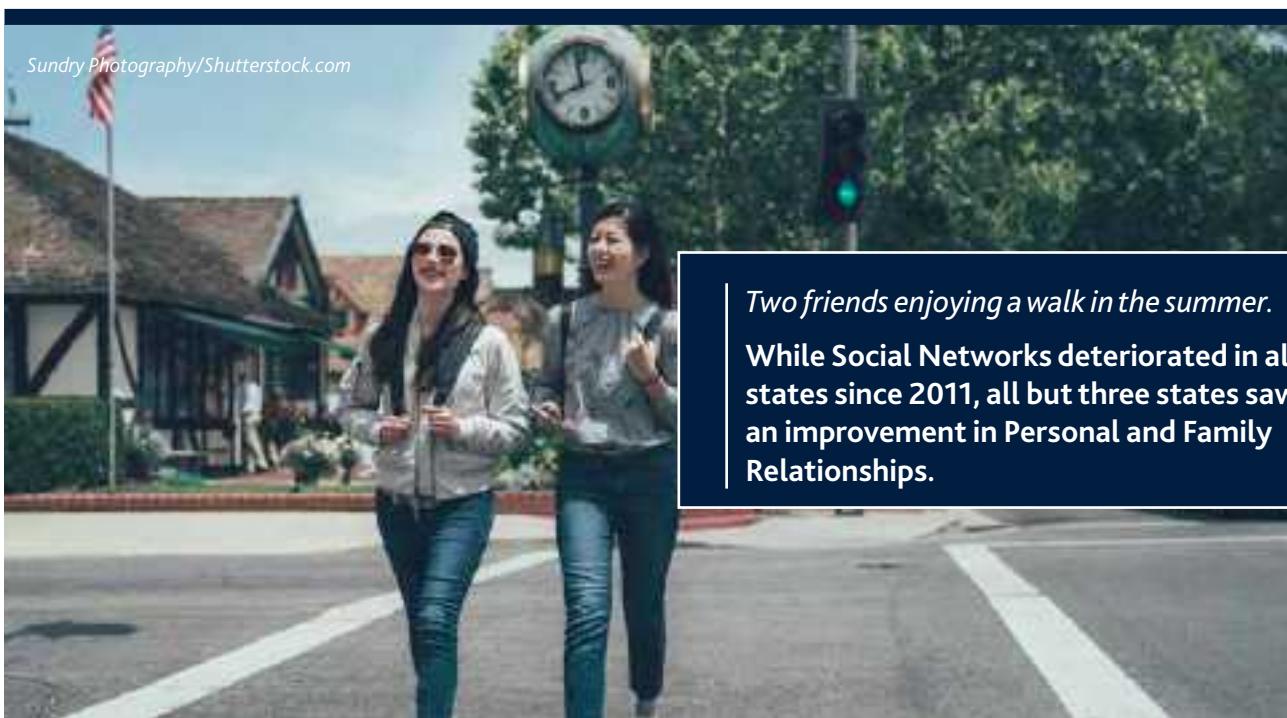
Just over half the population report frequently talking with neighbors, whereas a decade ago it was two-thirds. At the start of the pandemic, two in three Americans were not friends with their neighbors.¹³ While one in three Americans report not having a community to which they belong, this varies by group. For example, it rises to more than one in two for the Passive Liberals group, which represents 15% of Americans (see the essay *Rebuilding U.S. social capital in a polarized era*, written by Tim Dixon from More in Common).

CONCLUSION

The handling of a global pandemic and its consequences, a presidential election that has been highly contested by a significant proportion of Americans, the attack on Capitol Hill, and the conviction of a police officer for the murder of George Floyd are all likely to be reflected upon as significant moments in U.S. history. These all impact on establishing an inclusive society, an open economy and empowered people – the building blocks of prosperity. Even before these more recent events, there were a number of warning signs that were already undermining progress across many parts of the country.

In total, around \$6 trillion has been made available by the Federal Government to help states and counties recover and rebuild from the pandemic. Although the full impact of COVID-19 on state and county-level prosperity is yet to be fully understood and measured, the U.S. Prosperity Index provides a holistic and comprehensive framework for each state and county to identify its challenges and opportunities and determine the appropriate response.

As it looks to its future, America can draw inspiration and courage from how it has overcome significant challenges in the past and take confidence from a number of long-term improvements it has seen across many parts of its society, to reset and rebuild a more prosperous nation that will benefit all Americans.



Two friends enjoying a walk in the summer.

While Social Networks deteriorated in all states since 2011, all but three states saw an improvement in Personal and Family Relationships.



State-level findings

The United States Prosperity Index has been developed as a practical tool to help identify what specific actions need to be taken to strengthen the pathways from poverty to prosperity across the United States.

The state-level Index assesses the 50 states of the U.S., and the District of Columbia, on the promotion of their citizens' flourishing, reflecting both wealth and wellbeing. We worked with around 40 U.S. academic and policy experts (see page 100 for a full listing) with particular expertise in different aspects of prosperity in a U.S. context. This helped us to develop an appropriate prosperity taxonomy (see pages 28 and 29) that identifies the different

characteristics of prosperity for each of the 50 states of the Union and D.C. The state-level Index was first published in 2019 and updated in 2020. Since last year we have made some minor improvements and modifications to the Index (see the Methodology section on page 94), although these have been kept to a minimum to ensure consistency between years.

This next section provides the high-level insights from this year's Prosperity Index at state-level, which includes a map showing how prosperity is shared across the U.S. at state level, the overall U.S. performance on the 11 pillars over time, and the rankings of the 50 states and D.C. for prosperity and the 11 pillars.

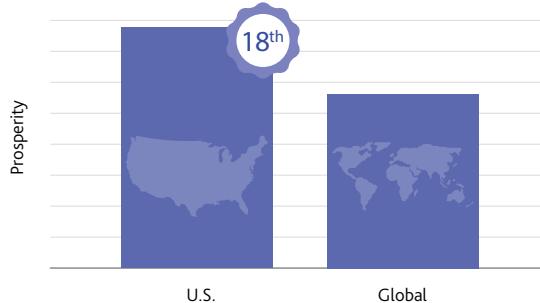




Key findings

The United States is one of the most prosperous countries in the world, ranking 18th out of 167 nations.

On the global stage, the U.S. remains one of the most prosperous nations. It has a particularly strong and open economy, ranking 4th in the world for Enterprise Conditions and 10th for Investment Environment.



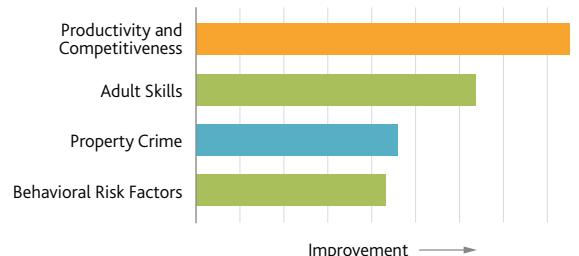
Prosperity is distributed unevenly across the country.

Prosperity is not equally shared across the United States, with disparities at state and county level and among different groups of society. Massachusetts continues to be the strongest-performing state and Mississippi the weakest.



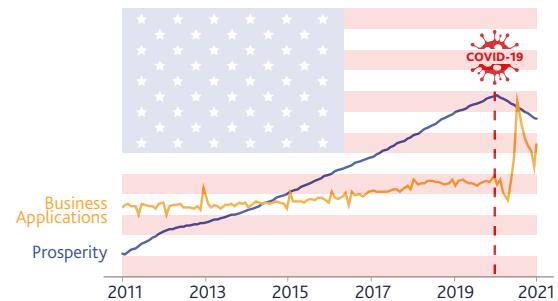
U.S. prosperity had been rising continuously for more than a decade, as a result of long-term improvements across many areas.

Increasing productivity and competitiveness, a more educated adult population, reductions in smoking and drinking, and lower levels of property crime had all contributed to more than a decade-long rise in prosperity.



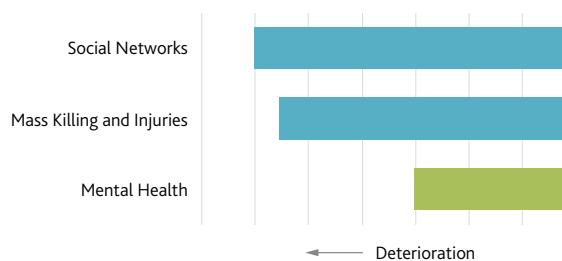
Prosperity weakened between 2020 and 2021 as COVID-19 impacted many aspects of U.S. society, but a strong resurgence in new business applications signals hope for the recovery.

The direct and indirect impacts of the pandemic resulted in many aspects of prosperity deteriorating over the past year and further consequences are still to be felt, but the number of new business applications has been the highest on record, signaling hope for a strong post-pandemic recovery.



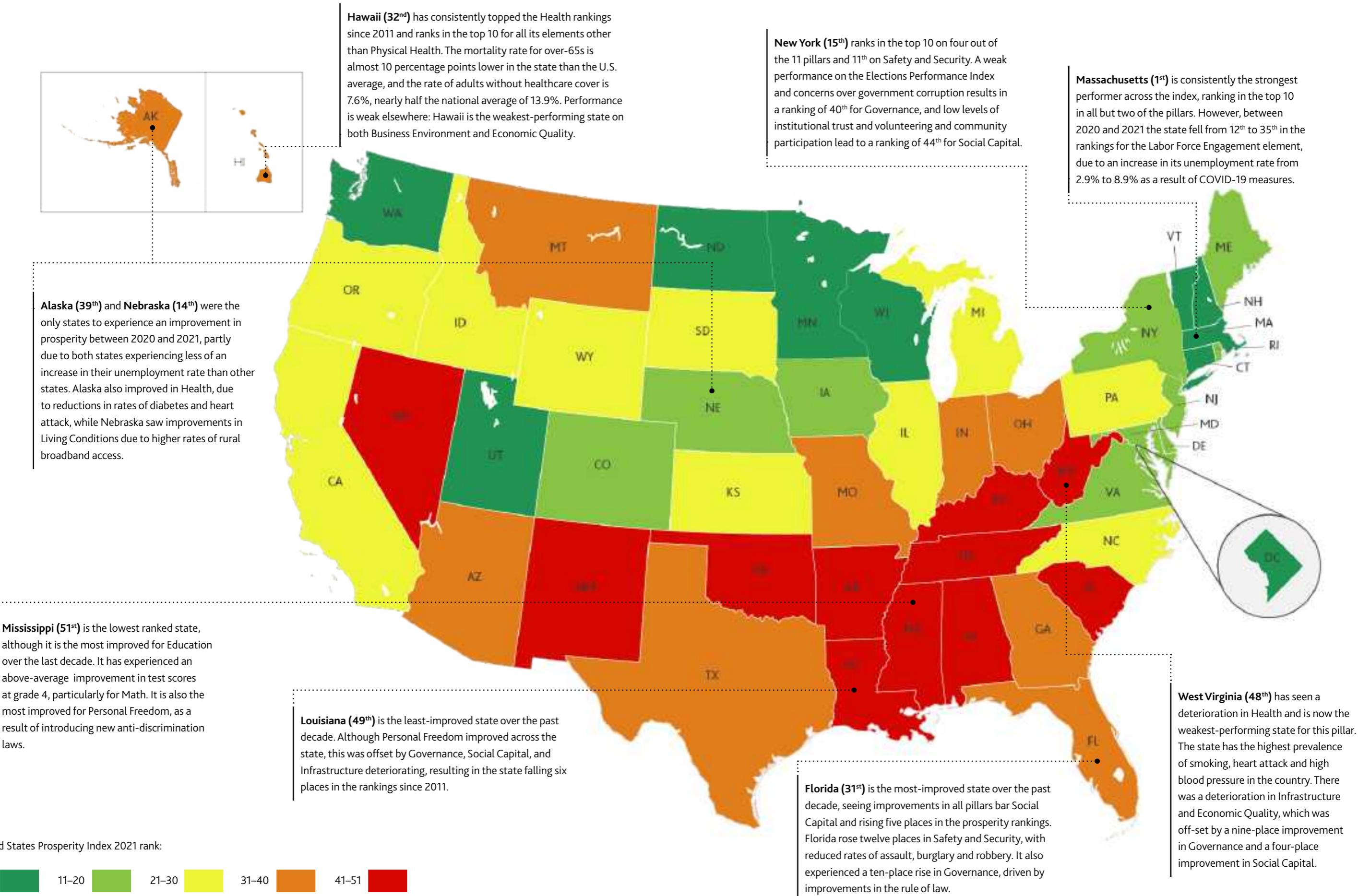
Even prior to COVID-19, there were some significant challenges acting as a brake on U.S. prosperity.

Pre-pandemic, the increase in mass shootings, rising obesity and mental health issues, and people interacting less with neighbors were already impeding further progress and stopping the U.S. performing more strongly on the global stage.





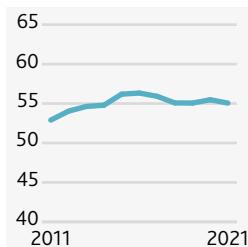
Mapping state prosperity in 2021



The pillars of U.S. prosperity at a glance



The **Safety and Security** pillar measures the degree to which mass killings and injuries, violent crime, and property crime destabilize the security of individuals, both immediately and through longer-lasting effects.



The **Personal Freedom** pillar measures progress towards basic legal rights, individual liberties, and social tolerance.



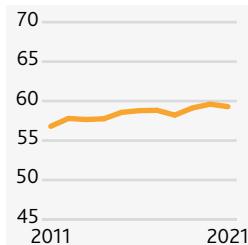
The **Governance** pillar measures the extent to which there are checks and restraints on power and whether the government operates effectively and without corruption.



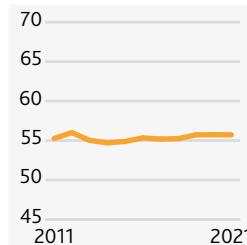
The **Social Capital** pillar measures the strength of personal and social relationships, institutional trust, social networks and civic participation.



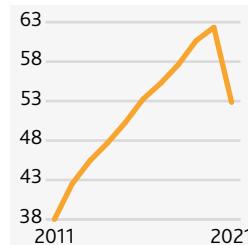
The **Business Environment** pillar measures the entrepreneurial environment, business infrastructure, access to credit, labor market flexibility and price distortions for goods and services.



The **Infrastructure** pillar measures the quality of the infrastructure that facilitates trade — from telecommunications and transport to the availability and reliability of resources.



The **Economic Quality** pillar measures how well the economy is equipped to generate wealth sustainably, with the full engagement of its workforce.



The **Living Conditions** pillar measures the degree to which a reasonable quality of life is experienced by all, including material resources, shelter, basic services, and connectivity.



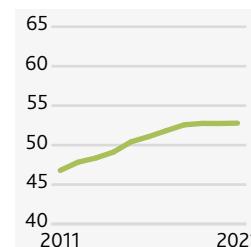
The **Health** pillar measures the health of the population, their illness and risk factors, access to services to maintain good health, and health outcomes, including mortality rates.



The **Education** pillar measures access to, and the quality of, the four stages of education (pre-primary, primary, secondary and tertiary), and the education level of the adult population.



The **Natural Environment** pillar measures the aspects of the physical environment that have an immediate impact on people in their daily lives and those that impact the prosperity of future generations.



The United States Prosperity Index, rankings

				Safety and Security	Personal Freedom	Governance	Social Capital	Business Environment	Infrastructure	Economic Quality	Living Conditions	Health	Education	Natural Environment
2011 Rank	2020 Rank	2021 Rank	State											
1	1	1	Massachusetts	8	2	5	15	4	7	35	3	2	1	9
2	2	2	Connecticut	5	1	1	25	6	10	21	5	3	4	2
3	3	3	Minnesota	14	23	15	2	5	22	13	4	5	5	17
10	5	4	New Hampshire	2	5	31	9	15	31	20	1	14	7	4
7	4	5	Utah	15	6	25	1	11	27	4	14	16	13	24
16	7	6	Vermont	3	10	32	4	27	40	29	10	13	2	1
4	9	7	Washington	27	21	4	18	14	24	5	15	12	9	13
11	6	8	District of Columbia	51	4	2	28	8	1	6	31	24	11	19
5	10	9	North Dakota	21	15	30	6	26	2	1	11	18	31	44
6	8	10	Wisconsin	12	25	7	7	7	33	17	22	15	10	23
9	12	11	Colorado	38	14	3	12	2	34	40	20	7	6	7
14	11	12	New Jersey	6	12	39	34	21	3	43	2	9	3	14
12	14	13	Iowa	13	16	14	13	29	20	8	16	10	14	39
13	16	14	Nebraska	18	24	11	5	20	29	7	18	11	12	43
8	13	15	New York	11	18	40	44	3	9	27	12	6	26	3
15	15	16	Maine	1	13	8	8	30	51	33	21	31	18	8
20	18	17	Maryland	34	19	10	32	33	8	25	6	17	16	15
19	17	18	Rhode Island	7	3	21	23	45	16	47	9	8	28	6
17	20	19	Virginia	10	31	22	31	19	37	23	7	20	8	26
18	19	20	Delaware	29	38	19	26	23	6	10	8	32	29	30
27	22	21	Illinois	35	11	23	33	9	5	48	13	22	20	40
26	24	22	Pennsylvania	17	22	49	24	1	11	45	17	23	15	31
22	21	23	Idaho	4	29	28	14	25	32	15	32	26	35	34
23	23	24	Oregon	22	20	13	22	42	21	19	38	21	23	22
35	26	25	California	36	32	24	45	32	25	9	33	4	40	11
21	25	26	South Dakota	16	42	41	3	31	39	12	30	19	34	28
32	27	27	North Carolina	33	39	20	38	17	17	22	25	36	25	21
29	28	28	Wyoming	9	8	46	17	40	43	3	36	34	17	33
24	31	29	Michigan	30	28	16	27	22	35	38	19	33	30	25
28	32	30	Kansas	31	17	42	16	18	26	18	34	29	19	45
36	29	31	Florida	32	27	34	47	35	4	31	29	27	32	16
25	30	32	Hawaii	23	7	6	19	51	38	51	26	1	33	18
33	33	33	Texas	39	45	36	41	13	18	2	40	35	42	32
38	35	34	Montana	24	33	27	11	34	42	36	37	25	22	38
31	34	35	Indiana	25	30	35	21	24	19	26	24	42	27	51
34	36	36	Ohio	26	47	18	35	10	15	42	28	43	21	49
39	37	37	Georgia	28	51	47	43	12	14	16	23	38	36	27
37	39	38	Missouri	44	48	38	20	16	28	24	27	40	24	37
41	38	39	Alaska	48	26	26	10	46	45	11	45	30	44	10
30	40	40	Arizona	37	35	12	48	38	41	34	43	28	43	12
40	41	41	Tennessee	42	49	17	42	28	23	30	39	44	37	29
42	42	42	South Carolina	45	36	48	29	39	13	32	35	41	41	35
44	43	43	Kentucky	20	40	33	39	36	36	50	41	47	39	42
49	44	44	Alabama	43	46	44	37	37	12	37	42	49	46	41
43	45	45	New Mexico	50	9	9	50	44	50	44	51	37	50	20
45	46	46	Nevada	47	44	37	51	48	30	39	44	39	48	5
48	48	47	Oklahoma	41	43	45	46	41	48	14	47	46	38	50
47	47	48	West Virginia	19	37	29	30	50	49	46	48	51	51	46
46	49	49	Louisiana	49	34	50	49	43	46	28	49	45	49	48
51	50	50	Arkansas	46	50	43	40	49	47	41	46	48	45	47
50	51	51	Mississippi	40	41	51	36	47	44	49	50	50	47	36

How to use 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 Washington D.C., and the 1,196 counties of twelve 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;
- Federal, state and county leaders can use it to help inform 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 that need to be made 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, and to sense-check grant applications for funds;
- Journalists and U.S. citizens can use it to hold their state and local governments 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.





Using the United States Prosperity Index

INTERPRETING THE INDEXES

For every U.S. state and Washington D.C., the Index uses the same indicators, and combines them in the same way to create elements and pillars, domains and overall prosperity. Similarly, for the 1,196 counties in the twelve selected states, a consistent set of indicators have been used and combined in the same way to mirror the state-level approach to ensure the state-level and county-level Indexes complement each other and provide a deeper richness of how prosperity is distributed across each state.

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, and the 48 elements within the pillars. The elements have been established to represent key policy areas, such as early K-12 (primary) 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 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 provides data over a 10-year period, making it possible to see whether prosperity, and its underpinning elements, 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 understood and addressed. The county-level Index enables the performance within a state to be more clearly understood, and it enables comparison with counties in other states, 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 what is driving this;
- Identifying the binding constraints to increased prosperity;
- Informing priorities for setting state and county agendas, for example as part of the budget planning process.

Where a state or county shows 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 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 graduation 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 graduation 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, pointing to the particular area where action is needed.

RESOURCES AVAILABLE

There are several tools available to aid analysis and interpretation of the United States Prosperity Index. Alongside this report, which provides a high-level analysis of the findings from states and counties, additional information is available via our website at www.usprosperity.net.

State-and county-level profiles. This 15-page profile, for each of the 50 states and Washington D.C. and the 1,196 counties, provides more detailed pillar, element and indicator information, including rankings and scores, and how these change over time.

Indicator scores. This Excel spreadsheet contains the scores for all of the indicators for each year since 2010 at the state or 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 94).

USING THE INDEX

Political leaders

This report provides federal, state and local governments with the ability to explore the performance of the states and counties across 11 pillars of prosperity. The Index and the data on which it is built provide a foundation on which more effective interventions and policies can be designed. It provides an unparalleled overview of how these units have been performing over time and relative to one another.

Policymakers

The Index and its accompanying resources allow policymakers to benchmark the performance of each state and county against other states and counties across 11 pillars and 48 elements of prosperity, to create a more granular perspective of performance and identify what is holding back their development.



Each of the 48 elements has been designed to be a recognizable, discrete area of domestic policy, each of which is 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.

In addition to helping focus analysis, these materials allow policy-makers to develop diagnostic tools and identify potential options to consider, based on the performance of other states and counties.

Philanthropists

The Index identifies areas where philanthropists might want to contribute to drive levels of prosperity in the U.S., working in partnership with local agencies. This might involve using the Index to identify areas where civil society can make a meaningful difference to people's lives, such as by contributing to the strengthening of social capital in particular local areas where it is fraying, or working in partnership with local governments to try and boost the quality of local investment environments for small businesses and entrepreneurs.

Investors and business leaders

The business community is well positioned to identify barriers to starting, operating, and growing a business, and to demonstrate to local, state and federal governments 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, which by implementing can lead to increased 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 10 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 social networks.

Journalists and civil society

The United States Prosperity Index 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 federal, state and local leaders to account is a crucial role for both journalists and civil society. The institutional, economic and social performance of a state or county is critical to its prosperity, and that of the U.S. as a whole, and having non-government actors identifying weaknesses and 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, which can take time. Intermediate benchmarks are most helpful and effective, and the most obvious challenges facing a state or county should be considered in the first instance. Understanding the specifics of each state's and county's circumstances will be critical to determining the sequencing and prioritisation. The Index provides a set of hypotheses to test. The issues 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 prioritisation. To give a simplified example, a state may find itself performing poorly when it comes to its financing ecosystem and low levels of dynamism. In such a situation, 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 are already a large number of startups and new entrepreneurs. In such a circumstance, creating an environment that attracts new businesses and startups might make for a more impactful first step.

As every single state or county can improve both the economic and social wellbeing of its residents, clear opportunities therefore exist for states and counties to learn from each other. The Index identifies these opportunities for improvement and 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 state or county might be adapted to address weaknesses in another.

EMERGING USER CASE STUDIES

This is the 3rd year of producing the U.S. Index and there are a number of user-case stories where the Index is being used to inform different parts of U.S. society.

In particular, the Index is gaining considerable traction within the health community. The health pillar, containing 33 indicators, provides a comprehensive assessment of the overall health of each state and county. The Index captures social determinants of health – for example, those within the Living Conditions and the Natural Environment pillars – which impact health outcomes. To this end, the county-level Index is being used by Montana State University as part of its work in conducting the Community Needs Assessments of rural hospitals within the state. These assessments take into account the 'up-stream' services that contribute to health outcomes. Many of these 'up-stream' services are contained within the Index, providing a rich source of information for these assessments.

The county-level Index is being used by foundations to help identify the particular weaknesses within their state to inform the areas that they wish to give attention to. It is being used to help assess the merits of grant applications made to foundations as part of its application assessment criteria.

Finally, the state-level Index has been used to support legislative changes that will reduce the high prevalence of occupational licensing within a state. The legislation adopts Universal Recognition, which helps ease the overly burdensome and duplicative licensing process that prevents workers from out-of-state gaining employment in their chosen profession, reducing the need for retraining for a number of occupations.



Getting recovery right

Being data-led to maximize the impact of the American Rescue Plan

By Tyler Kleykamp, Beeck Center for Social Impact and Innovation

The American Rescue Plan (ARP) offers a significant opportunity to invest in the future prosperity of the United States, especially for those most affected by the COVID-19 pandemic, who were already the ones that had been left behind. The 2021 Index reveals that, prior to the pandemic, Americans were already struggling across many areas of society. Investing in the future of this great nation will also require these weaknesses to be addressed.

How do state and local governments best appropriate ARP funding? Some states are soliciting public input on their plans.¹ Public consultation can be a valuable and informative approach, but many of those disproportionately impacted by the pandemic are likely to be disconnected from these public processes, and their voices and needs will not be heard. Other states may be tempted to spread the funding around as broadly as possible. Although such an approach may appease the greatest number of people, it is unlikely to have the same impact as investments targeted at the greatest need.

The first thing states and local government should do is invest in data infrastructure - the people, processes, technologies and data systems necessary to leverage data. Guidance from the Treasury² authorizes states to do just this, not just to improve the public health data systems, but also to use data to support the recovery. Good-quality data enables states and localities to understand better the individuals, businesses, and communities that have been most significantly affected economically and socially by the consequences of the pandemic. Building data capacity will allow states to track the impact of their investments.

There is no shortage of use-cases in states where data can help inform or advance their recovery efforts.³ And most of the successful data programs in states started with a well-defined use-case. The United States Prosperity Index provides states, and 1,196 counties across 12 selected states, with a starting point to identify the most pressing or urgent issues. This transformational tool allows leaders to assess the relative strengths and weaknesses of their respective areas and explore the economic, social and institutional choices that need to be made in order to drive prosperity from the ground up. Leveraging the Index allows leaders to understand specific policy domains that are either contributing to opportunities for enhanced prosperity or that are barriers to prosperity.

Prosperity is not mono-dimensional but multi-faceted, capturing all those things that enable people to thrive. True prosperity is possible only when all citizens, neighbourhoods and communities are able to reach their full potential across broad aspects such as education, entrepreneurial activity, and community life. The insightful observation made by President Robert F. Kennedy, that the economic indicators that dominate the conversation, such as Gross Domestic Product (GDP), tend to measure "everything except that which is

AMERICAN RESCUE PLAN

In March 2021, President Biden signed into law the American Rescue Plan (ARP) Act 2021,⁴ providing a package of \$1.9 trillion to address the impact of COVID-19. Through ARP, \$360 billion will provide economic relief for state and local government and can be used to provide aid to households, small businesses, non-profits, and industries such as tourism and hospitality, to provide premium pay to essential employees or grants to their employers, to provide government services affected by a revenue reduction during the pandemic, and to make investments in water, sewer, and broadband infrastructure. There is another \$176 billion for K-12 and higher education, together with additional support to businesses and individuals. ARP also provides \$415 billion for a national vaccination program

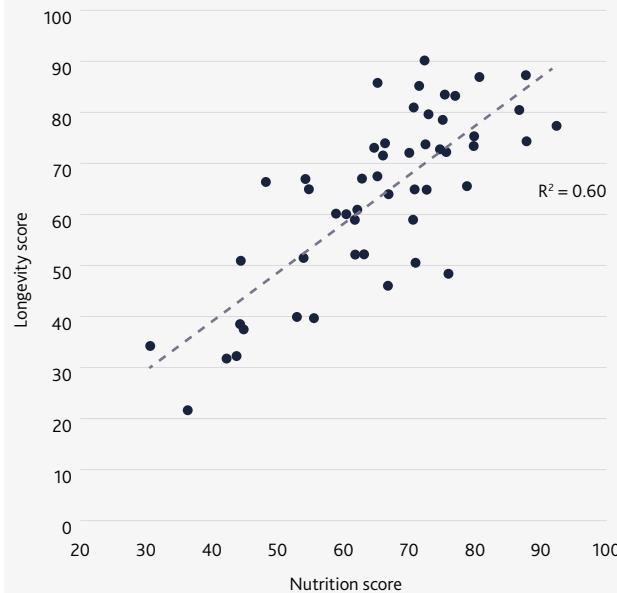
worthwhile", is as relevant and true now as it was when he first said it over 50 years ago. The findings from the Index identified some common challenges that are affecting many parts of the nation. Weakening mental health, rising obesity rates, an increase in mass shootings and deteriorating social networks were all leading to a deterioration in U.S. society even before the onset of the pandemic.

The Index provides a lens to assess the extent to which each state and county is individually affected by these challenges. For example, all but Rhode Island, Maine and North Dakota experienced a weakening in social networks over the past decade. Each state should consider measures that will help strengthen connections and relationships between residents (the essay: *Rebuilding Social Capital in a polarized era*, has some recommendations on how this can be achieved). In addition, consider the mental health of Americans which, as mentioned elsewhere in this report, has been significantly impacted by the pandemic but had already weakened across many parts of the country since 2016. Given all states bar Idaho, Rhode Island and Arkansas saw mental health deteriorate in the decade prior to the pandemic, this suggests that improving mental health also needs to be an area of focus for nearly every state.

In addition to identifying how common challenges impact each state and county, the Index also reveals the specific challenges facing each state and county, made possible through the Index's organizational structure, in particular through the 48 policy focussed elements. For example, consider education in California and Texas. Overall, California ranks 40th and Texas ranks 42nd for education. However, the reasons for their relatively weak ranking are quite different and therefore require a targeted response. For California, which has some of the strongest universities in the world (it ranks 5th for Tertiary Education), it exhibits a weak performance in both early (Primary education) and later (Secondary

Education) stage K-12, ranking 45th and 40th respectively. A priority for California would be to strengthen both early and later K-12, although sequencing improvement to early-K-12 then later-K-12 may be an effective way to strengthen K-12 across all ages. For Texas, however, over the past decade, early K-12 has improved due to improvements in Math and Science at Grade 4, resulting in the state rising 10 places in the rankings for Primary Education. However, later stage K-12 has deteriorated, with Grade 8 scores across Math, Reading and Science all weakening. Consequently, the state has fallen 6 places in the rankings. Secondary Education would seem to be high priority area for Texas. Over time, it may also want to improve its Tertiary Education, for which it has a low ranking of 35th.

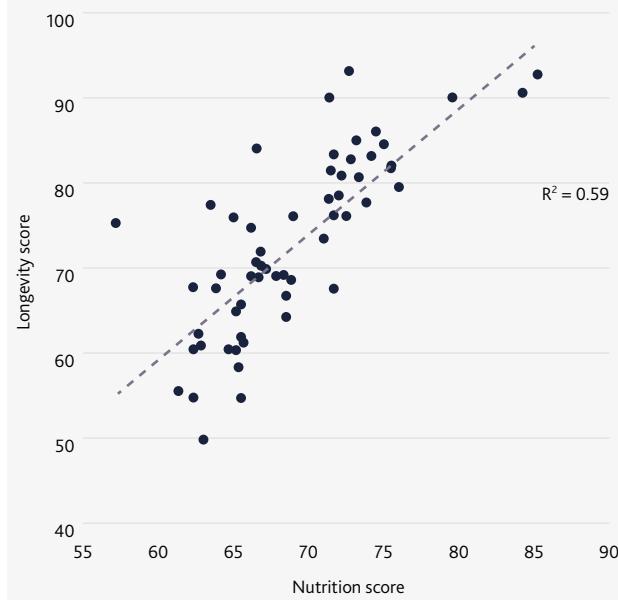
Longevity and Nutrition (all states)



In addition to strengthening specific aspects of prosperity, it is important to grasp that the multi-variate nature of prosperity is interconnected. For example, the quality of the natural environment, social capital, including the strength of families, health outcomes and the quality of education, are all linked to economic performance. The interconnected nature of prosperity can be seen illustrated by looking at how measures of a balanced diet captured in the Nutrition element is associated with Longevity, which measures mortality at the different stages of life, at both a state and a county level (see charts). Improving nutrition is also likely to improve mortality rates and accelerate improvements in prosperity. Understanding these types of connections, across the 3 domains, 11 pillars and 48 policy-focussed elements, can inform a richer understanding of society and lead to more informed policy making.

Combining indicators from the U.S Index with other data, can also elicit deeper insights into the issues that are acting as barriers to prosperity. The California Dream Index,⁵ for example, enables greater understanding on how ethnicity, gender, or income levels affects outcomes on 10 measures across the 58 counties in the state. One of the measures in the California Index is community college graduation, that is captured within the Education pillar of the U.S. Index. The data reveals that 57% of the Asian population in Santa Cruz county has graduated from community college or

Longevity and Nutrition (California's counties)



higher, for people from a White or Black background it's 52%, but those from a Latino background it's only 34%. This suggests a more targeted intervention that provides greater support to people from the Latino community to attend college might be more appropriate. Combining the Index with data that states and counties already collect can provide richer insight. Considering the education example above for California and Texas, state education departments could leverage data on early childhood interventions to better understand how well they prepare students for elementary school. Finally, where states need to improve the business environment, they could leverage additional data to more fully understand the skills gaps in the labor market.

Unlike previous federal funding programs, which often required states to spend the funds quickly and limited the flexibility states had to leverage those funds, the ARP is more flexible. First, the State and Local recovery fund allows for broad flexibility in how the funds are spent. Second, recipients have until the end of 2024 to obligate the funds, so states need not rush to get money out the door. While there will certainly be pressure on state leaders to act swiftly, states would be wise to take a more thoughtful approach in how they invest these funds.

An initial investment in data capacity will enable states to develop the capability to be data-led in best appropriating ARP funds, which will allow states to make smarter decisions on how and where to direct investments to maximize impact. Using the Index as a framework, to guide their decision making, gives states and localities the opportunity to target funds to previously overlooked communities and neighborhoods, but also to give greater consideration to the wider aspects of prosperity and not just those affected by the pandemic. These investments will support states well into the future, after the funds have been spent. For instance, Indiana's Management and performance Hub⁶ returns four dollars for every one dollar invested in the platform. COVID-19 has illuminated the many challenges related to data sharing and integration within states. Organizing their efforts around the aspects of the prosperity index that need improvement will provide states with the early

focus necessary for success. To ensure that states are prepared for the next crisis, they must invest now in the data infrastructure necessary to respond to future events, and the Index is a transformational tool that stands ready to assist in improving the prosperity of all Americans.

Tyler Kleykamp is a Fellow with Georgetown University's Beeck Center for Social Impact and Innovation. He was the State of Connecticut's first Chief Data Officer (CDO) and one of the first state Chief Data Officers in the nation.





Pillar profiles

Prosperity is a multidimensional 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

The Inclusive Societies domain captures the relationship structures that exist between individuals and between individuals and broader institutions, and the degree to which they either enable or obstruct societal cohesion and collective development. These social and legal institutions are essential in protecting the fundamental freedoms of individuals, and their ability to flourish. This domain consists of the Safety and Security, Personal Freedom, Governance, and Social Capital pillars, and it comprises 68 indicators captured within 14 elements.

OPEN ECONOMIES

The Open Economies domain captures the extent to which an economy is open to competition, encourages innovation and investment, promotes business and trade, and facilitates growth with high levels of employment. For a society to be truly prosperous, it requires an economy that embodies these ideals. This domain consists of the Business Environment, Infrastructure, and Economic Quality pillars, and it comprises 54 indicators captured within 12 elements.

EMPOWERED PEOPLE

The Empowered People domain captures the quality of people's lived experience in the United States and the associated aspects that enable individuals to reach their full potential through autonomy and self-determination. This domain consists of the Living Conditions, Health, Education and Natural Environment pillars, and it comprises 93 indicators across 22 elements.

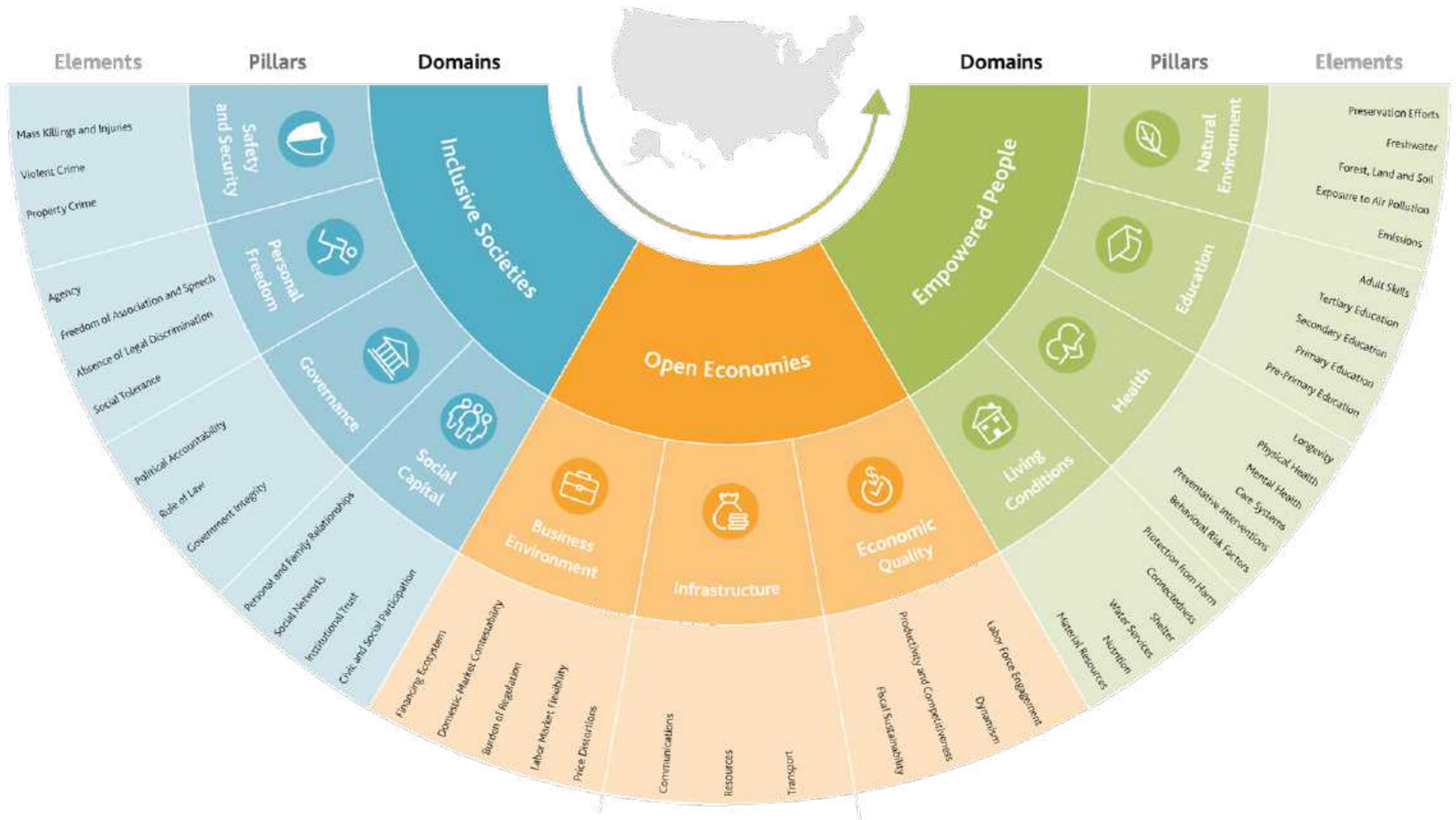
An infographic that sets out the taxonomy of the 2021 United States Prosperity Index, and the linking of the 3 domains, 11 pillars and 48 elements is illustrated on the next page. The pages that follow examine in more detail each of these domains, pillars and elements, and the indicators underpinning this structure.





The building blocks of U.S. prosperity

The domains, pillars and elements of U.S. prosperity



Defining Inclusive Societies

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, and a subject of academic study.^{1,2,3} 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, including mass killings, 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, through both 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.

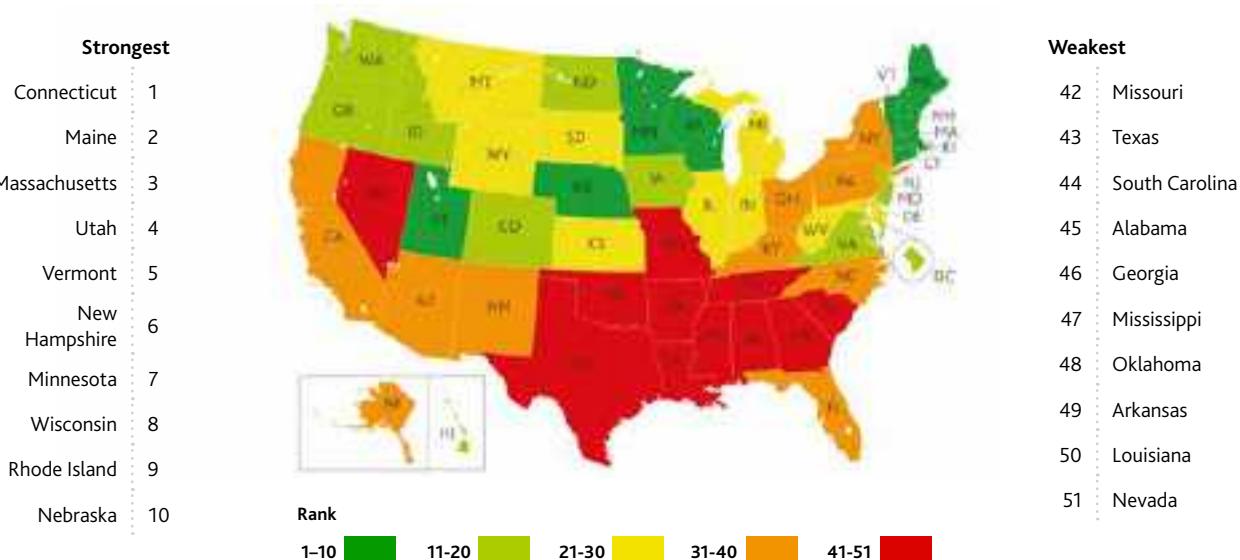
Personal Freedom measures basic legal rights (Agency), individual liberties (Freedom of Assembly and Association, Freedom of Speech and Access to Information), the Absence of Legal Discrimination and the degree of Social Tolerance experienced in a society. Societies

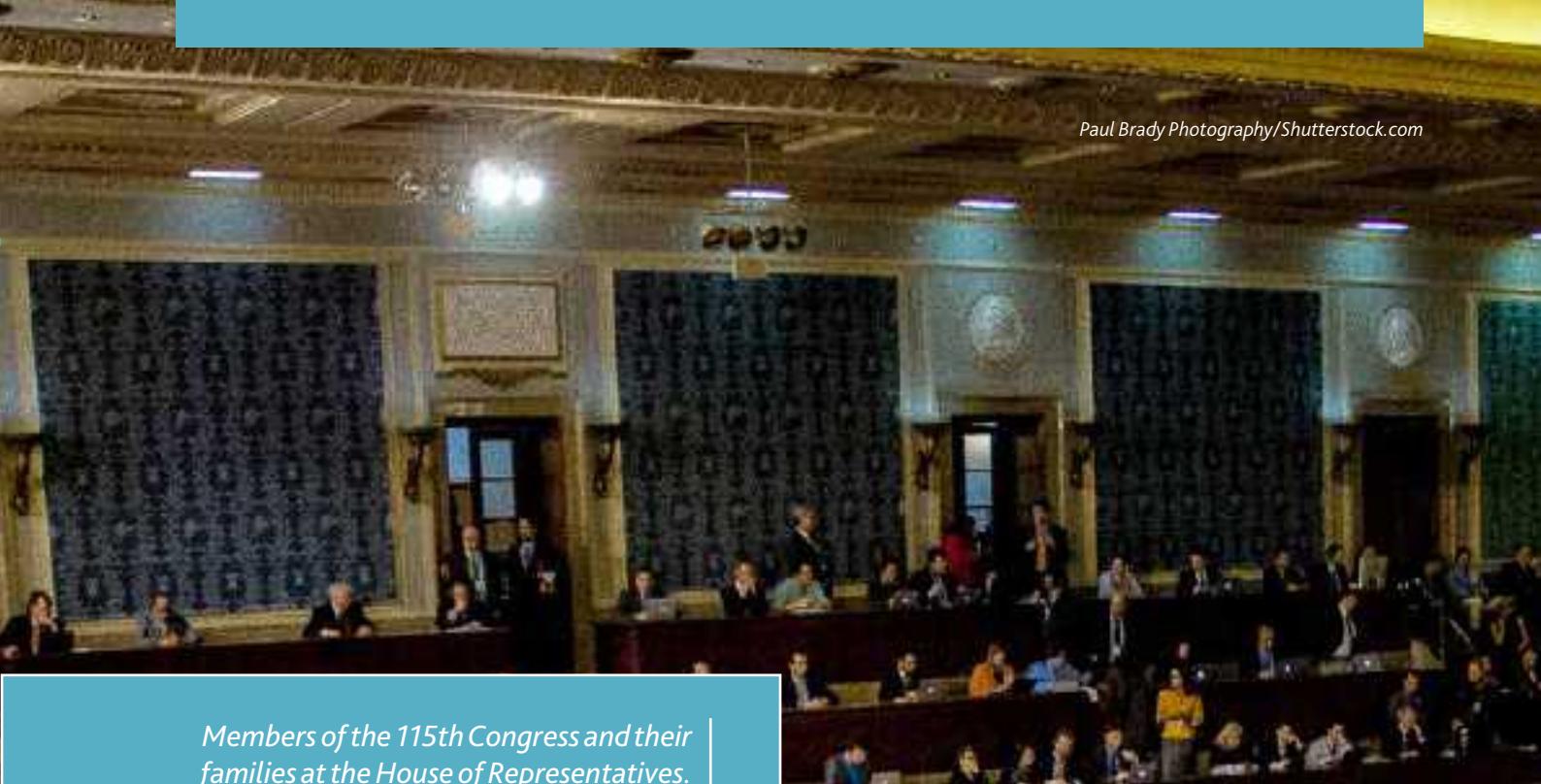
that foster strong civil rights and freedoms have been shown to enjoy increased levels of satisfaction among their citizens.⁴ Furthermore, a state benefits from higher levels of national income when its citizens' personal liberties are protected and when it is welcoming of the diversity that stimulates innovation.⁵

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 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 prosperity. 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. The word "capital" in "social capital" highlights the contribution of social networks as an asset that produces economic returns and improves wellbeing.

Inclusive Societies 2021





Members of the 115th Congress and their families at the House of Representatives.

Thirty-five states have seen Governance improve since 2011, with New Mexico the most improved state, rising 30 places in the ranks.

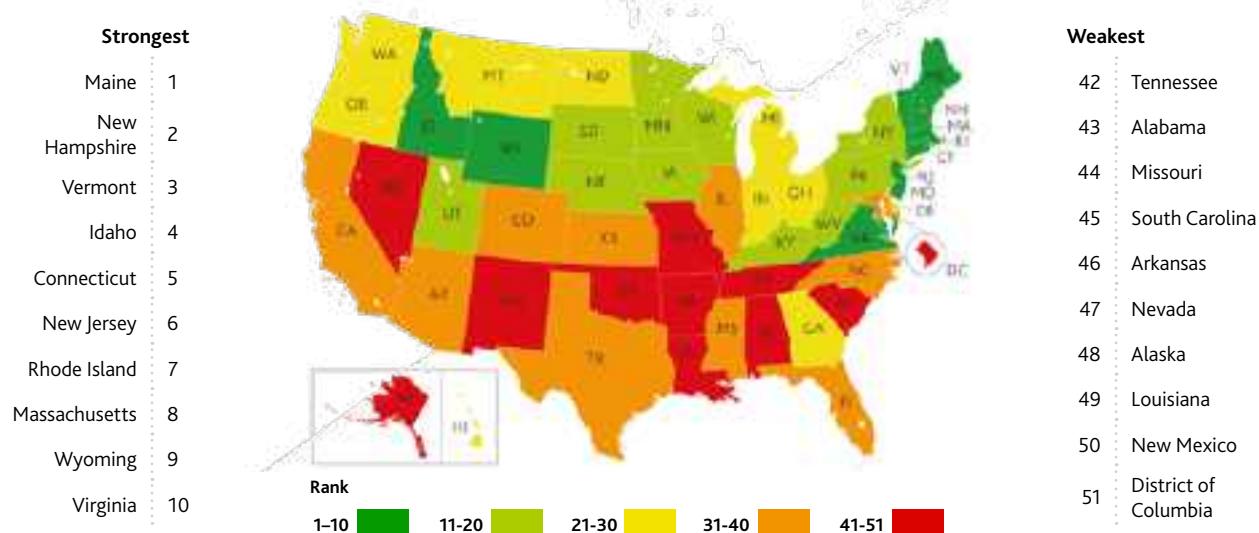


Safety and Security

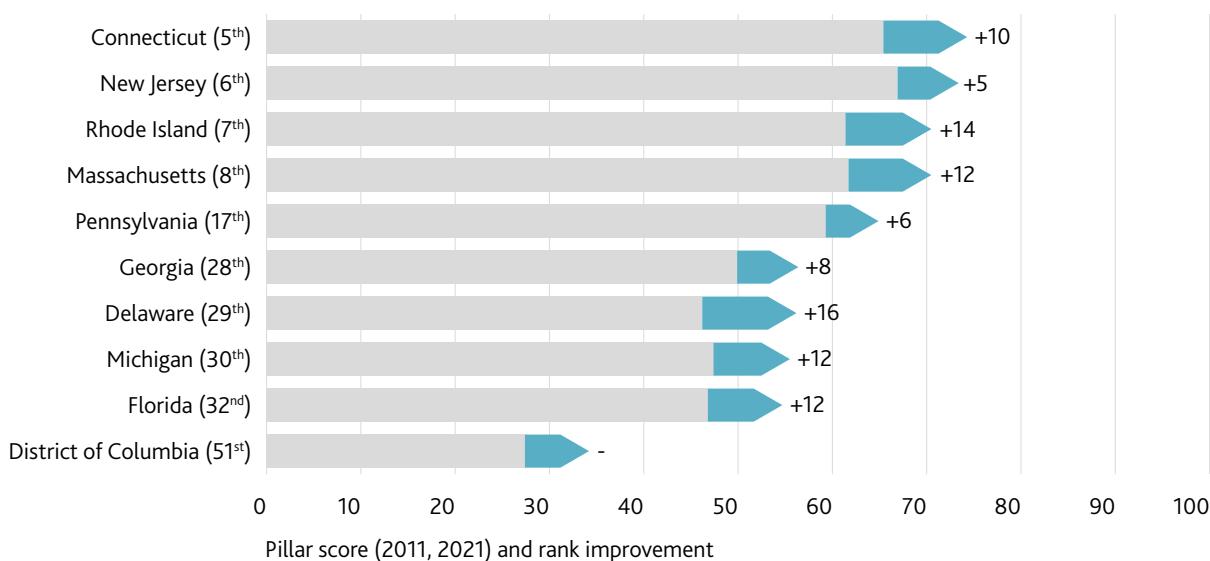
Safety and Security is an integral component of prosperity. Citizens' wellbeing is dependent on having personal safety, where their person and property are free from violence and theft. A secure and stable environment is necessary for attracting investment and sustaining economic growth. In short, a society can prosper only in an environment of security and safety for its citizens.



Safety and Security 2021



Safety and Security: Most improved states (2021 rank), 2011-2021



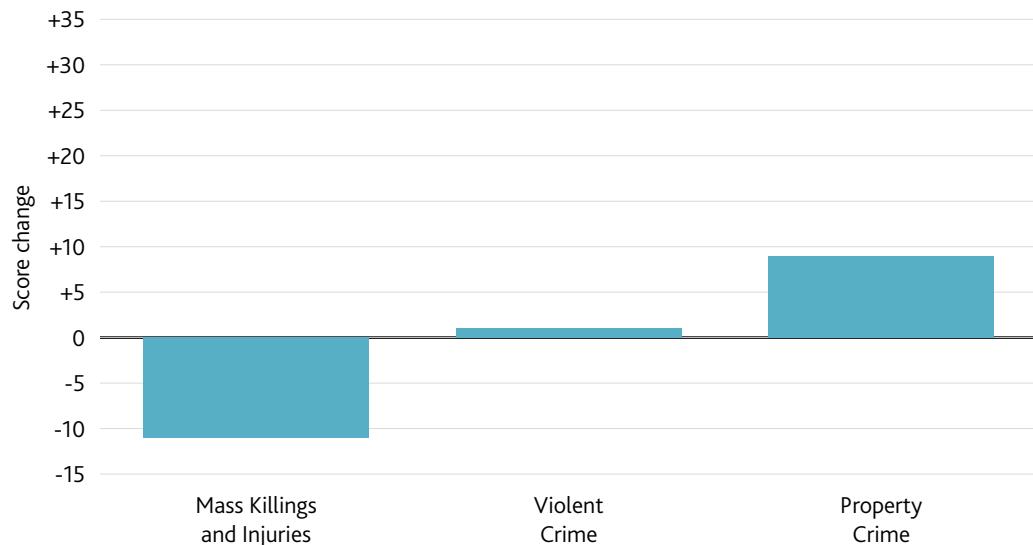


A police officer in Manhattan.

Although burglary rates in NYC are similar to those for New York state as a whole, rates of robbery are twice as high in NYC.

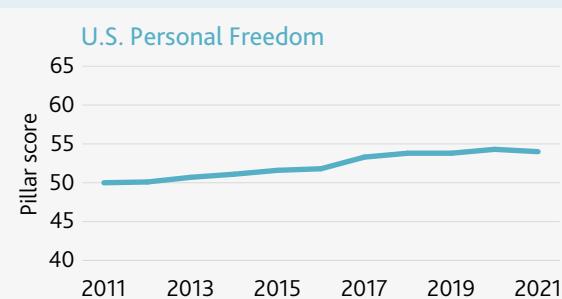
ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Mass Killings and Injuries (15%) measures the deliberate and targeted harm inflicted by non-state actors on a nation's population, taking into account the number of incidents, injuries and deaths that result.	<ul style="list-style-type: none">• Mass shooting deaths (GVA)• Mass shooting injuries (GVA)• Terrorism deaths (GTD)• Terrorism injuries (GTD)• Terrorism events (GTD)	<ul style="list-style-type: none">• Mass shooting deaths (GVA)• Mass shooting injuries (GVA)• Terrorism deaths (GTD)• Terrorism injuries (GTD)• Terrorism events (GTD)
Violent Crime (50%) assesses the level of violent crime.	<ul style="list-style-type: none">• Murder (FBI)• Rape (FBI)• Aggravated assaults (FBI)• Robbery (FBI)	<ul style="list-style-type: none">• Murder (NACJD)• Rape (NACJD)• Aggravated assaults (NACJD)• Robbery (NACJD)
Property Crime (35%) captures the level of property crime, such as burglary.	<ul style="list-style-type: none">• Burglary (FBI)• Motor vehicle theft (FBI)• Larceny theft (FBI)• Identity theft (FTC)	<ul style="list-style-type: none">• Burglary (NACJD)• Motor vehicle theft (NACJD)• Larceny theft (NACJD)• Identity theft (FTC)

Safety and Security: Element change, 2011–2021

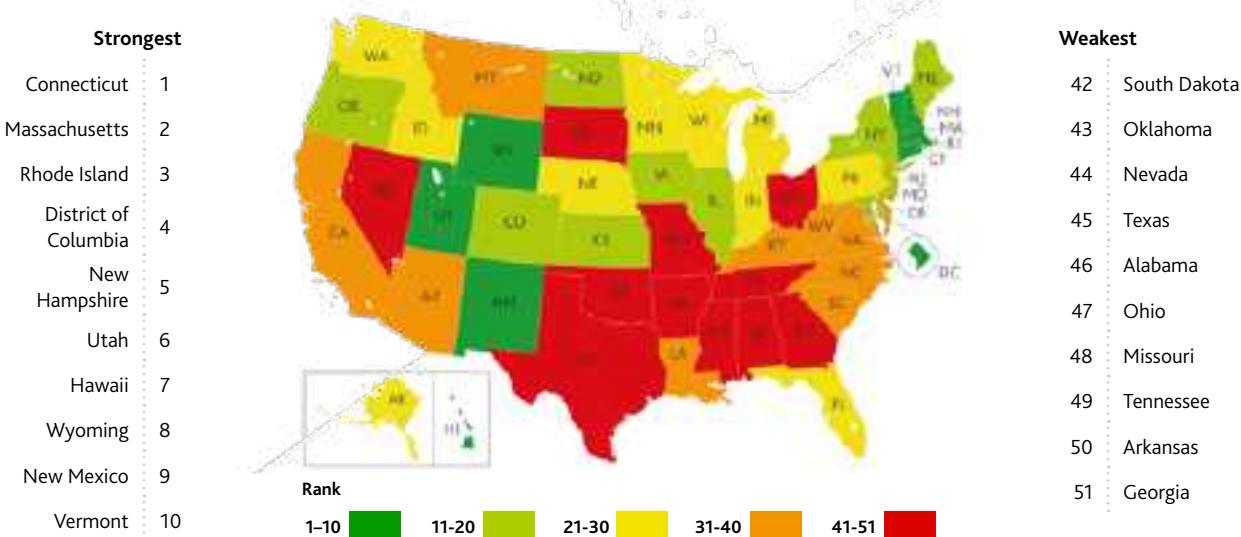


Personal Freedom

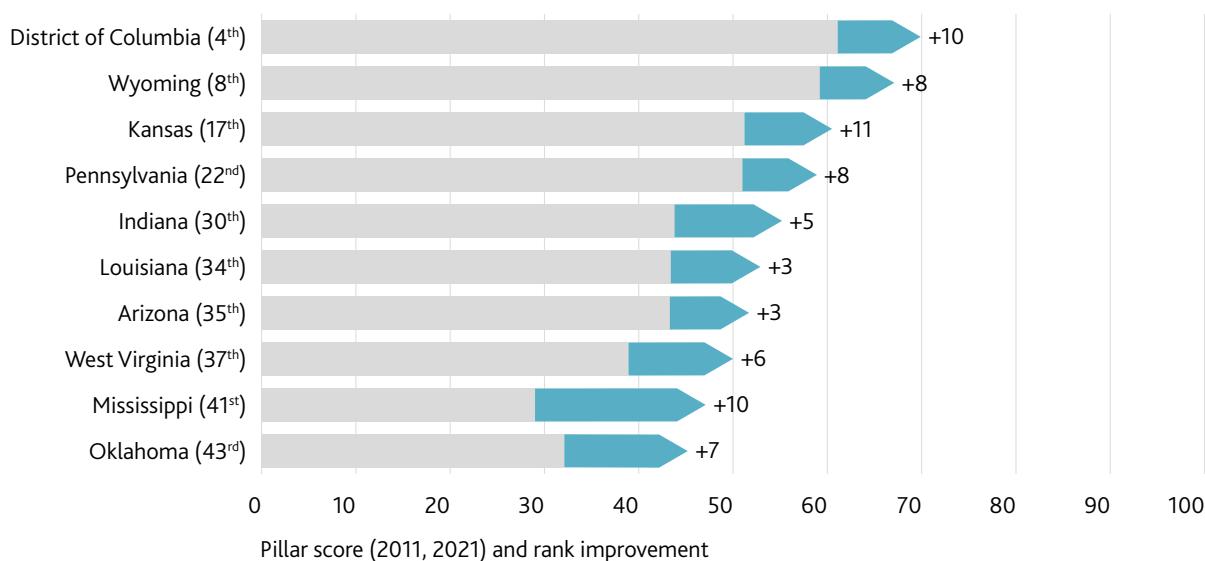
Personal Freedom captures the extent to which a society is free to determine the course of their lives without undue restrictions. This includes freedom from coercion and restrictions on movement, speech and assembly. Central to this is the level of agency an individual experiences, their freedom from discrimination, and how tolerant society is.



Personal Freedom 2021

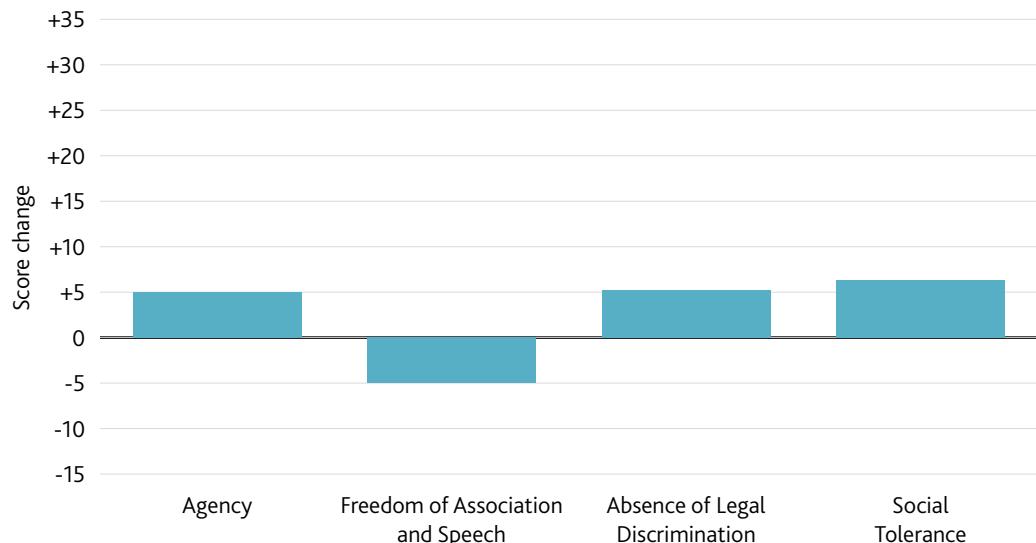


Personal Freedom: Most improved states (2021 rank), 2011-2021



ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Agency (30%) captures the degree to which individuals are free from coercion or restriction and are free to move. At its heart, an individual experiences agency if they have the freedom to act independently and make their own free choices. Excessive use of police force, imprisonment, and trafficking can act as impediments on agency.	<ul style="list-style-type: none"> <i>Fatal police shootings of unarmed civilians (Wash. Post.)</i> <i>Death row population (NAACP)</i> <i>Adult Incarceration (USBJS)</i> <i>Youth Incarceration (CJRP)</i> <i>Trafficking (Pol. Proj.)</i> 	<ul style="list-style-type: none"> <i>Fatal police shootings of unarmed civilians (Wash. Post.)</i> <i>Statewide death row population (NAACP)</i> <i>Statewide adult incarceration (USBJS)</i> <i>Statewide youth incarceration (CJRP)</i> <i>Statewide trafficking (Pol. Proj.)</i>
Freedom of Association and Speech (15%) measures the degree to which people have the freedom to engage with others to express opinions freely, with autonomy from the State.	<ul style="list-style-type: none"> <i>Free speech in public places (Cato)</i> <i>Right-to-work (NCSL)</i> <i>Press suppression (USPFT)</i> <i>Invasive cell phone surveillance (ACLU)</i> 	<ul style="list-style-type: none"> <i>Statewide free speech in public places (Cato)</i> <i>Statewide right-to-work (NCSL)</i> <i>Statewide press suppression (USPFT)</i> <i>Statewide invasive cell phone surveillance (ACLU)</i>
Absence of Legal Discrimination (25%) assesses the level of discrimination in law or by government and whether the law protects individuals and groups from suffering discrimination. This dimension captures multiple factors, including gender, sexuality, religion, ethnicity and economic background.	<ul style="list-style-type: none"> <i>Religious freedom restoration act enacted (Cato)</i> <i>Employment anti discrimination law (Cato)</i> <i>Government discrimination based on sex prohibited (Cato)</i> <i>Affirmative action in public services banned (Cato)</i> <i>LGBT relationships and parenthood recognition (MAP)</i> <i>LGBT non-discrimination laws (MAP)</i> 	<ul style="list-style-type: none"> <i>Statewide religious freedom restoration act enacted (Cato)</i> <i>Statewide employment anti-discrimination law (Cato)</i> <i>Statewide government discrimination based on sex prohibited (Cato)</i> <i>Statewide affirmative action in public services banned (Cato)</i> <i>Statewide LGBT relationships and parenthood recognition (MAP)</i> <i>Statewide LGBT non-discrimination laws (MAP)</i>
Social Tolerance (30%) measures the degree to which societies are tolerant of, and the level of tension arising from, differences within the population. Societal discrimination and intolerance can engender serious issues within a society and are a significant inhibitor of individuals' <i>de facto</i> freedoms.	<ul style="list-style-type: none"> <i>Hate group concentration (SPLC)</i> <i>Ethnic slur google traffic (GT)</i> <i>Same sex marriage support (PRRI)</i> <i>LGBT non-discrimination law support (PRRI)</i> 	<ul style="list-style-type: none"> <i>Hate group concentration (SPLC)</i> <i>Ethnic slur google traffic (GT)</i> <i>Statewide same sex marriage support (PRRI)</i> <i>Statewide LGBT non-discrimination law support (PRRI)</i>

Personal Freedom: Element change, 2011–2021

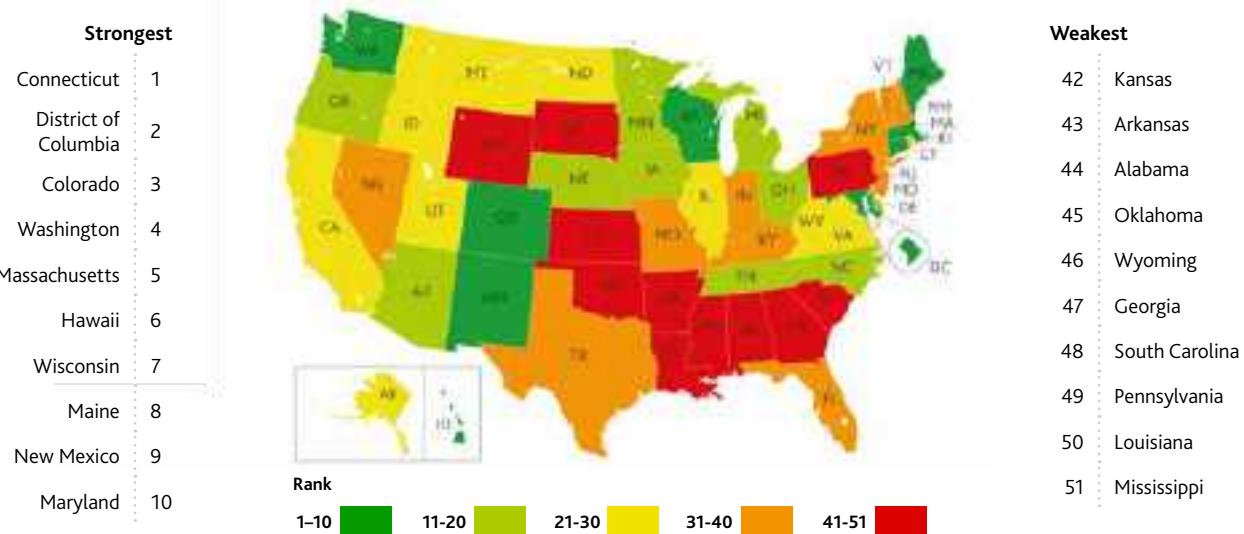


Governance

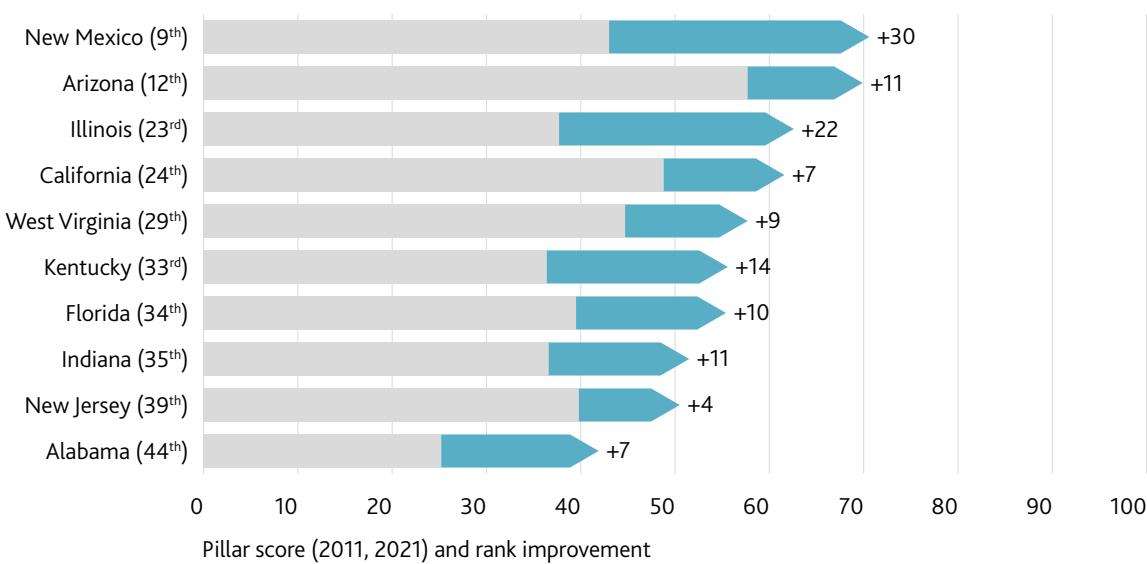
Governance measures the extent to which there are checks and restraints on political power and whether governments operate effectively and without corruption. The nature of governance has a material impact on prosperity. The rule of law, strong institutions, and regulatory quality contribute significantly to economic growth.



Governance 2021



Governance: Most improved states (2021 rank), 2011-2021



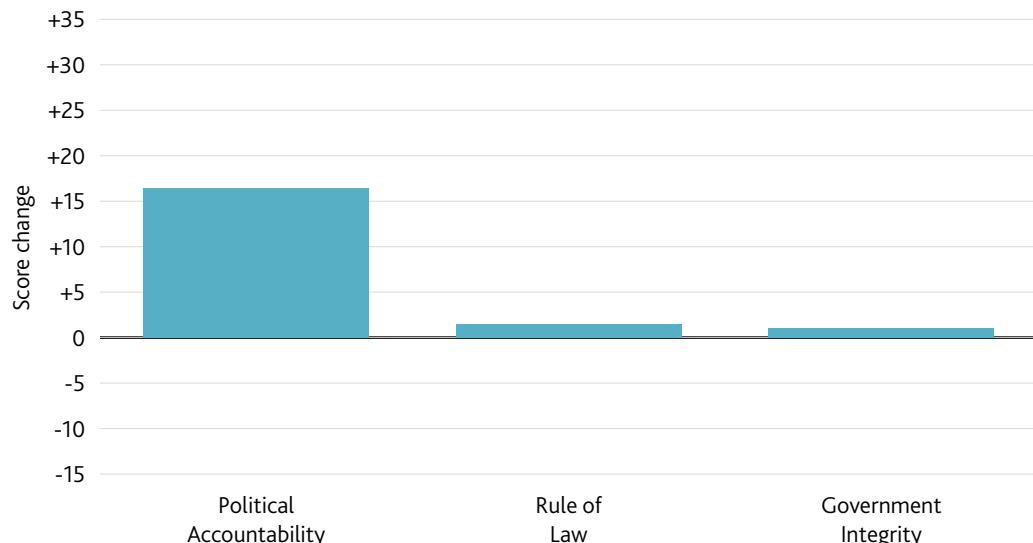


The first female U.S. Senator for Tennessee, Marsha Blackburn, elected in 2018.

The Tennessee legislature is less balanced than many states, with only 17% of posts held by women, compared to 31% for the U.S. as a whole.

ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Political Accountability (30%) is the degree to which the public can hold public institutions accountable, capturing the degree of political pluralism and other mechanisms of accountability.	<ul style="list-style-type: none"><i>Elections Performance Index (MIT)</i><i>Gender balance in legislatures (CAWP)</i><i>State campaign disclosure (NIMP)</i><i>Term limits (NCSL)</i>	<ul style="list-style-type: none"><i>Statewide Elections Performance Index (MIT)</i><i>Statewide gender balance in legislatures (CAWP)</i><i>Statewide state campaign disclosure (NIMP)</i><i>Statewide term limits (NCSL)</i>
Rule of Law (35%) is the fairness, independence and effectiveness of the judiciary (in applying both civil and criminal law), along with the accountability of the public to the law.	<ul style="list-style-type: none"><i>Justice Index (NCAJ)</i><i>Judicial integrity (ATRF)</i>	<ul style="list-style-type: none"><i>Statewide Justice Index (NCAJ)</i><i>Statewide judicial integrity (ATRF)</i>
Government Integrity (35%) assesses the integrity of a government, encompassing both the absence of corruption and the degree to which government fosters citizen participation and engagement through open information and transparent practices.	<ul style="list-style-type: none"><i>Legal corruption perceptions (ICS)</i><i>Illegal corruption perceptions (ICS)</i><i>Corruption Reflection Index (ICS)</i><i>State Integrity Investigation (CPI)</i><i>Public record request compliance (Cuil.)</i><i>Online Spending Transparency Index (USPIRG)</i>	<ul style="list-style-type: none"><i>Statewide legal corruption perceptions (ICS)</i><i>Statewide illegal corruption perceptions (ICS)</i><i>Statewide Corruption Reflection Index (ICS)</i><i>Statewide State Integrity Investigation (CPI)</i><i>Statewide public record request compliance (Cuil.)</i><i>Statewide Online Spending Transparency Index (USPIRG)</i>

Governance: Element change, 2011–2021



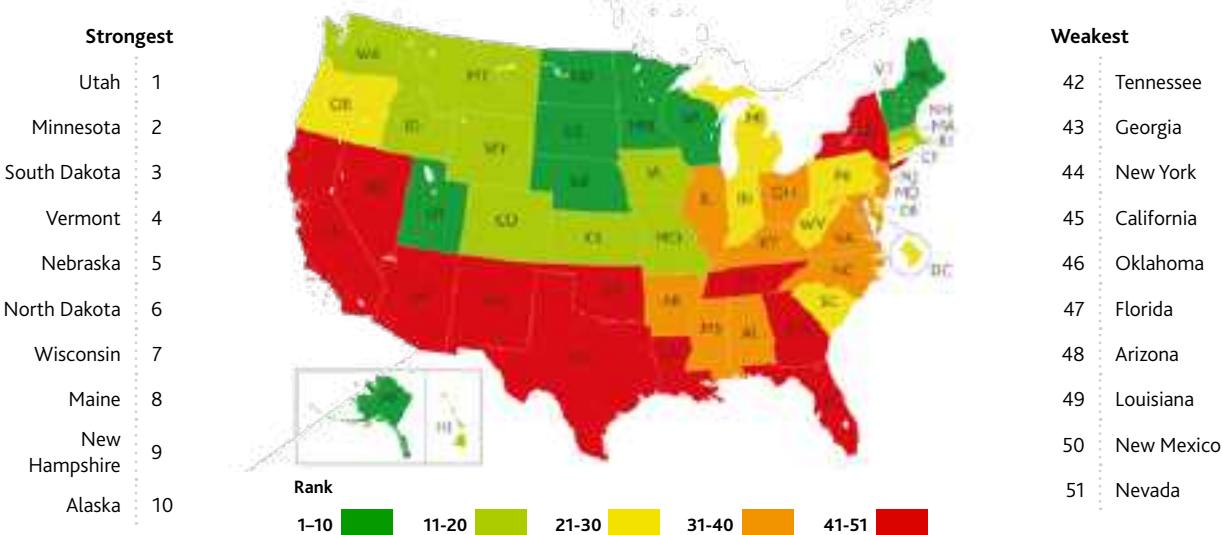
Social Capital

Social Capital measures how cohesive a society is in terms of people trusting, respecting and helping one another, and the institutional structures they interact with. 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 and social wellbeing. The word "capital" in "social capital" highlights the contribution of social networks as an asset that produces economic returns and improves wellbeing.

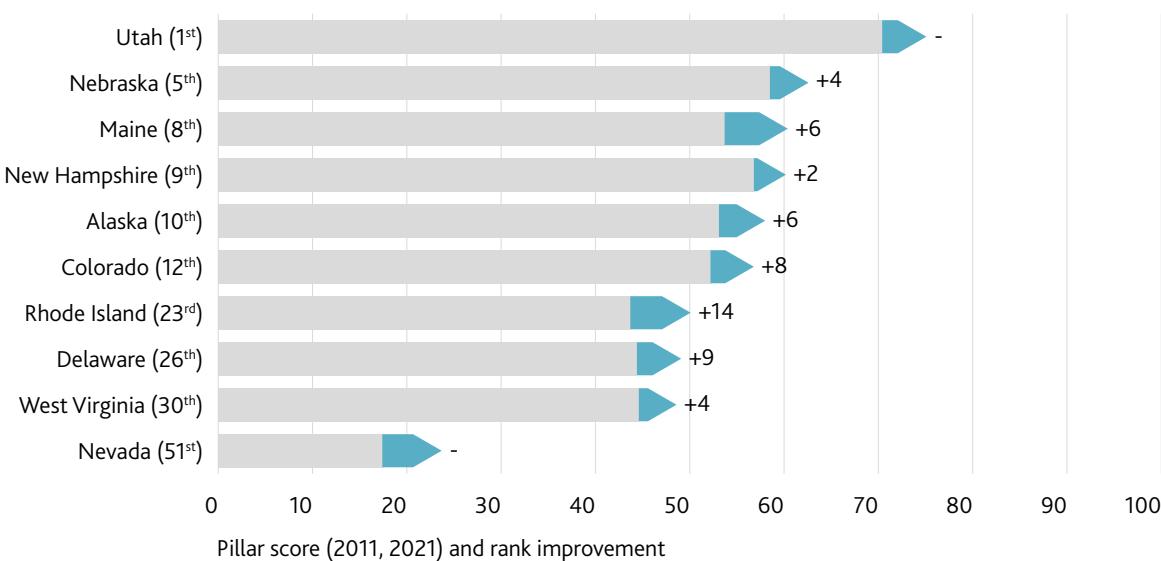
U.S. Social Capital



Social Capital 2021



Social Capital: Most improved states (2021 rank), 2011-2021



ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Personal and Family Relationships (25%) captures the strength of the closest-knit personal relationships and family ties. These relationships form the crux of support that individuals can turn to, emotionally, mentally, and financially on a daily basis.	<ul style="list-style-type: none"> • <i>Divorce (CDC)</i> • <i>Children in unmarried households (USCB)</i> • <i>Teen births (CDC)</i> • <i>Parent's attendance of children's activities (NSCH)</i> • <i>Shared meals with household members (CPS)</i> • <i>Frequently hear from family and friends (CPS)</i> • <i>Close friends (CPS)</i> 	<ul style="list-style-type: none"> • <i>Statewide divorce (CDC)</i> • <i>Children in unmarried households (USCB)</i> • <i>Teen births (CDC)</i> • <i>Statewide parent's attendance of children's activities (NSCH)</i> • <i>Shared meals with household members (CPS)</i> • <i>Frequently hear from family and friends (CPS)</i> • <i>Close friends (CPS)</i>
Social Networks (25%) measures the strength of, and opportunities provided by, ties that an individual has with people in their wider network. These ties are a vital part of social support, and these networks can bolster bridging capital when social and community networks span different groups in society.	<ul style="list-style-type: none"> • <i>Favors between neighbors (CPS)</i> • <i>Frequently talk with neighbors (CPS)</i> • <i>Trust in people in neighborhood (CPS)</i> • <i>Supportive neighborhood for a child (NSCH)</i> • <i>Trust in people (ANES)</i> 	<ul style="list-style-type: none"> • <i>Favors between neighbors (CPS)</i> • <i>Frequently talk with neighbors (CPS)</i> • <i>Trust in people in neighborhood (CPS)</i> • <i>Statewide supportive neighborhood for a child (NSCH)</i> • <i>Statewide trust in people (ANES)</i>
Institutional Trust (20%) captures the degree to which individuals trust their institutions. Trust in institutions is an important foundation upon which the legitimacy and stability of political systems are built.	<ul style="list-style-type: none"> • <i>Confidence in corporations (CPS)</i> • <i>Confidence in the media (CPS)</i> • <i>Trust in federal government (ANES)</i> 	<ul style="list-style-type: none"> • <i>Confidence in corporations (CPS)</i> • <i>Confidence in the media (CPS)</i> • <i>Statewide trust in federal government (ANES)</i>
Civic and Social Participation (30%) measures the amount to which people participate within a society, broadly split into civic and social spheres.	<ul style="list-style-type: none"> • <i>Volunteer rate (CPS)</i> • <i>Volunteering intensity (CPS, CNCS)</i> • <i>Active in neighborhood (CPS)</i> • <i>Helping the community (CPS, CNCS)</i> • <i>(Non religious) membership organizations (USCB)</i> • <i>Religious membership organizations (USRC)</i> • <i>Religious organization participation (CPS)</i> • <i>Sport or recreation organization participation (CPS)</i> • <i>School, neighborhood or community association participation (CPS)</i> 	<ul style="list-style-type: none"> • <i>Statewide volunteer rate (CPS)</i> • <i>Statewide volunteering intensity (CPS, CNCS)</i> • <i>Statewide active in neighborhood (CPS)</i> • <i>Statewide helping the community (CPS, CNCS)</i> • <i>(Non religious) membership organizations (USCB)</i> • <i>Religious membership organizations (USRC)</i> • <i>Religious organization participation (CPS)</i> • <i>Sport or recreation organization participation (CPS)</i> • <i>School, neighborhood or community association participation (CPS)</i>



Rebuilding U.S. social capital in a polarized era

By Tim Dixon, co-founder of More in Common

Polarization has in recent years become an entrenched feature of the American landscape. From our state capitols to Washington DC, its conflicts are played out every day across our screens, airwaves and even kitchen tables. Nine out of ten Americans feel exhausted as a result of these divisions, a similar proportion feels that the country has never in their lifetimes felt so divided. As a young woman in Wyoming remarked in a study More in Common conducted last year:

"How can I narrow down what is draining me? Almost every single system we have in place in America is broken: health care, education, justice...It feels like I'm in the beginning chapters of a dystopian novel. On top of that, it's difficult to feel like I can make a difference. I know this is not the country our founding fathers dreamed of."

Today, there are few corners of American life spared from the intrusion of tribalism and division – not schools, churches, workplaces, leisure, entertainment or consumer brands. Whether your role is in business, education, healthcare, government, nonprofits, community services, faith or in other places connecting to daily

life, effective and responsible leadership today requires the skillful navigation of a culture of outrage and pile-ons from social media to cable television.

Within the U.S. Prosperity Index, the Social Capital pillar has been tracking the crisis of trust in our institutions and each other across a decade. Only one in ten Americans regard corporations as more honest than not; the same is true for the federal government. As political and racial divisions have widened, trust in the federal government is near historic lows. However, trust in local government has been stronger through the pandemic.¹ Furthermore, just one in five Americans say that the media are more honest than not. Polarization plays a key role in this distrust – More in Common's research found that the transition from the presidency of Donald Trump to Joe Biden saw trust in the federal government soar from 28 to 78% among Democrats, while it collapsed from 62 to 33% among Republicans. Among Independents, it barely changed at all, inching up from 34 to 35%.²

THE HIDDEN TRIBES OF AMERICA

The following segments were produced in Hidden Tribes (2018) through an agglomerative hierarchical clustering statistical segmentation process, based on core beliefs and political behavior variables:

Progressive Activists (8% of the population) are deeply concerned with issues concerning equity, fairness, and America's direction today. They tend to be more secular, cosmopolitan, and highly engaged with social media.

Traditional Liberals (11%) tend to be cautious, rational, and idealistic. They value tolerance and compromise. They place great faith in institutions.

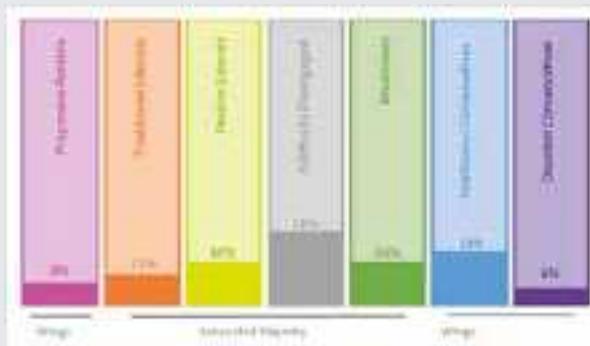
Passive Liberals (15%) tend to feel isolated from their communities. They are insecure in their beliefs and try to avoid political conversations. They have a fatalistic view of politics and feel that the circumstances of their lives are beyond their control.

Politically Disengaged (26%) are untrusting, suspicious about external threats, conspiratorially minded, and pessimistic about progress. They tend to be patriotic yet detached from politics.

Moderates (15%) are engaged in their communities, well informed and civic-minded. Their faith is often an important part of their lives. They shy away from extremism of any sort.

Traditional Conservatives (19%) tend to be religious, patriotic, and highly moralistic. They believe deeply in personal responsibility and self-reliance.

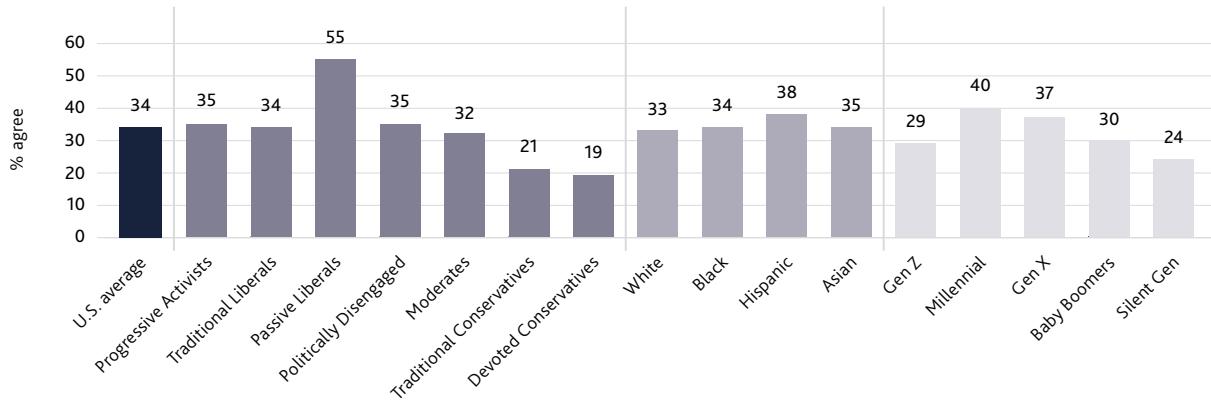
Devoted Conservatives (6%) are deeply engaged with politics and hold strident, uncompromising views. They feel that America is embattled, and they perceive themselves as the last defenders of traditional values that are under threat.



All democratic societies are under pressure from the effects of disinformation, social media, economic dislocation and now the fallout from the pandemic. However, the decline in social capital in the United States over the past decade has resulted in it falling seven places in the global rankings for Social Capital. This deterioration has been felt across many parts of the country, where twenty-four states have experienced a decline in social capital since 2011, with Louisiana and Idaho seeing the biggest fall. Trust in institutions and in each other has been undermined as political polarization has created the specter of an 'us-versus-them' world for many Americans. Negative partisanship has become a part of their sense of identity, entrenching the sense that they are living in an 'us-versus-them' world. More in Common's recent report *Two Stories of Distrust in America* identified dimensions to this story of declining trust.

Society is seen through the lens of an, us-versus-them, division, and institutions associated with the other side are seen as a threat. The second dimension of social distrust involves many in America's 'Exhausted Majority'. For them, the weakening of social trust tracks the loss of a sense of belonging, and feelings of dignity and equality. Indeed, the group most likely to say that there is no community in which they feel a sense of belonging (Passive Liberals at 55% - see chart) also reports the lowest levels of trust in others, at 21% compared to 55% for Progressive Activists. Among the elements used for quantifying changes in social capital, the sharpest decline has been in social networks – essentially, trust between and interactions with neighbors and at a local community level. This trust was one of the qualities of American society that stood out to Alexis de Tocqueville when he wrote his magisterial *Democracy in America* almost two centuries ago.

Lack of belonging, by different demographic groups



Source: More in Common (2021)

One involves the 'Wing' groups identified in the Hidden Tribes segmentation of Americans – see box for segmentation explanations - people with a strong partisan identity as Democrats or Republicans. For them, distrust is more driven by ideology and tribalism.

THREADS OF TEXAS

As the country's second largest state by population and the fastest-growing of the larger states, Texas is at the frontier of many of America's key economic and demographic transformations. It has the potential to show the nation a way forward through an era of polarization, as highlighted by the Threads of Texas project (www.threadsoftexas.us) launched by More in Common in April 2021.

The Threads of Texas project used data science to analyze the results of large-scale surveys conducted in Texas in 2020 and 2021 by More in Common and YouGov. This process identified seven distinct groups of Texans defined by their orientation and emotion toward change and their understanding of what it means to be Texan. The seven threads of Texas – Lone Star Progressives, Civic Pragmatists, Rising Mavericks, Apolitical Providers, Die-hard Texans, Reverent Texans, and Heritage Defenders – tell a story of a state that is far more than a simple division into red and blue.

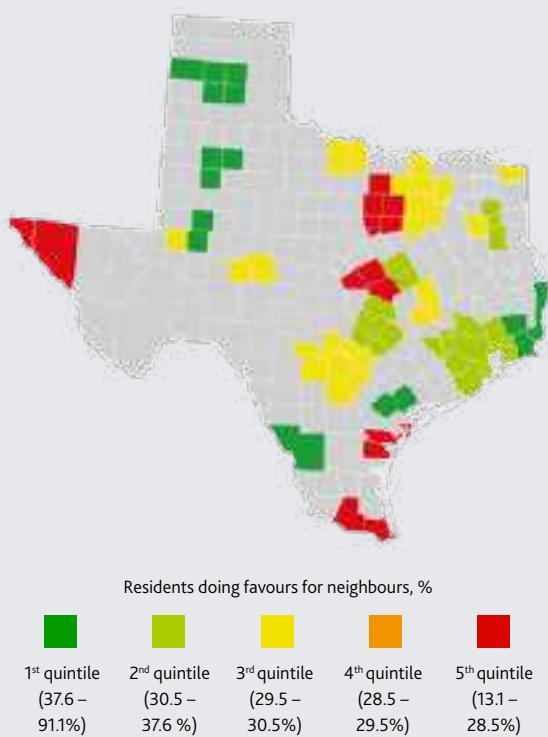
He saw Americans of all ages, conditions and dispositions constantly coming together to solve problems. It is a very different story today.

As found in the national Hidden Tribes study, only a minority of the population holds a 'win or die' mentality toward politics, yet those voices often shape the tone of public debate.

While Texas ranks 3rd on the Open Economies domain of the USPI, it ranks 41st in the U.S. for Social Capital. Less than 10% of its counties feature in the top two quintiles for Social Capital and over 20% appear in the bottom quintile. Low levels of social capital are found in counties in the southern portion of the state, stretching particularly to the Mexican border (the Rio Grande Valley). For example, we see that in Hidalgo County, only 16% of residents report trusting others in the neighborhood, compared to nearly 75% in Lynn, Lubbock and Crosby counties, and only 15% report frequently doing favors for neighbors, compared to nearly two-thirds in Hardin, Orange and Jefferson counties. The map shown shows the variation across the state in the percentage of residents doing favors for their neighbors.

These findings are echoed in the Threads of Texas report, where higher numbers of people in this region report that they do not feel they belong in Texas, do not trust others, and do not have a sense of community. But equally significant is how regional variations were often smaller than anticipated – the 50% in the Rio Grande saying that people usually or almost always cannot be trusted was only slightly higher than the state average of 48.

Frequently doing favors for neighbors, by Metropolitan Statistical Area level



The immense diversity of Texas lends itself to differing viewpoints on policy issues and ideals for the future. On some issues, opinion is evenly divided – including whether public schools should focus more on educating students on Texas' history of slavery and racial segregation (51%) or on Texas' proud history and unique culture (49%). While issues at the border can be a flashpoint, a majority of 55–45% see immigration as good rather than bad for Texas. Asked to choose whether knowledge-based industries such as

tech, health and education or traditional oil and gas industries will define the state's future economic success, Texans break strongly in favor of the new knowledge-based industries, by a 59% to 41% margin. The stories of businesses at the frontier of the 21st-century economy, such as software, medical science and aerospace, are now taking their place alongside the old tales of pioneering oil and gas industries.

The Threads of Texas report concludes that Texas has the potential to supersede nationwide partisan polarization if its leaders are willing to bring Texans together around their common values and traditions and not exploit divisions. There is much common ground on which to rebuild trust and lay stronger foundations for a more united future. To help emphasize this point, the following comment was made by a Civic Pragmatist from Waco county:

"I think that Texas is an attitude. And I don't necessarily mean that in a negative way. I think being a Texan means a certain amount of self-reliance. Intense pride that people from other states will never understand. And a go-getter attitude, a pro-business attitude. That, but yet welcoming. Sometimes we're probably a little bit impatient with people that move in from somewhere else and question the way we do things. But I think overall it's positive. It's an attitude. It's a can-do attitude."

In responding to the question, 'How much do you agree with the following statements about Texas today?', it was found that:

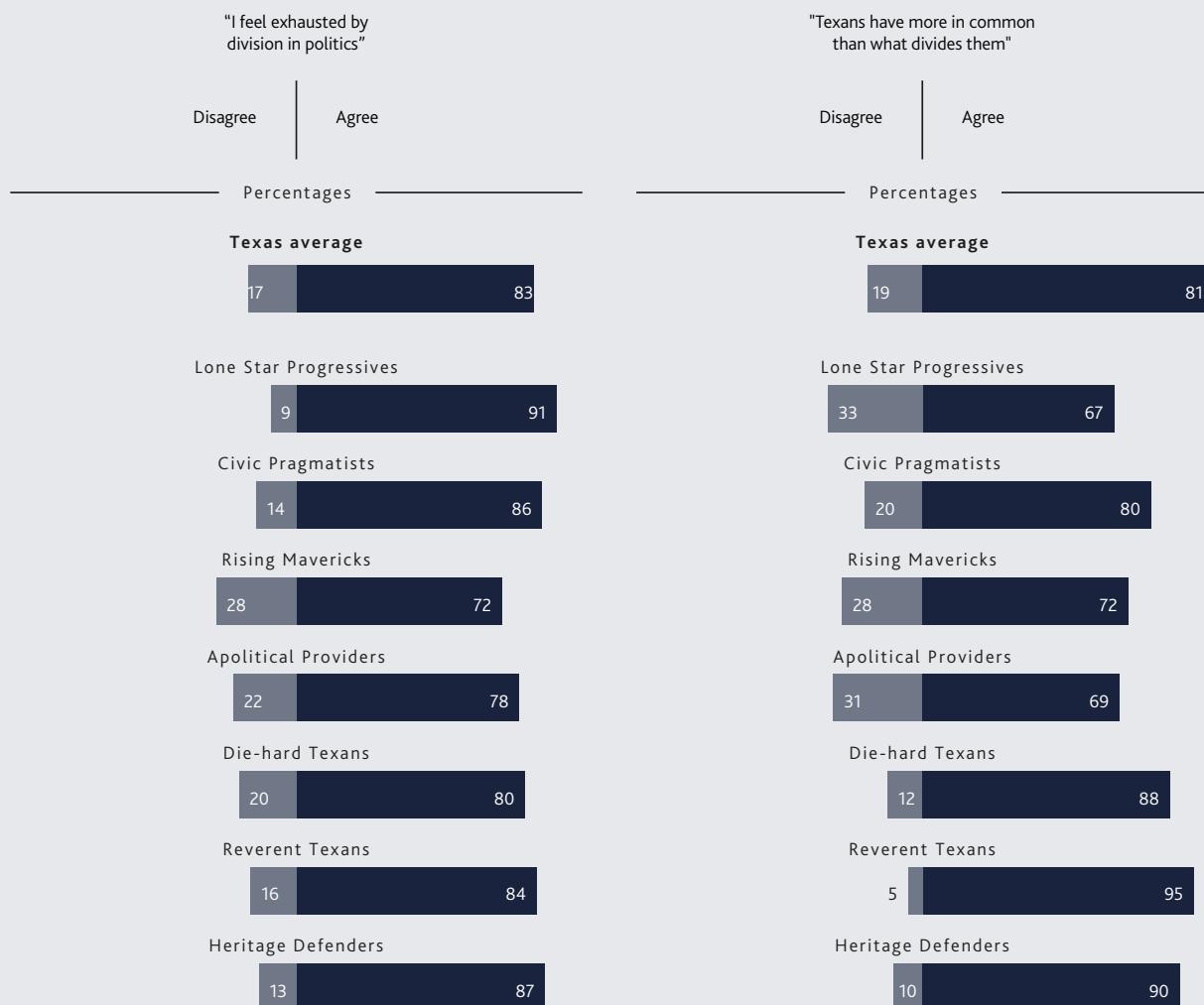
- More than 84% view Texas as a place of opportunities for people who want to work hard and make something of themselves, pointing to the enduring appeal of Texas' pioneering spirit (particularly among the Rising Mavericks, the youngest and most ethnically diverse segment).
- Likewise, there is overwhelming consensus on what values are important to being 'truly Texan': freedom and liberty (92%), helping your neighbors (91%), equality for all (89%), and welcoming diversity (83%).
- An overwhelming 83% of Texans feel exhausted by the division in politics, want change, and despite current divisions, are more confident than most Americans that this is possible: 81% believe that Texans have more in common than what divides them.

Looking upon a neighborhood from Mount Bonnell in Austin, Texas.

Less than one in three people in Austin county report doing favours for their neighbors, down from 42% a decade ago.

Sundry Photography/Shutterstock.com

Extent to which Texans agree with certain statements, overall and for Threads of Texas groups, percentages



Source: More in Common (2021)

But what can be done to rebuild the decline in Social Capital across the U.S.? Our answer is that each of us has a responsibility to help rebuild social capital at all levels and invest strategically, based on evidence of what works. Here are seven principles, drawn from science and from partnering with local and national organizations to test and scale initiatives that strengthen social capital and build resilience against distrust and division:

- **Use multiple perspectives, not only demographics, when analyzing problems and differences.** The Hidden Tribes project mapped the U.S. population according to people's core beliefs and worldviews and found that the segment to which someone belongs is often (but not always) far more predictive of people's opinions and behaviors than demographic categories such as gender, race, age and income. This mapping generates insights providing practical ways forward that More in Common have applied in more than one hundred institutional partnerships since 2017, forging common ground and countering the forces of polarization.
- **Building stronger shared, inclusive identities.** Distrust of 'the other' is rooted in uncertainty about their motivations, related

to (often inaccurate) perceptions of them having different goals and values. Strengthening an inclusive 'superordinate' identity – a common group identity – can increase trust by reducing perceptions of difference, such as racial differences.³ For example, the Threads of Texas project (see inset) aims to identify the shared identity and dreams for the future that can bring Texans together.

- **Increasing people's sense of belonging.** Whether at a neighborhood, city, state or national level, a greater feeling of belonging and recognition nurtures trust in others.
- **Increasing connections across the lines of difference.** Increased interaction with people perceived as different increases trust between groups (notwithstanding some caveats)⁴ by facilitating a more nuanced understanding of the 'other'. With Americans increasingly 'sorted' into similar groups by economic, cultural and informational factors, more intentional efforts are required to facilitate contact and interaction between people who do not know each other, through settings such as workplaces, neighbourhoods, education, healthcare and other care settings.

- **Finding appealing and creative ways for more people to participate actively** in civic life, which strengthens trust in institutions.⁵ Participation is both a cause and a consequence of increased trust.⁶
- **Elevating the importance of integrity and character in leadership.** When explaining reasons for their distrust in leaders, it is striking how often Americans speak of universal values of honesty and integrity rather than political issues. Public debate often undervalues how important perceptions of character and integrity are in building trust in institutional settings.⁷
- **Focusing on what is local.** There are more opportunities to bring people together across the lines of division when operating at a local level. Public trust is highest in institutions that are local - whether local businesses, media or government. A 2020 study More in Common undertook in partnership with Reader's Digest found that Americans' pride in their local community's

handling of the COVID-19 pandemic was twice as strong as at a national level.⁸

These principles are only a starting point for how we turn around the erosion of social capital. For too long we have been living off investments made by past generations. Our social capital is now depleted, through both neglect and the destructive efforts of 'conflict entrepreneurs' who mobilize people around the fault lines in our society.⁹ Rebuilding it requires a new generation of leaders and community-builders who can find innovative ways to transcend these divisions. They will need to renovate established institutions and build new ones. And they will need to inspire engagement, participation and hope among the Exhausted Majority of Americans who are despairing at the country's polarization, yet still overwhelmingly believe that our differences are not so great that we cannot come together.

Tim Dixon is co-founder of More in Common and former advisor to two Australian Prime Ministers.



Defining Open Economies

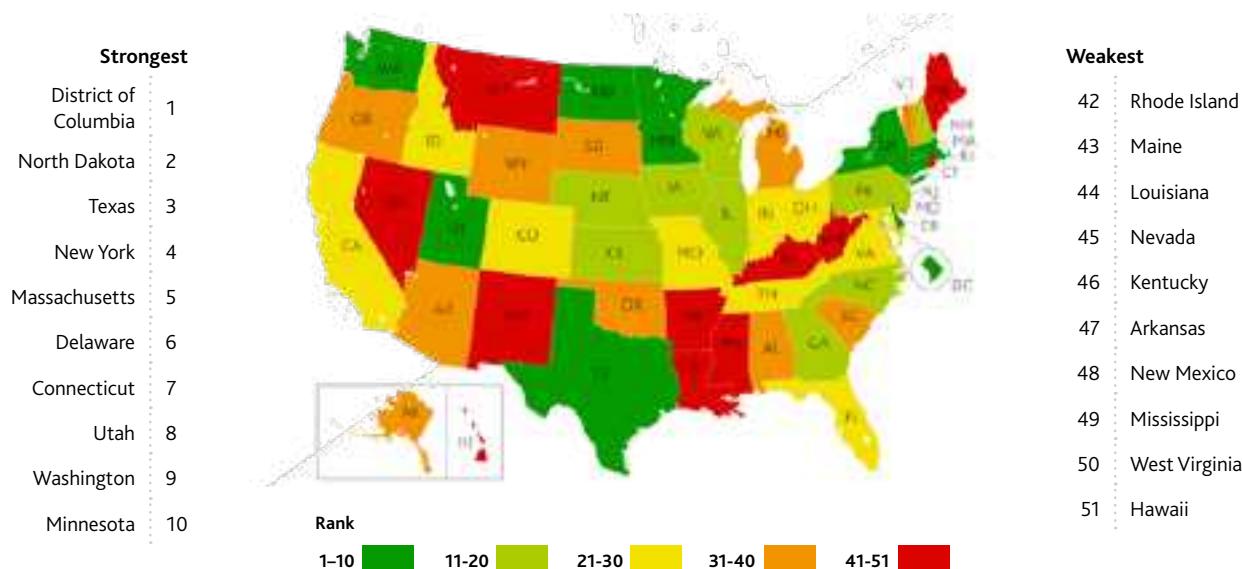
Open Economies encourage innovation and investment, promote business and commerce, and facilitate inclusive growth. This domain captures the extent to which the economies of each state and county embody these ideals. Without an open, competitive economy, it is challenging to create lasting social and economic wellbeing where individuals, communities, and businesses are empowered to reach their full potential. Commerce between states, communities and other nations is fundamental to the advance of innovation, knowledge transfer, and productivity that create economic growth and prosperity.¹ 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 does not 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, which attracts innovation, ideas, capital and talent. While most policymakers focus on the big fiscal and macroeconomic 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.

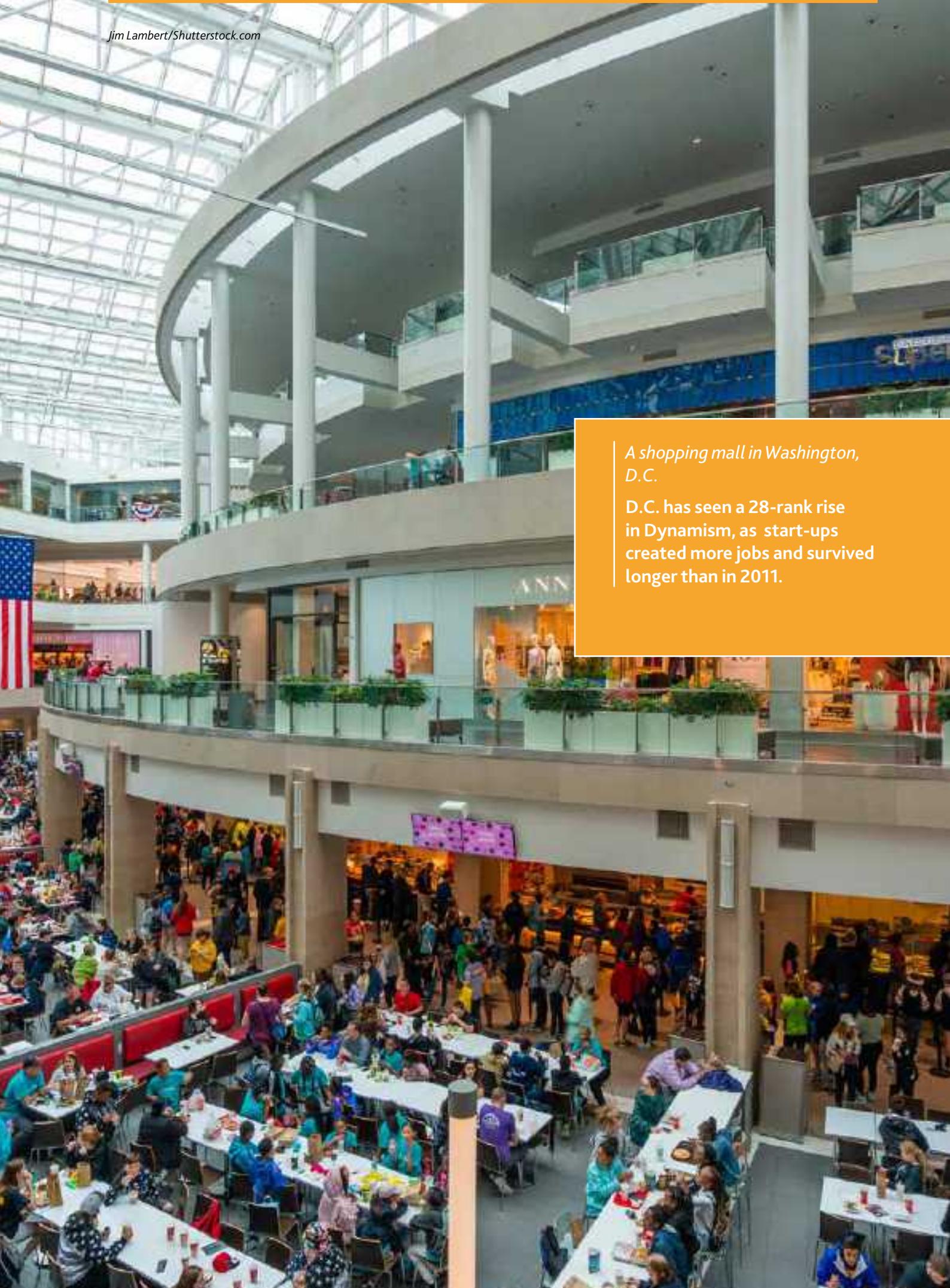
Business Environment measures the amount and variety of investment finance available (Financing Ecosystems) and how easy it is for businesses to start, compete, and expand (Domestic Market Contestability). Contestable markets with low barriers to entry and adequate pools of funding are important for 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 respond to the changing needs of society and ensure Labor Market Flexibility.

Infrastructure captures the quality of the infrastructure that enables trade. Businesses require infrastructure that allows for efficient Communication, adequate provision of water and electricity (Resources) and connects them to transport hubs and economic centers (Transport). This leads to more competitive and efficient markets, allowing new products and ideas to be commercialized and transported within the U.S. and overseas, ultimately benefiting consumers through a greater variety of goods at more competitive prices.

Economic Quality measures how robust an economy is (Fiscal Sustainability) and 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.

Open Economies 2021



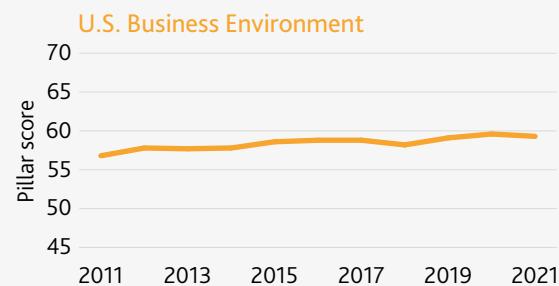


A shopping mall in Washington, D.C.

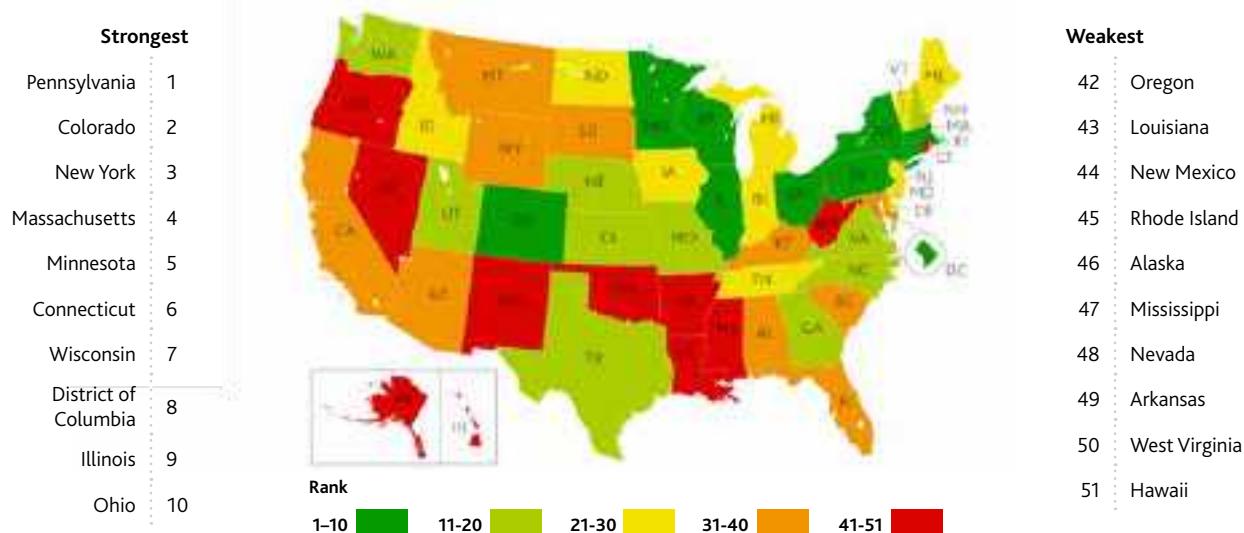
D.C. has seen a 28-rank rise in Dynamism, as start-ups created more jobs and survived longer than in 2011.

Business Environment

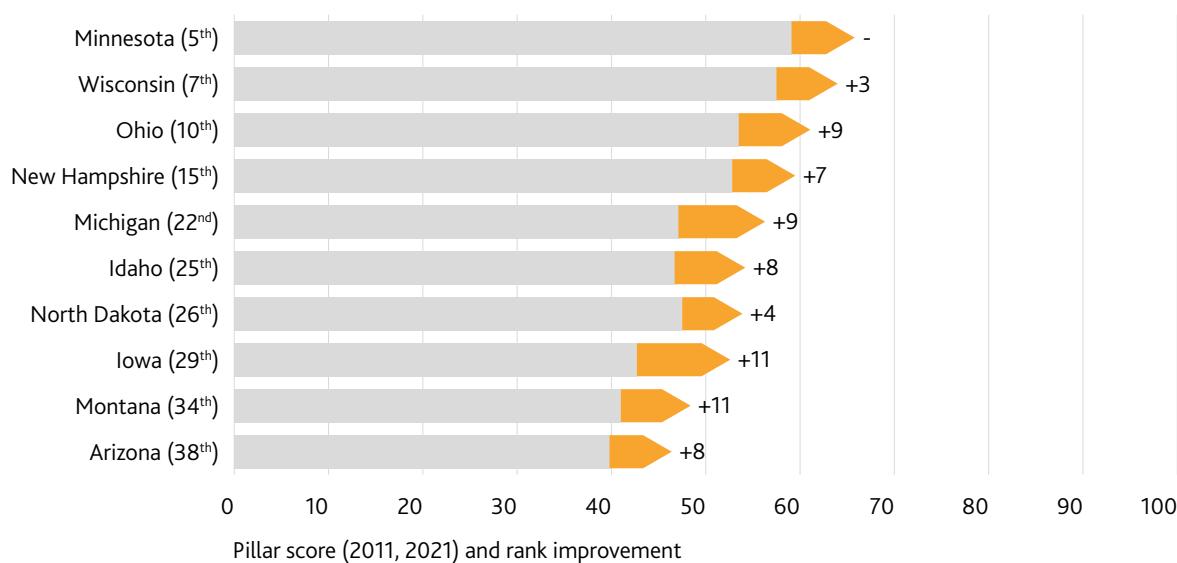
Business Environment measures the entrepreneurial environment, business infrastructure, access to credit, labor market flexibility, and price distortions for goods and services. It assesses how contestable the markets are and the number of barriers affecting how easy it is for businesses to start, compete, and expand.



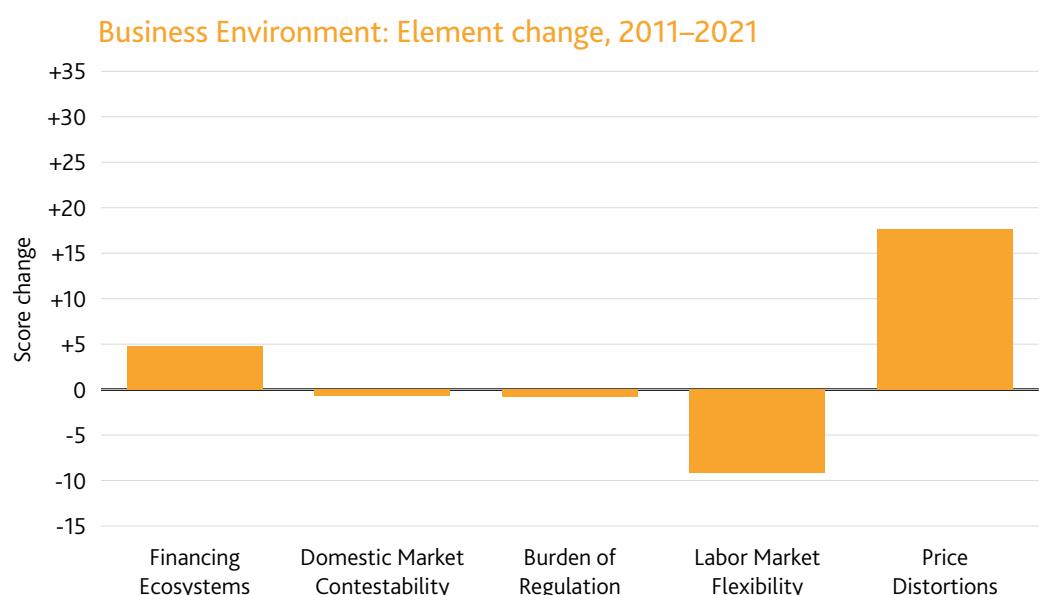
Business Environment 2021



Business Environment: Most improved states (2021 rank), 2011-2021

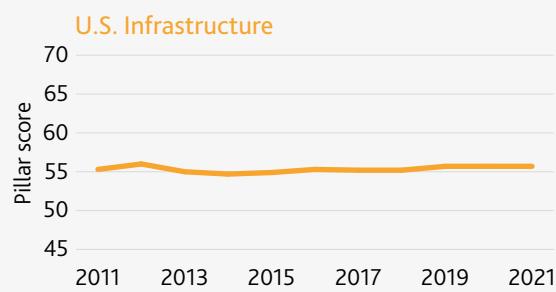


ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Financing Ecosystems (40%) is the availability of money for investment from sources including banking and bank debt to corporate debt and more sophisticated financial markets.	<ul style="list-style-type: none"> <i>Venture capital invested (NVCA)</i> <i>Number of venture capital deals (NVCA)</i> <i>Assets under management (NVCA)</i> <i>Venture capital fundraising (NVCA)</i> <i>New foreign direct investment (USBEA)</i> <i>Bank branch access (FDIC)</i> 	<ul style="list-style-type: none"> <i>Venture capital invested (NVCA)</i> <i>Number of venture capital deals (NVCA)</i> <i>Assets under management (NVCA)</i> <i>Venture capital fundraising (NVCA)</i> <i>New foreign direct investment (USBEA)</i> <i>Bank branch access (FDIC)</i>
Domestic Market Contestability (30%) examines how open the market is to new participants versus protection of the incumbents.	<ul style="list-style-type: none"> <i>Low-income licensed occupations (IJ)</i> <i>Occupational licensing training cost (IJ)</i> <i>Occupational licensing training time (IJ)</i> <i>Age requirements for license (IJ)</i> <i>Regulation Density Index (Cato)</i> 	<ul style="list-style-type: none"> <i>Statewide low-income licensed occupations (IJ)</i> <i>Statewide occupational licensing training cost (IJ)</i> <i>Statewide occupational licensing training time (IJ)</i> <i>Statewide age requirements for license (IJ)</i> <i>Statewide Regulation Density Index (Cato)</i>
Burden of Regulation (10%) captures how much effort and time are required to comply with regulations.	<ul style="list-style-type: none"> <i>Federal Regulation and State Enterprise Index (QG)</i> <i>State regulation (QG)</i> 	<ul style="list-style-type: none"> <i>Statewide Federal Regulation and State Enterprise Index (QG)</i> <i>Statewide state regulation (QG)</i>
Labor Market Flexibility (10%) measures how dynamic and flexible the workplace is for both employer and employee.	<ul style="list-style-type: none"> <i>Collective bargaining agreement coverage (FI)</i> <i>Employee health insurance cost (HJK)</i> <i>Workers compensation premium rate (Oreg.)</i> <i>Minimum wage (USDOL)</i> 	<ul style="list-style-type: none"> <i>Statewide collective bargaining agreement coverage (FI)</i> <i>Statewide employee health insurance cost (HJK)</i> <i>Workers compensation premium rate (Oreg.)</i> <i>Statewide minimum wage (USDOL)</i>
Price Distortions (10%) looks at how taxes and subsidies affect the 'level playing field'.	<ul style="list-style-type: none"> <i>Subsidies to the private sector (USBEA)</i> <i>Corporate Tax Score (TF)</i> 	<ul style="list-style-type: none"> <i>Statewide subsidies to the private sector (USBEA)</i> <i>Statewide Corporate Tax Score (TF)</i>

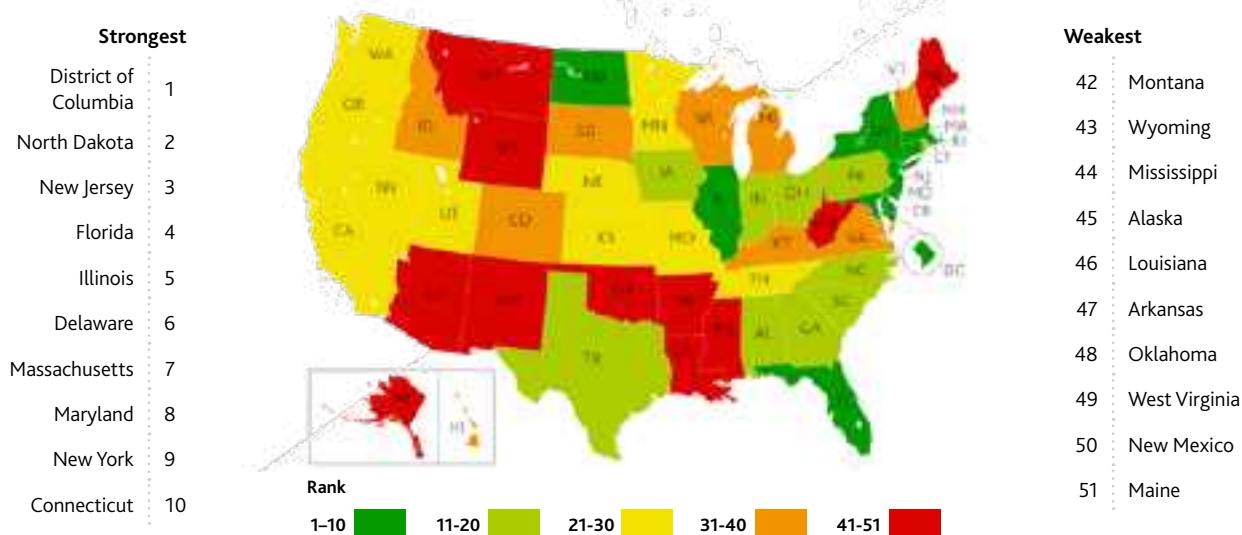


Infrastructure

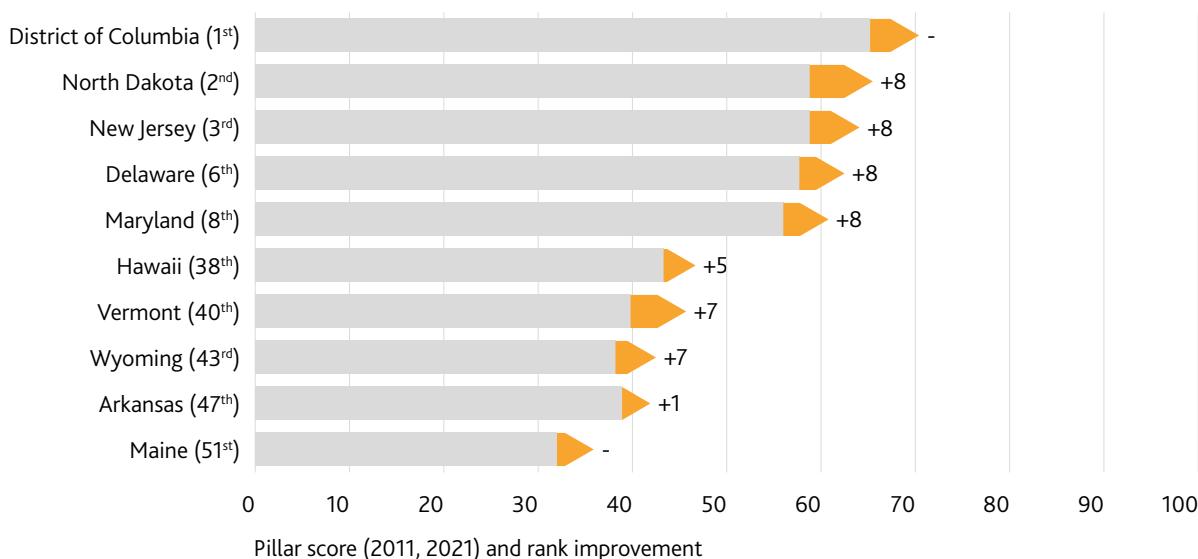
Infrastructure captures the quality of the infrastructure that enables commerce. Businesses require infrastructure that allows for efficient communication, adequate provision of water and electricity, and connects them to transport hubs and economic centers. This leads to more competitive and efficient markets, allowing new products and ideas to be commercialized and transported within the U.S. and overseas, ultimately benefiting consumers through a greater variety of goods at more competitive prices.



Infrastructure 2021



Infrastructure: Most improved states (2021 rank), 2011-2021





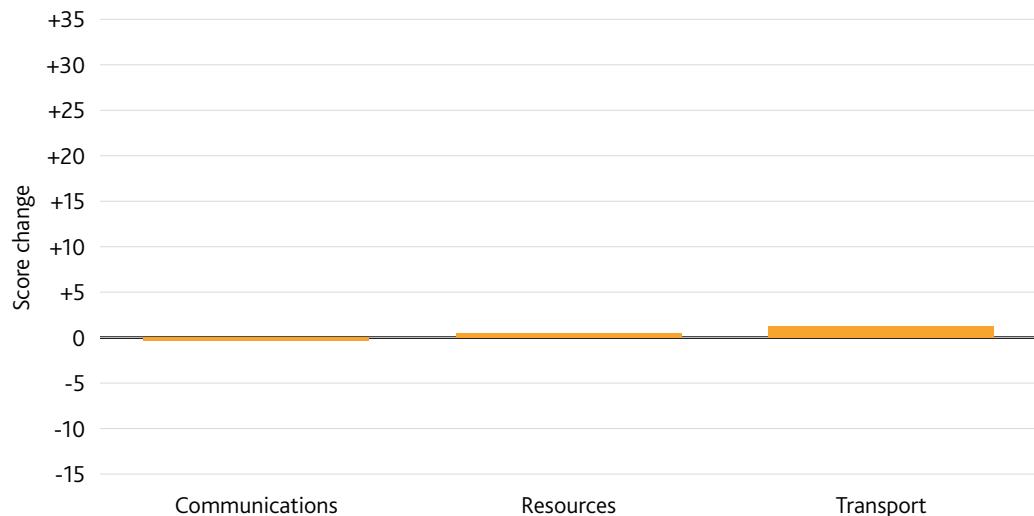
10th Avenue Bridge in Minneapolis.

Just under 5% of bridges across Minnesota were in poor condition, down from over 8% a decade ago.

Lee O/Shutterstock.com

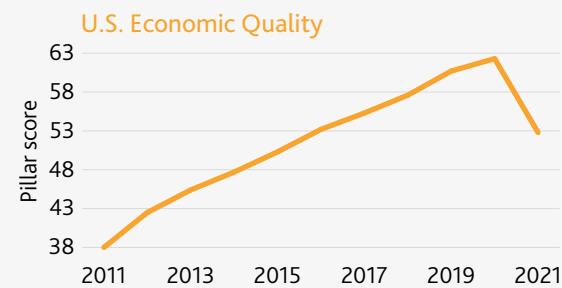
ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Communications (40%) assesses the means of communication and how widespread access to communication is.	<ul style="list-style-type: none"> Mean download speed (BBN) Ultra-fast internet access (BBN) High-speed internet access (NTIA) Internet providers (Business) (FCC) 	<ul style="list-style-type: none"> Mean download speed (BBN) Ultra-fast internet access (BBN) Fast internet access (BBN) Internet providers (Business) (FCC)
Resources (25%) assesses the quality, reliability and affordability of the energy network in a state, and the access to and use of water resources.	<ul style="list-style-type: none"> Customers affected by electricity outages (Mukh.) Net electricity generation (USEIA) Water usage (USGS) Electricity outage duration (USEIA) Electricity outage frequency (USEIA) 	<ul style="list-style-type: none"> Customers affected by electricity outages (Mukh.) Statewide net electricity generation (USEIA) Water usage (USGS) Electricity outage duration (USEIA) Electricity outage frequency (USEIA)
Transport (35%) assesses the ease and efficiency with which people and goods travel between and within states. This is a measure of the quality, diversity, and penetration of all forms of transport.	<ul style="list-style-type: none"> Number of airports (USBTS) Road condition (USBTS) Railroad length (AAR) Bus transit route mileage (USBTS) Public road length (FHWA) Bridge condition (FHWA) Distance to airport (USBTS) 	<ul style="list-style-type: none"> Statewide number of airports (USBTS) Road condition (FHWA) Statewide railroad length (AAR) Bus transit route mileage (USBTS) Public road density (FHWA) Bridge condition (FHWA) Distance to airport (USBTS)

Infrastructure: Element change, 2011–2021

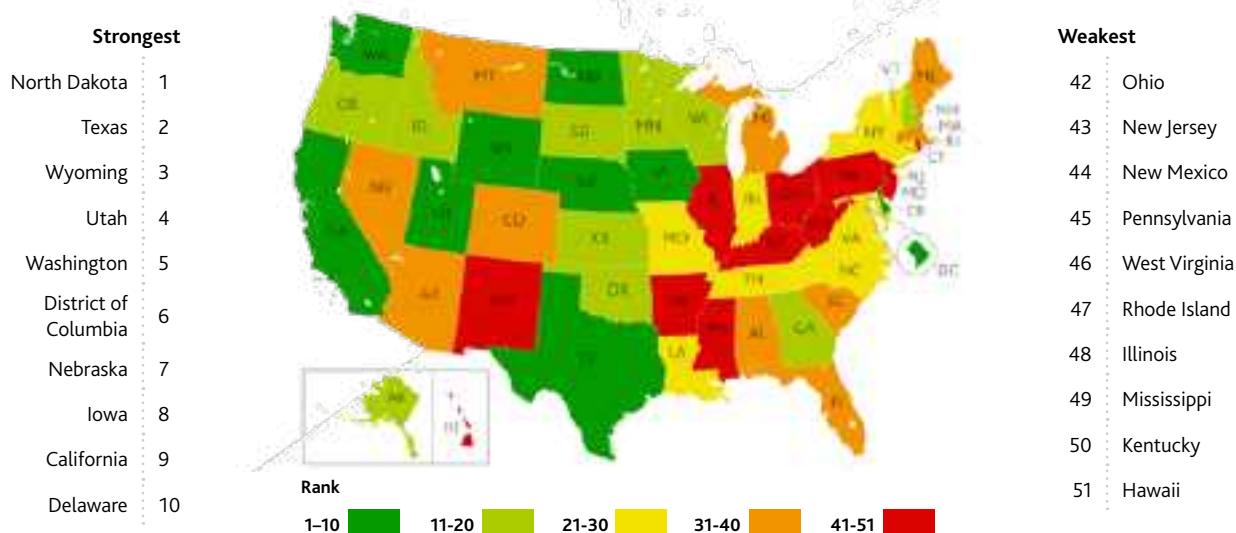


Economic Quality

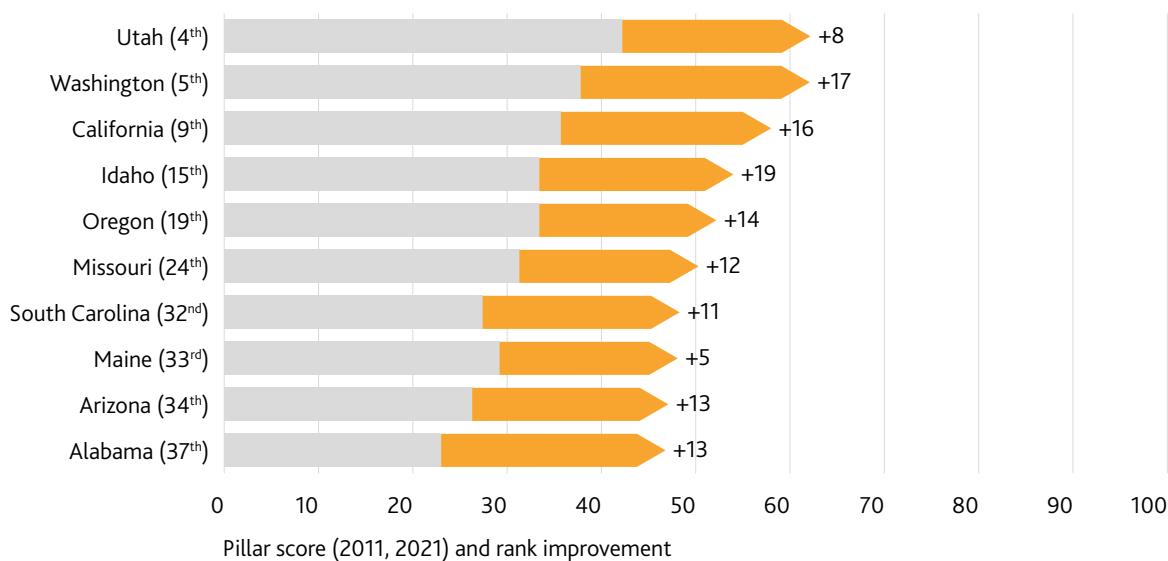
Economic Quality measures how well the economy is equipped to generate wealth sustainably with the full engagement of its workforce. A strong economy is dependent on the production of a diverse range of valuable goods and services and high labor force participation.



Economic Quality 2021



Economic Quality: Most improved states (2021 rank), 2011-2021

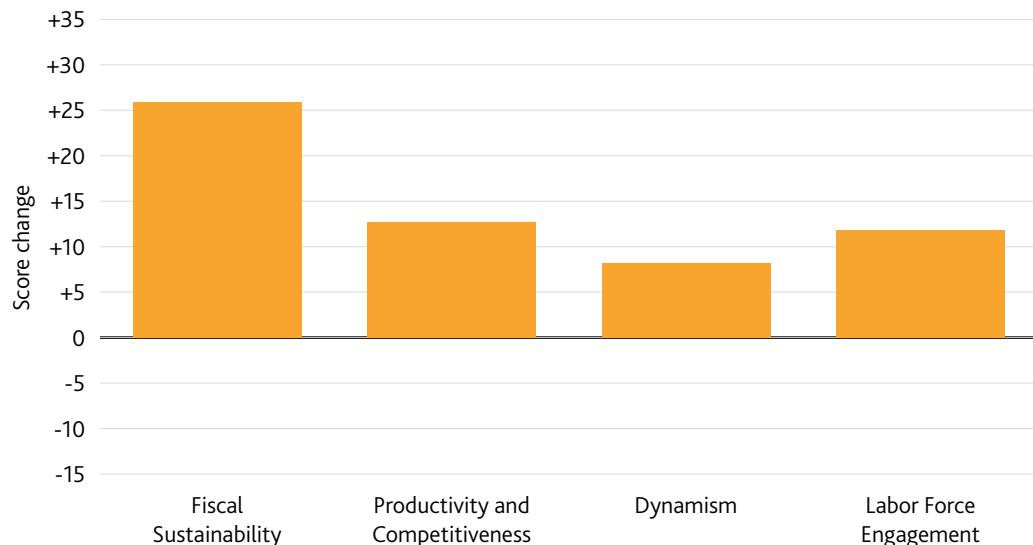


*Cranes at the Port of Miami.*

The value of exported manufactured goods in Florida fell from \$2,040 to \$1,880 per capita over the past decade.

ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Fiscal Sustainability (25%) assesses the ability of a government to sustain its current spending, tax, and other policies in the medium to long term.	<ul style="list-style-type: none"> • Government credit rating (<i>BallotP</i>) • State reserves capacity (Pew) • Revenue to expenditure ratio (Pew) • State budget balance (Pew) • State pension funding (FR) 	<ul style="list-style-type: none"> • Statewide government credit rating (<i>BallotP</i>) • Statewide state reserves capacity (Pew) • Government revenue to expenditure ratio (USCB) • Statewide state budget balance (Pew) • Statewide state pension funding (FR) • Debt-to-GDP ratio (USCB)
Productivity and Competitiveness (25%) captures the efficiency of the labor force and the export value of goods and services.	<ul style="list-style-type: none"> • Manufactured export value (USCB) • Non-manufactured export value (USCB) • Labor productivity (USBLS) 	<ul style="list-style-type: none"> • Export value (goods) (BIEM) • Export value (services) (BIEM) • Labor productivity (USBLS)
Dynamism (20%) measures the churn of businesses — the number of new startups entering and failed firms exiting an economy.	<ul style="list-style-type: none"> • Startup concentration (Kauf) • Startup early job creation (Kauf) • Startup early survival rate (Kauf) • Opportunity-driven startups (Kauf) • Rate of new entrepreneurs (Kauf) • Patent applications (USPTO) 	<ul style="list-style-type: none"> • Startup concentration (Kauf) • Startup early job creation (Kauf) • Startup early survival rate (Kauf) • Opportunity-driven startups (Kauf) • Rate of new entrepreneurs (Kauf) • Patent applications (USPTO)
Labor Force Engagement (30%) covers the intersection of demography and the workforce, including the rates of unemployment and underemployment.	<ul style="list-style-type: none"> • Unemployment (USBLS) • Youth unemployment (USBLS) • Employee engagement (Gallup) • Underemployment (USBLS) • Labor force participation (USBLS) 	<ul style="list-style-type: none"> • Unemployment (USBLS) • Youth unemployment (USCB) • Employee engagement (Gallup) • Statewide underemployment (USBLS) • Labor force participation (USCB)

Economic Quality: Element change, 2011–2021



Defining Empowered People

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 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, to a safe and clean environment. Many of these issues are interrelated. The pillars in this domain differentiate states' performances 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 Water Services and Shelter. It 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.

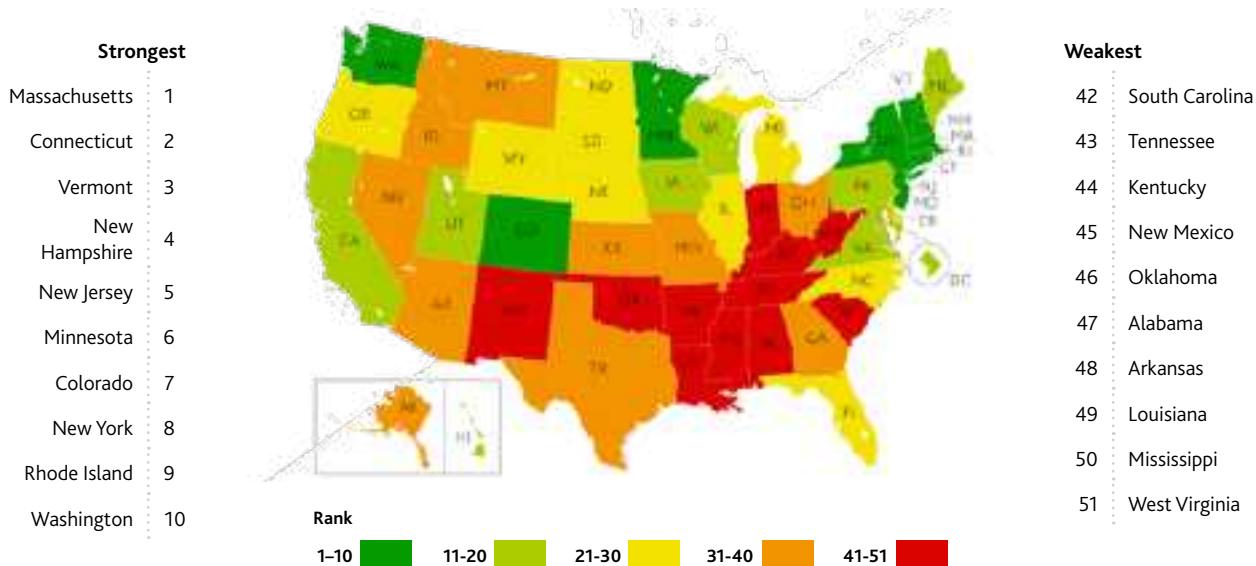
Health measures health service provision and the health outcomes of a population — including the quality of both Mental Health and Physical Health, each of which affects Longevity. It assesses the set

of Behavioral Risk Factors that affect the quality of the population's health and the quality of healthcare provision through the lenses of Care Systems and Preventative Interventions. For a state truly to 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 enrollment, outcomes and quality of four stages of education (Pre-Primary, Primary, Secondary, and Tertiary Education) and the Adult Skills in the population. Education allows people to lead more fulfilling lives, and a better-educated population can contribute better to society. Over the long term, education can help to drive economic development and growth while improving social and health outcomes, and 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. The quality of air is captured through Emissions and Exposure to Air Pollution. The extent to which the ecosystems providing resources for extraction (freshwater and forest, land and soil) are sustainably managed. A well-managed is also measured rural environment yields crops, material for construction, wildlife and food, and sources of energy. The extent of preservation efforts is captured, as these are critical to longer-term sustainability.

Empowered People 2021



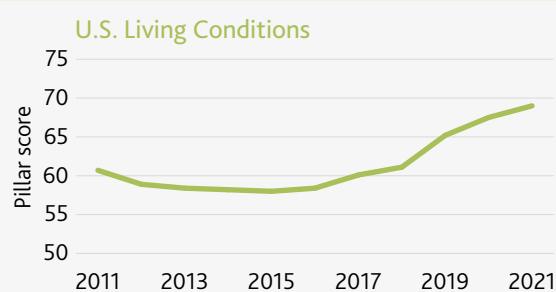
A family enjoys a walk out by a lake.

Since 2011, the Natural Environment has improved in the U.S., with Kentucky the most-improved state following a 36% reduction in life years lost as a result of air pollution.

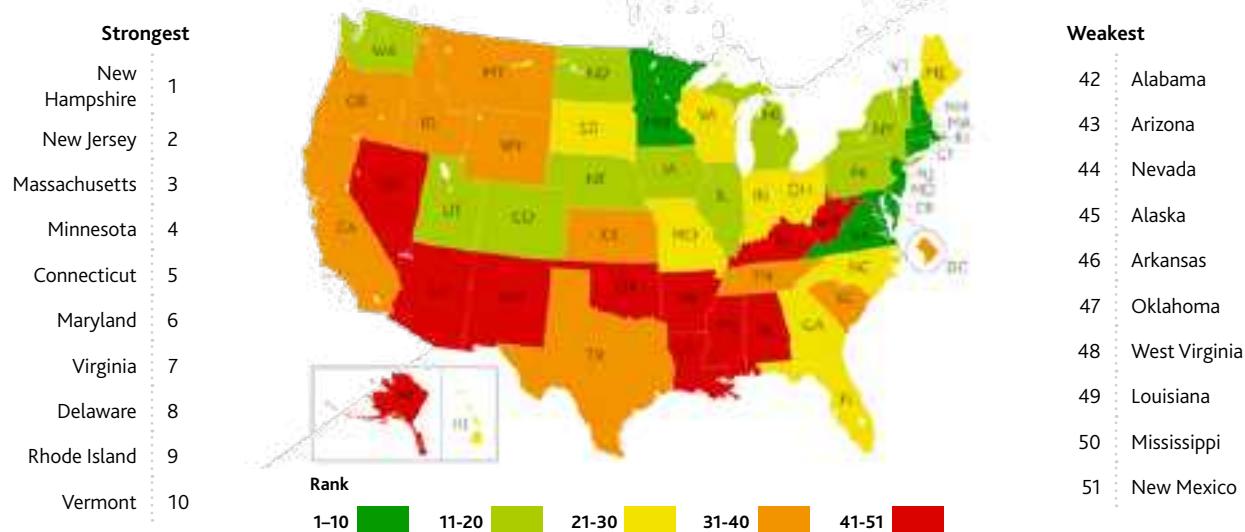


Living Conditions

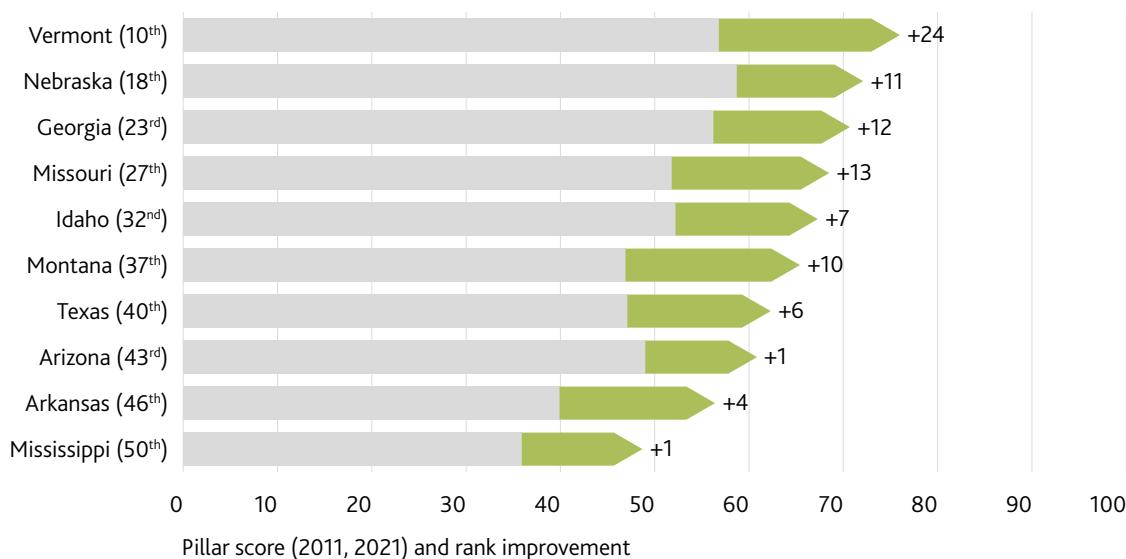
Living Conditions measures whether a reasonable quality of life is extended to the whole population. This includes several key areas — in addition to material resources, people must have access to adequate shelter and a healthy diet, basic services such as electricity, clean water, and sanitation, safety at work and in their lived environment, and the ability to connect and engage in core activities in society.



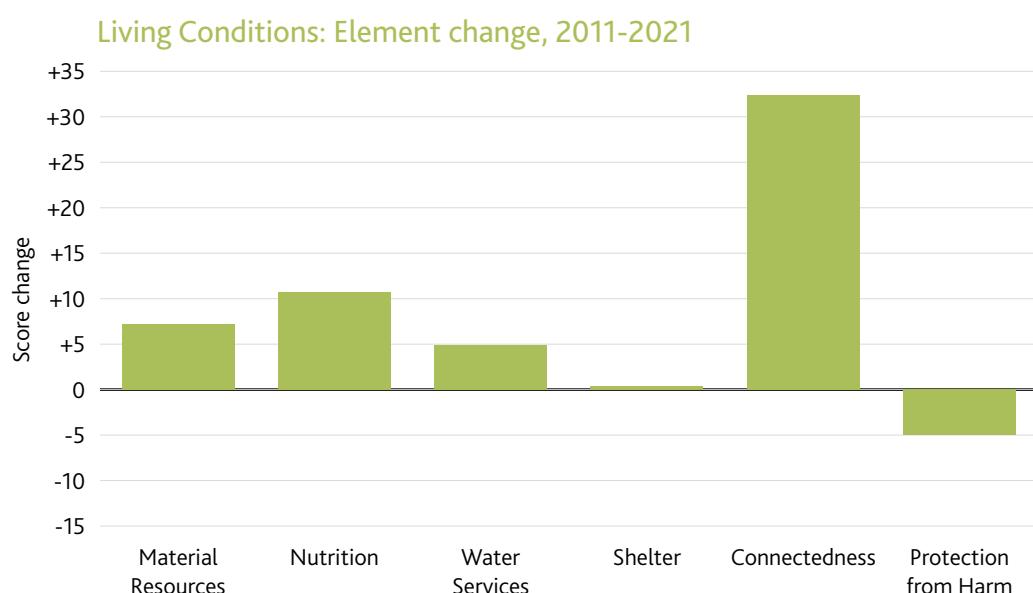
Living Conditions 2021



Living Conditions: Most improved states (2021 rank), 2011-2021

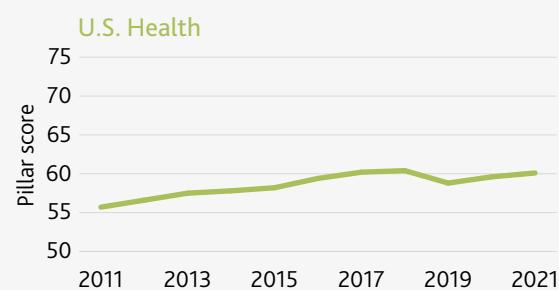


ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Material Resources (25%) measures the proportion of individuals with the minimum amount of resources necessary to survive and attain wellbeing, including the reliability of income and resilience to economic shocks.	<ul style="list-style-type: none"> • <i>Low income (USACS)</i> • <i>Poverty (USACS)</i> • <i>Deep poverty (USACS)</i> • <i>Liquid asset poverty (PNS)</i> • <i>High risk loans (TP)</i> 	<ul style="list-style-type: none"> • <i>Low income (USACS)</i> • <i>Poverty (USACS)</i> • <i>Deep poverty (USACS)</i> • <i>Liquid asset poverty (PNS)</i> • <i>Statewide high risk loans (TP)</i>
Nutrition (15%) measures the availability, adequacy and diversity of food intake required for individuals to participate in society, ensure cognitive development, and avoid potentially long-term health impacts.	<ul style="list-style-type: none"> • <i>Food security (USDA)</i> • <i>Borderline food security (USDA)</i> • <i>Fruit consumption (BRFSS)</i> • <i>Vegetable consumption (BRFSS)</i> 	<ul style="list-style-type: none"> • <i>Food security (FA)</i> • <i>Statewide borderline food security (USDA)</i> • <i>Fruit consumption (BRFSS)</i> • <i>Vegetable consumption (BRFSS)</i>
Water Services (15%) captures the access to, and the availability and quality of, the basic utility services necessary for human wellbeing.	<ul style="list-style-type: none"> • <i>Clean and safe water (Gallup)</i> • <i>Public drinking water violations (USEPA)</i> • <i>Complete kitchen and plumbing facilities (USHUD)</i> 	<ul style="list-style-type: none"> • <i>Statewide clean and safe water (Gallup)</i> • <i>Public drinking water violations (CHR)</i> • <i>Complete kitchen and plumbing facilities (USHUD)</i>
Shelter (15%) reflects the availability and affordability of accommodation, and the population without any shelter.	<ul style="list-style-type: none"> • <i>Homelessness (USHUD)</i> • <i>Unsheltered homeless rate (USHUD)</i> • <i>Households with overcrowding (USHUD)</i> • <i>Availability of affordable housing (NLIHC)</i> 	<ul style="list-style-type: none"> • <i>Homelessness (USHUD)</i> • <i>Unsheltered homeless rate (USHUD)</i> • <i>Households with overcrowding (USHUD)</i> • <i>Availability of affordable housing (UI)</i>
Connectedness (15%) captures the extent to which individuals can participate in the normal activities in which citizens of a society engage, digitally and physically.	<ul style="list-style-type: none"> • <i>Urban access to broadband (FCC)</i> • <i>Rural access to broadband (FCC)</i> • <i>Households with a smartphone (USACS)</i> 	<ul style="list-style-type: none"> • <i>Access to broadband (FCC)</i> • <i>Households with a smartphone (USACS)</i>
Protection from Harm (15%) captures the safety of the environment individuals live and work in, measuring automotive and workplace injuries and accidental deaths.	<ul style="list-style-type: none"> • <i>Fatal unintentional injuries (CDC)</i> • <i>Traffic deaths (CDC)</i> 	<ul style="list-style-type: none"> • <i>Fatal unintentional injuries (CDC)</i> • <i>Traffic deaths (CDC)</i>

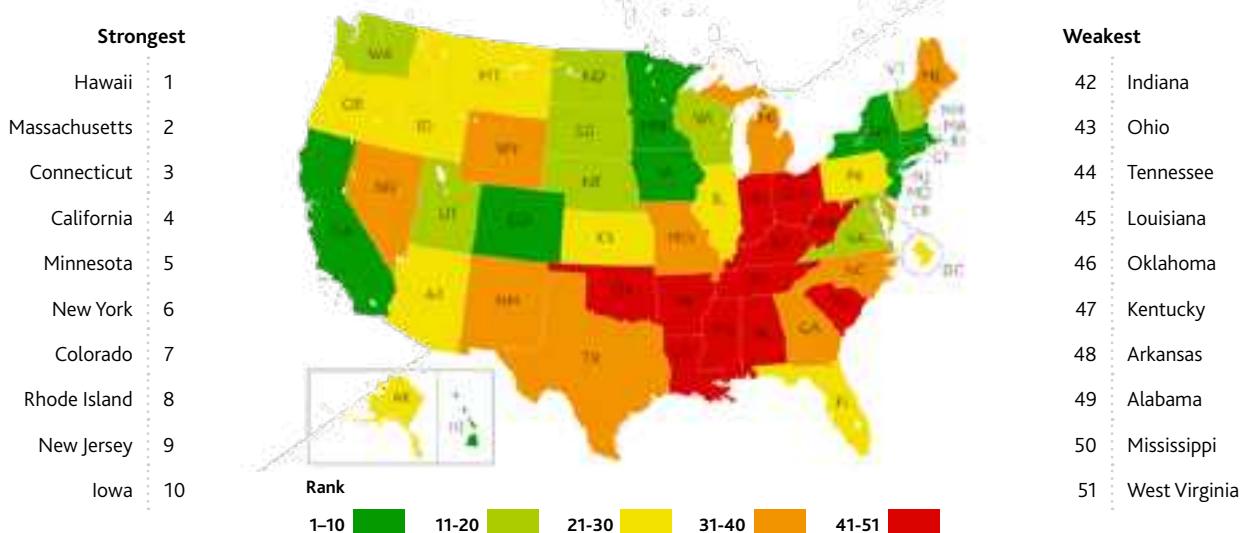


Health

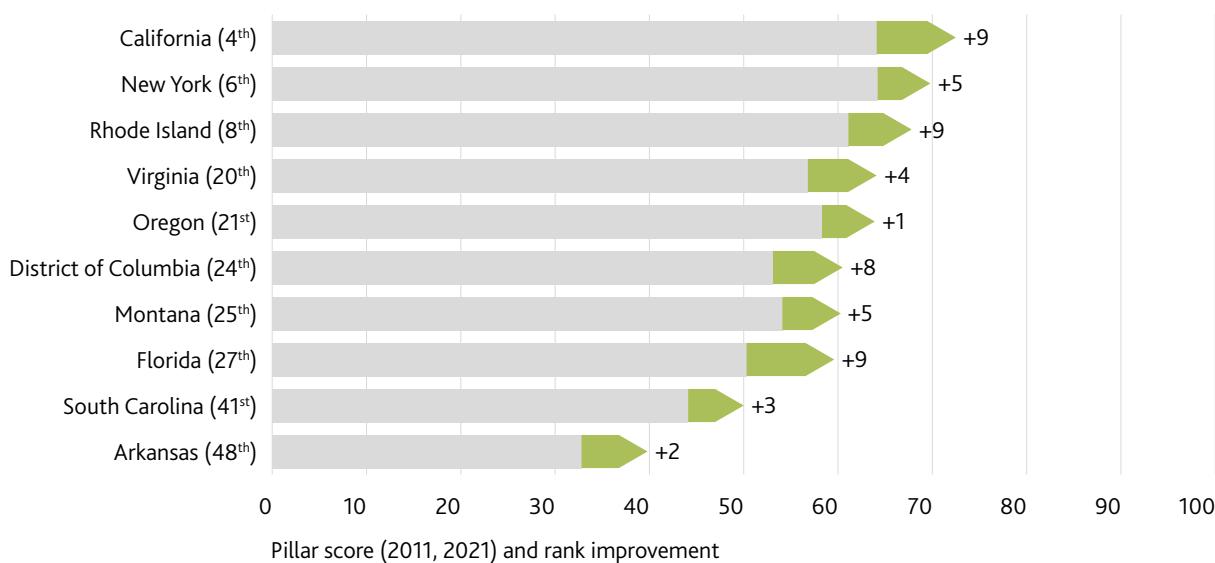
Heatlh measures the extent to which people are healthy and have access to the necessary services to maintain good health. Those who enjoy good physical and mental health report high levels of wellbeing, while poor health provides a major obstacle to people fulfilling their potential. The coverage and accessibility of effective healthcare, combined with behaviors that sustain a healthy lifestyle, are critical to both individual and societal prosperity.



Health 2021

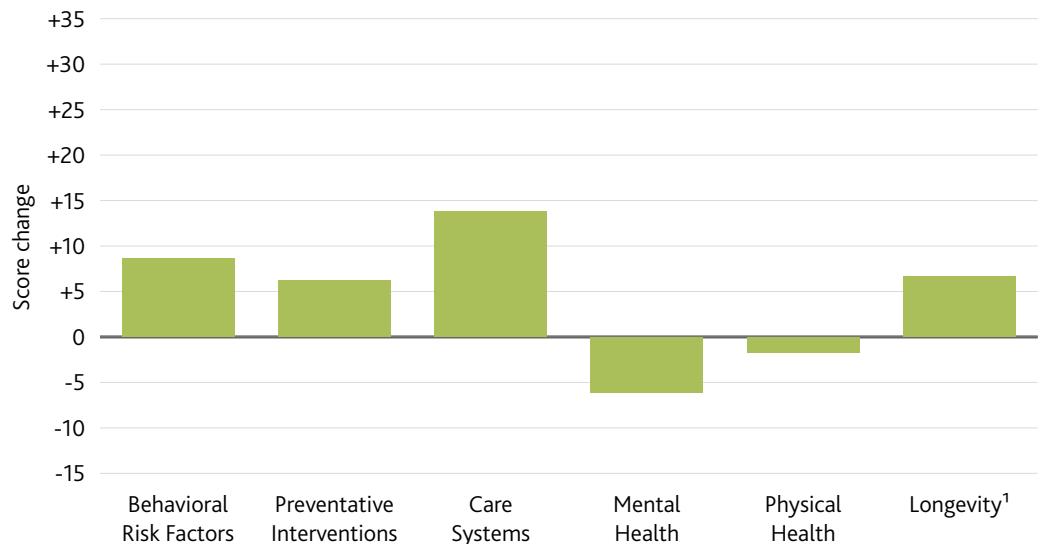


Health: Most improved states (2021 rank), 2011-2021



ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Behavioral risk factors (15%) assesses the set of lifestyle patterns molded by a complex set of influences that increase the likelihood of developing disease, injury or illness, or of suffering from premature death.	<ul style="list-style-type: none"> • Obesity (BRFSS) • Smoking (BRFSS) • Alcohol use disorder (SAMHSA) • Illicit drug use disorder (SAMHSA) • Pain reliever misuse (SAMHSA) 	<ul style="list-style-type: none"> • Obesity (CDC) • Smoking (CHR) • Alcohol use disorder (SAMHSA) • Illicit drug use disorder (SAMHSA) • Pain reliever misuse (SAMHSA)
Preventative Interventions (15%) measures the extent to which a health system prevents diseases, illnesses and other medical complications from occurring, to improve quality of life and avoid premature death.	<ul style="list-style-type: none"> • Adult dentist visits (BRFSS) • Adult doctor visits (BRFSS) • Colorectal cancer screening (BRFSS) • Child medical visits (NSCH) • HPV immunizations (NCIRD) • Pap smear test (BRFSS) • Child Immunization (NCIRD) • Child dentist visits (NSCH) 	<ul style="list-style-type: none"> • Adult dentist visits (BRFSS) • Adult doctor visits (BRFSS) • Colorectal cancer screening (BRFSS) • Statewide child medical visits (NSCH) • Statewide HPV immunizations (NCIRD) • Pap smear test (BRFSS) • Statewide child immunization (NCIRD) • Statewide child dentist visits (NSCH)
Care systems (15%) assesses accessibility to the health care system, and the capacity of that system to treat and cure diseases and illnesses once they are present in the population.	<ul style="list-style-type: none"> • Child mental health access (NSCH) • Adults with no health care coverage (BRFSS) • Avoided medical care due to cost (BRFSS) • Hospital rating (HCAHPS) • Preventable hospitalizations for medicare enrollees (CMS) 	<ul style="list-style-type: none"> • Statewide child mental health access (NSCH) • Adults with no health care coverage (CHR) • Avoided medical care due to cost (BRFSS) • Hospital rating (HCAHPS) • Preventable hospitalizations for medicare enrollees (CHR)
Mental Health (15%) captures the level and burden of mental illness on the living population, using self-reported and objective measures.	<ul style="list-style-type: none"> • Suicide (CDC) • Drug overdose deaths (CDC) • Serious mental illness (SAMHSA) • Disability weighted prevalence from mental illness (IMHE) • Self-reported mental health not good (BRFSS) 	<ul style="list-style-type: none"> • Suicide (CDC) • Drug overdose deaths (CDC) • Serious mental illness (SAMHSA) • Statewide disability weighted prevalence from mental illness (IMHE) • Self-reported mental health not good (CHR)
Physical Health (20%) captures the level and burden of physical illness on the living population, using self-reported and objective measures.	<ul style="list-style-type: none"> • High blood pressure (BRFSS) • Diabetes (BRFSS) • Heart attack (BRFSS) • Disability-weighted prevalence of infectious diseases (IHME) • Self-reported poor physical health (BRFSS) 	<ul style="list-style-type: none"> • High blood pressure (BRFSS) • Diabetes (CDC) • Heart attack (BRFSS) • Statewide disability-weighted prevalence of infectious diseases (IHME) • Self-reported poor physical health (CHR)
Longevity (20%) measures the mortality rate of the population through different stages of life.	<ul style="list-style-type: none"> • Under 5 mortality (CDC) • 5-14 mortality (CDC) • 15-64 mortality (CDC) • Maternal mortality (IMHE) • Mortality risk 65-85 (IMHE) 	<ul style="list-style-type: none"> • Under 5 mortality (CDC) • 5-14 mortality (CDC) • 15-64 mortality (CDC) • Maternal mortality (IMHE) • Mortality risk 65-85 (IMHE)

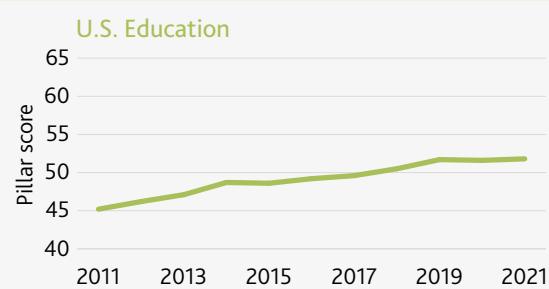
Health: Element change, 2011-2021



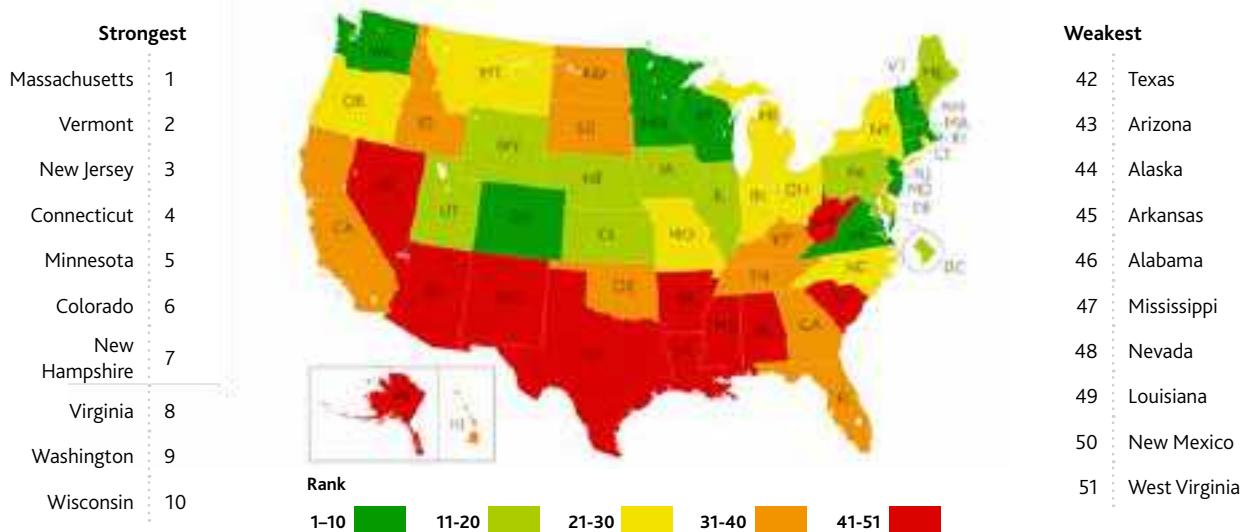
1. State-level mortality data from CDC does not yet capture the impact of Covid-19.

Education

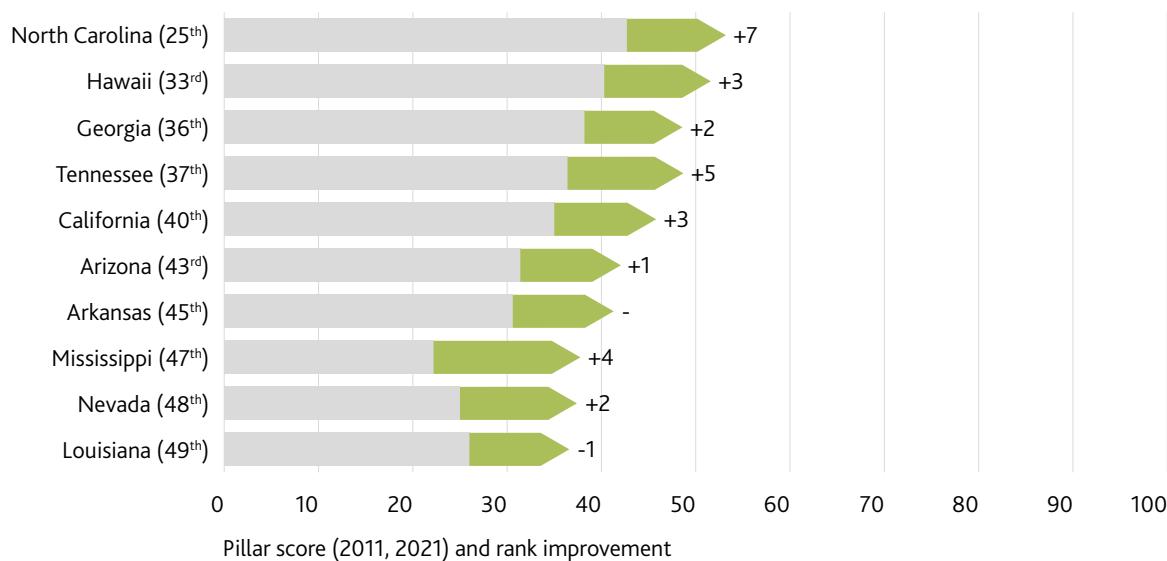
Education is a building block for prosperous societies; the accumulation of skills and capabilities contributes to economic growth. Education provides the opportunity for individuals to reach their potential, and a more fulfilled and prosperous life. A better-educated population leads to greater civic engagement and improved social outcomes, such as better health and lower crime rates.



Education 2021

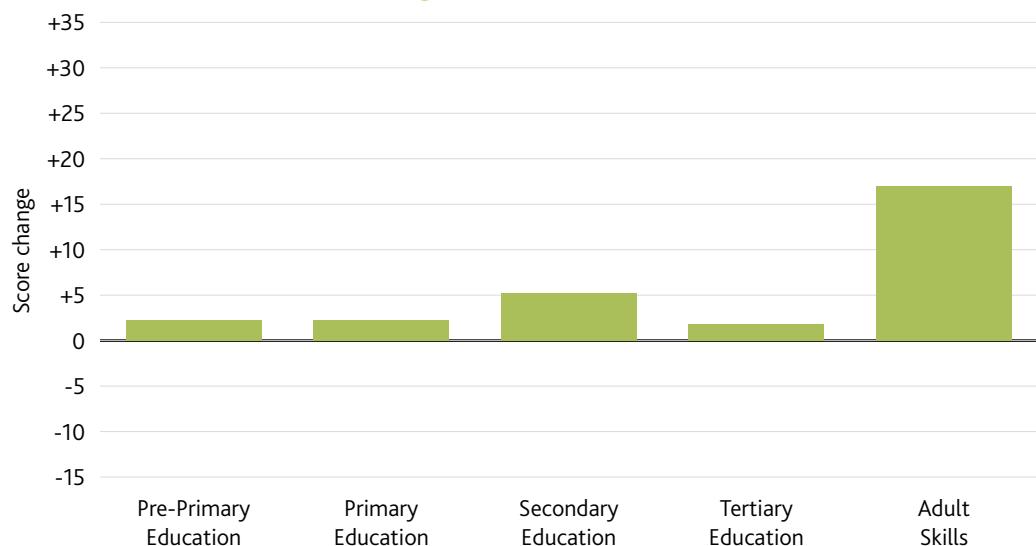


Education: Most improved states (2021 rank), 2011-2021



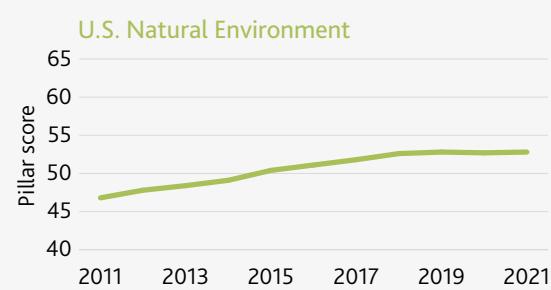
ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Pre-primary Education (5%) measures enrollment and quality of early years (Pre-K) education.	<ul style="list-style-type: none"> • Pre-primary enrollment (USACS) • State Pre-K quality (NIEER) 	<ul style="list-style-type: none"> • Pre-primary enrollment (USACS) • Statewide state Pre-K quality (NIEER)
Primary Education (20%) measures enrollment, completion and quality of education at the primary school (K-12 Middle School) stage of education.	<ul style="list-style-type: none"> • Primary enrollment (USACS) • Math grade 4 score (NAEP) • Science grade 4 score (NAEP) • Reading grade 4 score (NAEP) 	<ul style="list-style-type: none"> • Primary enrollment (USACS) • Math grade 4 level (SEDA) • Statewide science grade 4 score (NAEP) • English, language and arts grade 4 level (SEDA)
Secondary Education (25%) measures enrollment, completion and quality of education at the secondary school (K-12 High School) stage of education.	<ul style="list-style-type: none"> • Secondary enrollment (USACS) • Math grade 8 score (NAEP) • Science grade 8 score (NAEP) • Reading grade 8 score (NAEP) • High school graduation rate (USDE) 	<ul style="list-style-type: none"> • Secondary enrollment (USACS) • Math grade 8 level (SEDA) • Statewide science grade 8 score (NAEP) • English, language and arts grade 8 level (SEDA) • High school graduation rate (CHR)
Tertiary Education (25%) measures enrollment, graduation, and quality of education at the tertiary stage, which includes community colleges and universities.	<ul style="list-style-type: none"> • College enrollment (USACS) • College graduation rate (NCES) • University quality for enrolled students (QS) • Community college graduation rate (NCES) 	<ul style="list-style-type: none"> • College enrollment (USACS) • Statewide college graduation rate (NCES) • Statewide university quality for enrolled students (QS) • Community college graduation rate (NCES)
Adult Skills (25%) captures the level of education of the adult population, reflecting historical education outcomes.	<ul style="list-style-type: none"> • Adult population with at least a high school diploma (USACS) • Adult population with bachelor's degree or higher (USACS) 	<ul style="list-style-type: none"> • Adult population with at least a high school diploma (USACS) • Adult population with bachelor's degree or higher (USACS)

Education: Element change, 2011-2021

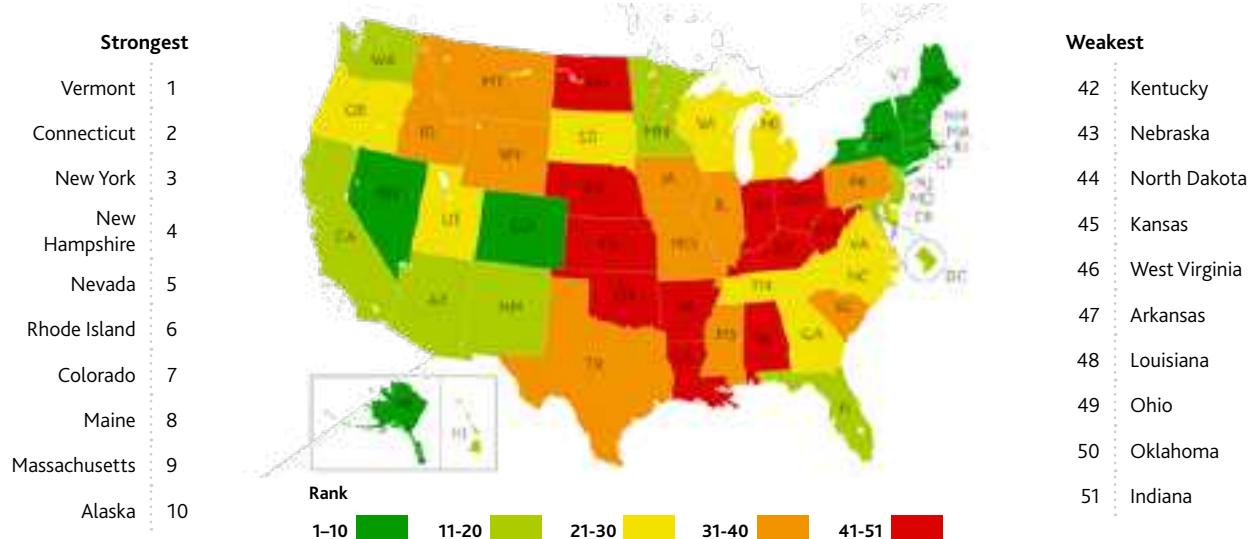


Natural Environment

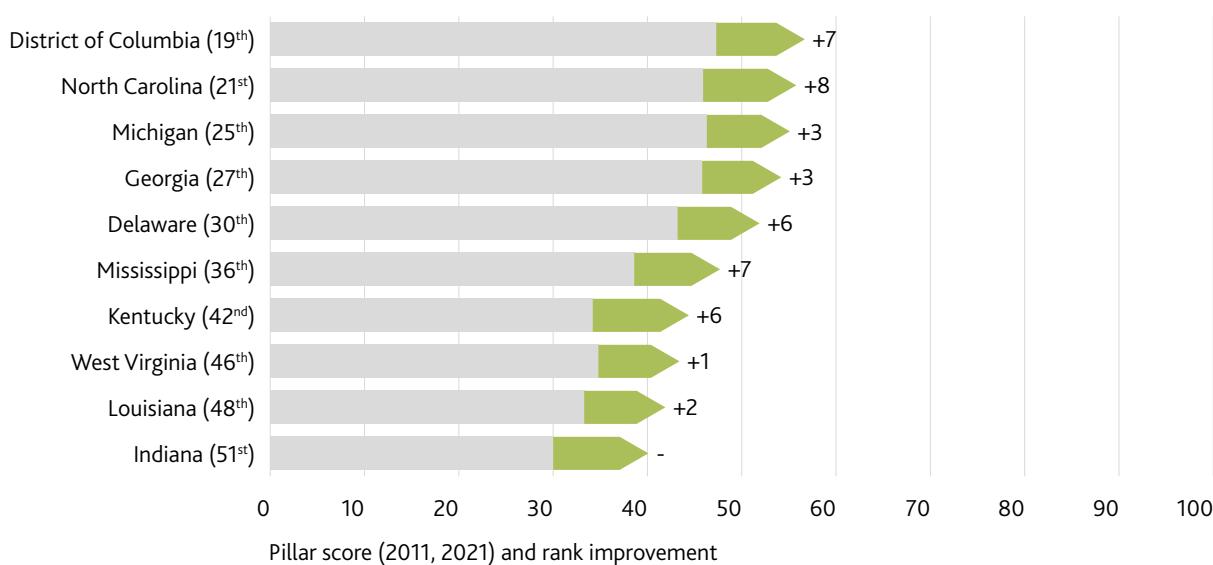
Natural Environment captures the parts of the physical environment that have a direct effect on people in their daily lives and changes that might impact the prosperity of future generations. A well-managed natural environment benefits a nation by yielding crops, material for construction, wildlife and food, and sources of energy, while clean air leads to a higher quality of living for all.



Natural Environment 2021

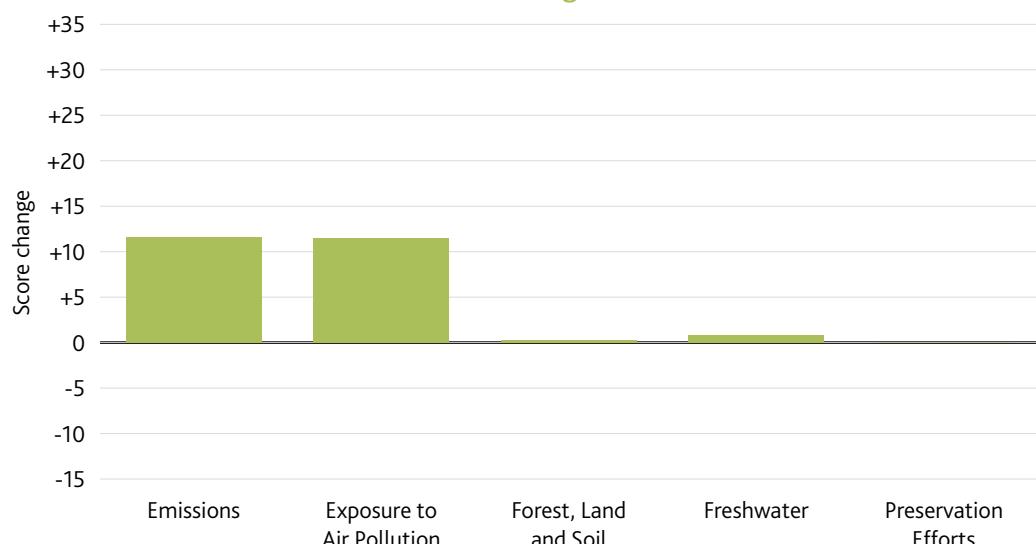


Natural Environment: Most improved states (2021 rank), 2011-2021



ELEMENT (WEIGHT %)	STATE INDICATORS	COUNTY INDICATORS
Emissions (25%) measures the level of emissions of greenhouse gases such as CO ₂ and other pollutants such as PM2.5.	<ul style="list-style-type: none"> Toxic air releases (USEPA) CO₂ emissions (USEIA) Nitrous oxide emissions (USEPA) Carbon monoxide emissions (USEPA) PM2.5 emissions (USEPA) Sulfur dioxide emissions (USEPA) Ozone emissions (USEPA) Lead emissions (USEPA) 	<ul style="list-style-type: none"> Toxic air releases (USEPA) CO₂ emissions (USEPA) Nitrous oxide emissions (USEPA) Carbon monoxide emissions (USEPA) PM2.5 emissions (USEPA) Sulfur dioxide emissions (USEPA) Ozone emissions (USEPA) Lead emissions (USEPA)
Exposure to Air Pollution (25%) captures the level of emissions to which the population is physically exposed, and the resulting longevity impact.	<ul style="list-style-type: none"> Life years lost from air pollution (IMHE) Fine particulate matter exposure (OECD) 	<ul style="list-style-type: none"> Life expectancy loss from air pollution (JBEN) Fine particulate matter exposure (OECD)
Forest, Land and Soil (20%) assesses the quality of forest, land, and soil by looking at the extent of natural habitats and the disposal of pollutants into the ground.	<ul style="list-style-type: none"> Toxic land releases (USEPA) Rural parks and wildlife areas (USDA) Compliant underground storage tanks facilities (USEPA) Exposure to pesticides (CDC) Tree canopy cover (NLCD) Wetlands and deepwater habitats (USFWS) 	<ul style="list-style-type: none"> Toxic land releases (USEPA) Statewide rural parks and wildlife areas (USDA) Statewide compliant underground storage tanks facilities (USEPA) Statewide exposure to pesticides (CDC) Tree canopy cover (NLCD) Wetlands and deepwater habitats (USFWS)
Freshwater (20%) assesses the availability and quality of freshwater and the demands placed on that water availability.	<ul style="list-style-type: none"> Good quality rivers and streams (USEPA) Good quality lakes, reservoirs and ponds (USEPA) Total freshwater withdrawals per capita (USGS) Toxic water releases (USEPA) 	<ul style="list-style-type: none"> Statewide good quality rivers and streams (USEPA) Statewide good quality lakes, reservoirs and ponds (USEPA) Total freshwater withdrawals per capita (USGS) Toxic water releases (USEPA)
Preservation Efforts (10%) captures the extent of efforts to preserve and sustain the environment for future generations.	<ul style="list-style-type: none"> GAP 1 Protected areas (USGS) GAP 2 Protected areas (USGS) GAP 3 Protected areas (USGS) 	<ul style="list-style-type: none"> Statewide GAP 1 protected areas (USGS) Statewide GAP 2 protected areas (USGS) Statewide GAP 3 protected areas (USGS)

Natural Environment: Element change, 2011-2021



County-level findings

The state-level Index reveals the characteristics of prosperity across the whole state, identifying its strengths and weakness and how this has changed over time. The county-level Index, first introduced in 2020, enables a more localized understanding of how each county performs on prosperity and its underlying characteristics. The two indexes have been constructed using the same approach and indicators so that they can be used hand in-hand to identify areas for investment and policy action.

The Index has been expanded this year to include the 367 counties within the four states of Florida, Kentucky, Minnesota and Nebraska, alongside the existing 829 counties within the eight states of California, Colorado, Georgia, Iowa, Montana, Oklahoma, New York and Texas. These 12 states have been carefully selected to capture demographic and geographic variety, and because they exhibit different levels of state prosperity. In the coming years, our ambition is to expand the Index to cover all counties within the United States, enabling a more detailed understanding of prosperity at the local level.

This next section includes a two-page analytical assessment for each state, showing how the counties within that state perform. For each state a map of prosperity shows the relative positioning of the state's counties in the county-level Index (i.e. against all 1,196 counties), grouped into quintiles, with commentary on the performance of certain counties within the state. The relative performance of the counties in each state is determined by assessing whether the county is in the top (1st), middle (2nd – 4th) or bottom (5th) quintiles of the county Index. The first chart after the map shows the five most improved and five least improved counties since 2011, together with

the current ranking within the state and how the ranking has changed over the past decade. The next chart shows how all of all the counties in the state (calculated using a population-weighted average) have changed since 2011, compared with the population-weighted performance of all 1,196 counties in the Index.

The first chart on the second page assesses the performance of the state's counties relative to all 1,196 counties across 10 of the 11 pillars, providing the percentage of counties that appear in each quintile. For the counties in a state to exhibit an 'average' performance, they should be equally distributed across the Index (i.e. 20% of counties in the 1st quintile, 20% in the 2nd quintile and similarly for the 3rd, 4th and 5th quintiles). When a state has a higher percentage of counties in the first quintile, they are showing a stronger performance and where it is less, or there are a higher percentage of counties in the 5th quintile, they are showing a weaker performance, on average. Although this analysis is somewhat subjective, it is intended to guide the reader as to the performance of the counties in one state relative to all states in the county Index. Governance is not included in the analysis, as county-level performance is entirely based on state-level performance.

The second chart shows how the averages of all counties in each state have changed over the past decade across each of the pillars, with bars on the right-hand side demonstrating an improvement while bars on the left show a deterioration.

A separate, more detailed, report is available for each of the 12 states within the county-level Index, which is available via the website, under the Downloads section at: www.usprosperity.net/downloads/reports.



Nick Fox/Shutterstock.com

The Local Nature of Prosperity

The United States is a world leader, ranking 18th out of 167 nations on prosperity. However, the U.S. Prosperity Index reveals that prosperity is distributed very unevenly across states and counties and among different groups in society. A complete DNA Prosperity footprint is available online for each of the 50 states of the Union and D.C. and for each of the 1,196 counties, showing how each state and county performs across the domains, pillars, elements and indicators of the Index.

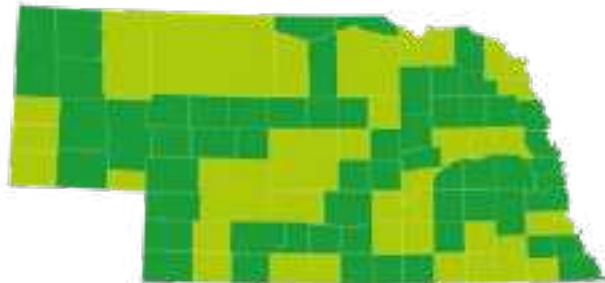
LOCAL VARIATION

Just as states vary in their levels of prosperity, the distribution of prosperity among counties in each of the 12 selected states also varies significantly. Across some states, counties share very similar

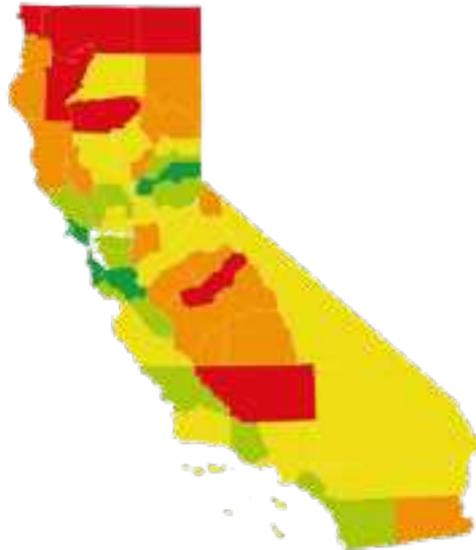
Across some of the other selected states, counties exhibit marked variations in their levels of prosperity. **Florida (31st), Texas (33rd), Montana (34th), and Georgia (37th)**, all have counties with a wide range of performance, lying within each of the five quintiles, and even in **Kentucky (43rd)**, there are six counties in the 2nd quintile and nearly a third in the middle quintile. Interestingly, most of the weaker counties in Kentucky are in the Appalachian region in the southeastern corner.

In addition to assessing the performance of counties within and across states, the Index also enables exploration of the performance of different types of counties, urban and rural for example, using the U.S. Census Bureau's classification.

Nebraska, county prosperity, 2021



California, county prosperity, 2021



levels of prosperity. In **Nebraska (14th)**, for example, 58 of its 93 counties are in the 1st quintile and the remainder are in the 2nd quintile. In **Oklahoma (47th)**, no counties appear in the 1st – 3rd quintiles and there are only 10 counties in the 4th quintile, with the remaining 67 in the 5th quintile. Conversely, across **California (25th)**, there is much greater variation, with four counties appearing in the 1st quintile and seven counties appearing in the 5th quintile, and the remaining 48 counties appearing in the 2nd, 3rd and 4th quintiles. For example, Marin County, one of the nine counties in the Bay Area of California, is the 2nd most prosperous county in the state and in the 1st quintile in the county-level Index, whereas Mendocino County, one county but one up the coast from Marin County, ranks 44th in the state's county rankings and lies within the 4th quintile overall.

On the whole, urban counties perform more strongly than rural counties, although the exact nature of how prosperity is comprised varies across the two area types. For example, urban counties generally exhibit a stronger economic performance (especially infrastructure) and social wellbeing such as education and health, whereas rural counties have lower crime rates and stronger social networks. The more prosperous propensity of urban counties is not universally true; urban Nassau County (New York), with a population density of over 4,500 people per square mile, is roughly as prosperous as rural Mineral County (Colorado), which has fewer than one person per square mile.

DEMOGRAPHIC VARIATION

Location alone does not capture all the differences in prosperity. The most powerful and effective solutions will be realized when not only the disparities in prosperity at the local level are understood, but also those between different groups in society. Consider education, for example. Nationally, among those without college education, a Black American was nearly twice as likely as a White American to be unemployed (15.4% vs. 8.4%). Even with a degree, Black Americans are over 50% more likely to be unemployed than White Americans.¹ In addition, over 17% of people in the most ethnically diverse counties avoided medical care due to the cost, compared to 14% in the least ethnically diverse counties. Policies that seek to improve outcomes for the most disadvantaged Americans can benefit from being sensitive to these differences and their underlying causes.

How these national patterns are experienced at a local level is therefore important. For example, the infant mortality rate for African American mothers in Los Angeles County is three times the rate of White mothers, whereas in less urban Solano County, it is closer to twice the rate. Our county-level Index enables an initial assessment of how prosperity and its characteristics vary depending on the ethnic diversity of urban and rural counties, using population estimates from the Center for Disease Control and Prevention by ethnic group in each of the 1,196 counties across the 12 selected states.

Across the 12 states many rural counties in Georgia, Eastern Texas and Northern Florida have the highest share of people from a Black and African American background, and in urban counties the largest shares are to be found in and around large cities, including San Francisco, Dallas, Atlanta and New York. The table below illustrates the groupings of Black population share for urban and rural areas and shows the number of resulting counties in each of the eight

Urban and rural counties, by share of Black and African American Population (across 12 selected states)

African American population share	Rural (more than 50% of population live in rural census tracts)	Urban (more than 50% of population live in urban census tracts)
0% - 2.5%	392	124
2.5% - 5%	106	99
5% - 10%	78	110
10% +	150	137
TOTAL	726	470

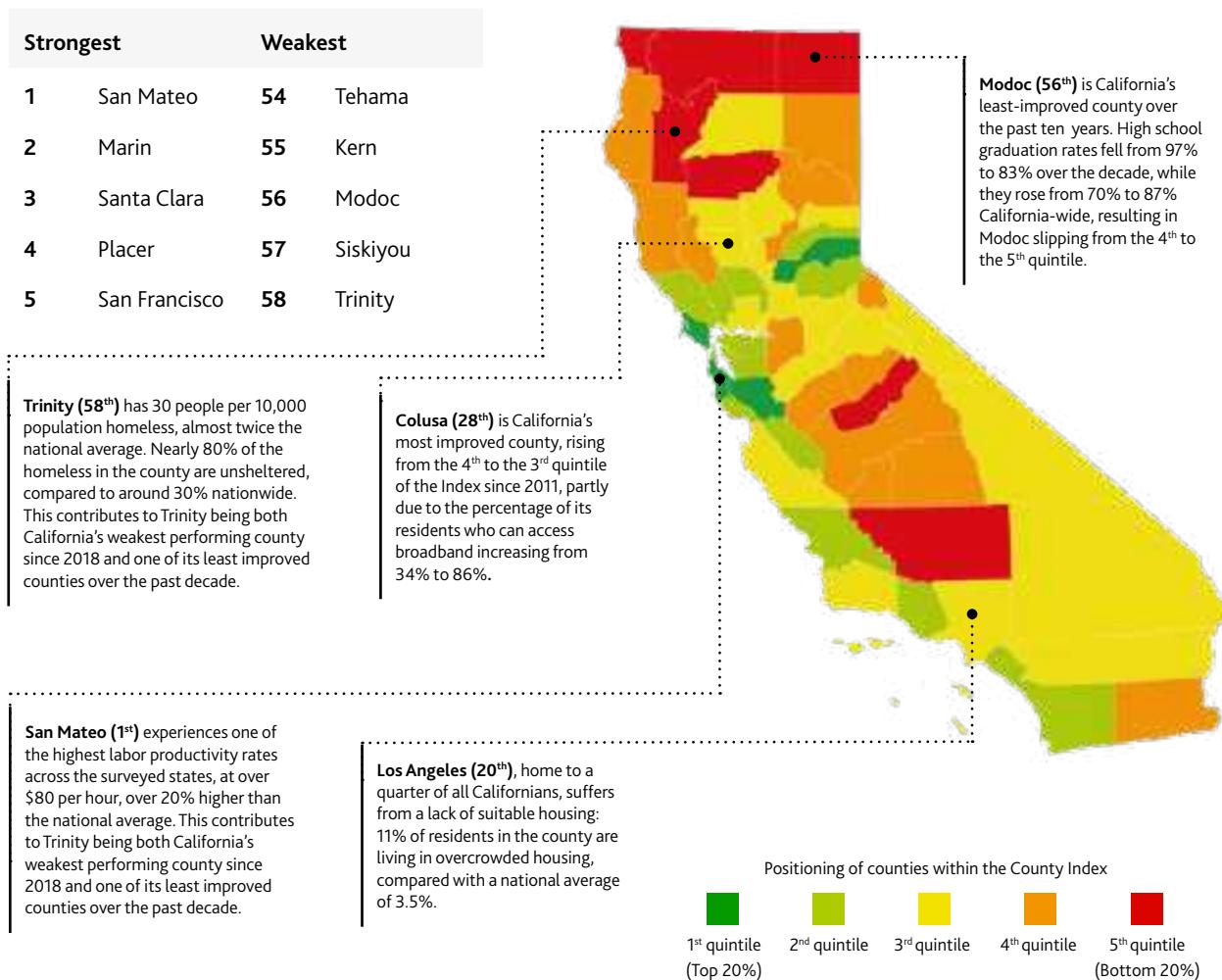
groupings. The prosperity characteristics of these different areas can be investigated to provide a richer understanding.

Place matters, but so does the demography of each place. Developing a clear understanding of the prosperity of each state and county and the challenges they face, particularly in relation to ethnicity and racial equity, and the opportunities that are presented is crucial to developing the most effective targeted solutions. The Index enables the strengths and weaknesses of each state and county to be clearly identified, which, alongside other data, can elicit greater insight about the demographic make-up of these places, to assess differences in the performance of different socio-economic groups. In future reports we will be providing richer insight into these types of issues, enabling a greater understanding of place-based prosperity, including the extent to which prosperity is shared across all communities in a place. This is important to create a more prosperous America for all Americans.

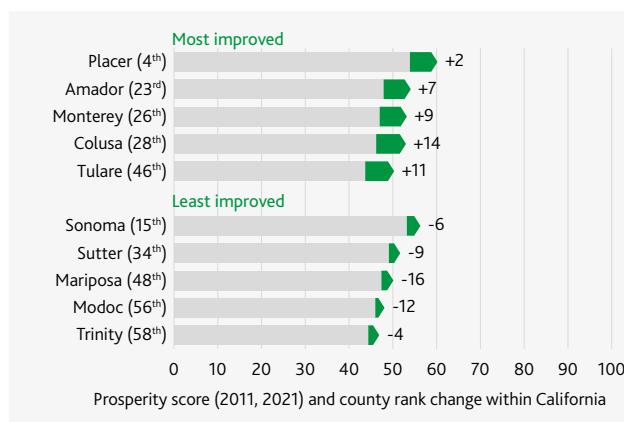


Counties of California

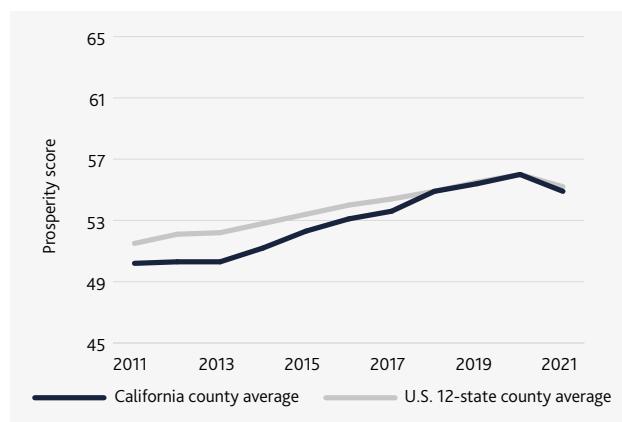
Prosperity of California's counties 2021



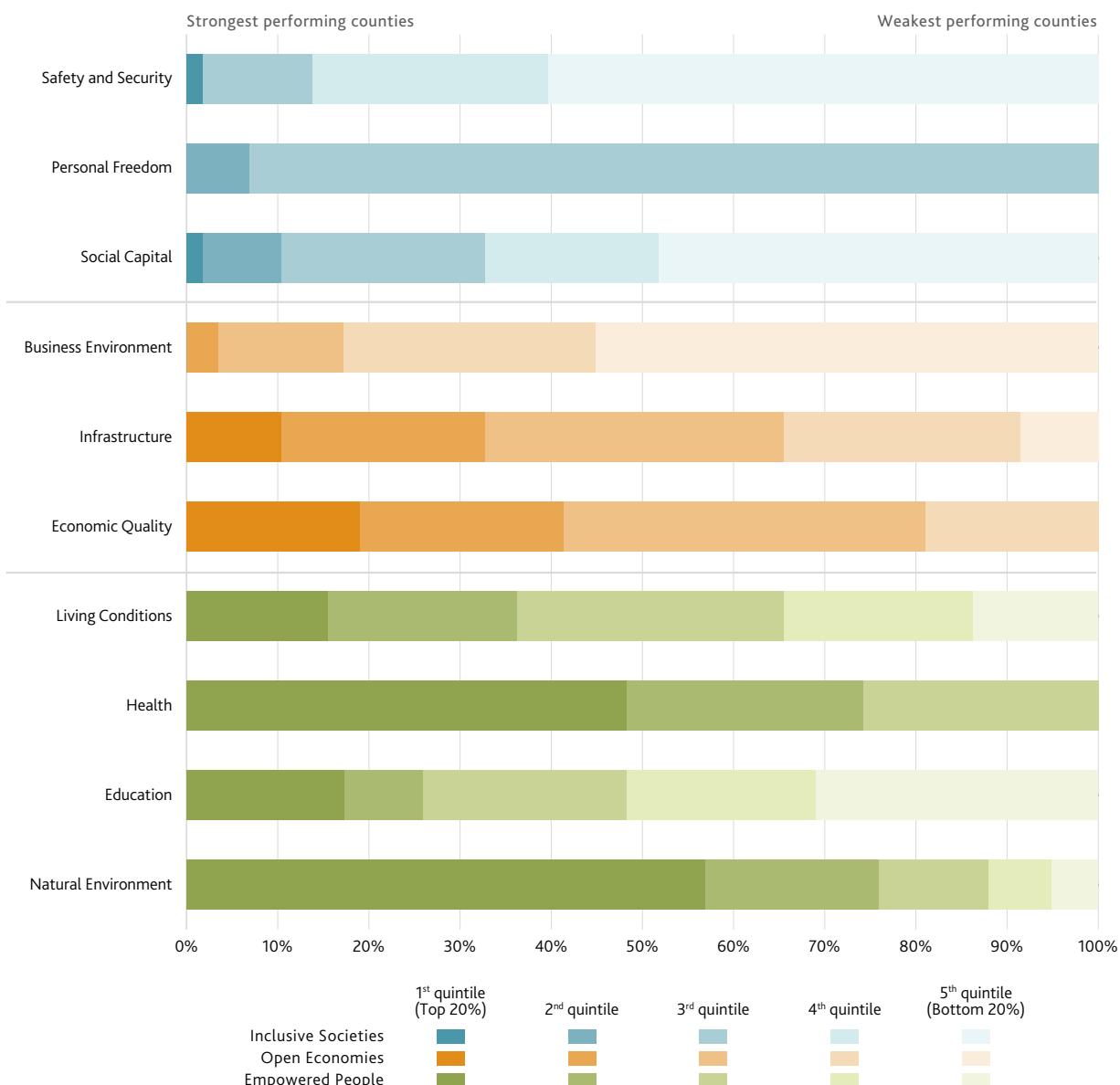
Most and least improved counties within California (2021 rank), 2011-2021



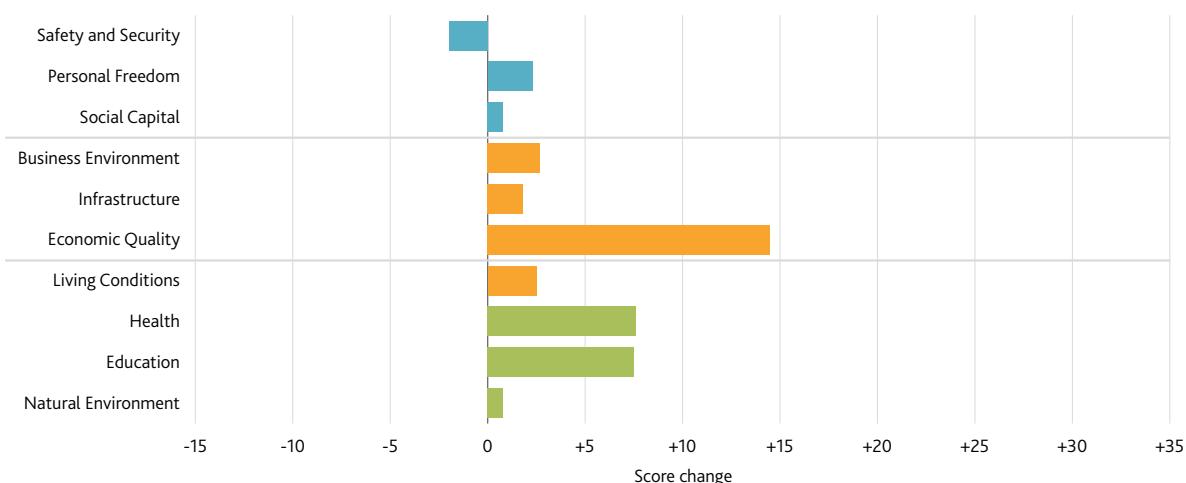
Prosperity of California's counties



Pillars of Prosperity 2021 (Distribution of county performance)



California county change, by pillar, 2011-2021





Counties of Colorado

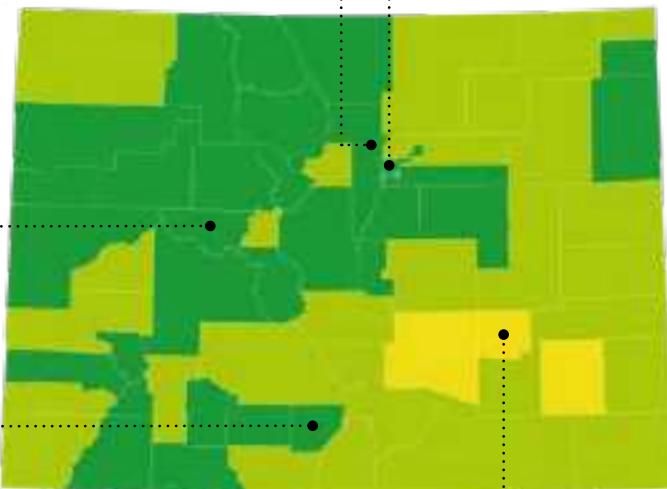
Prosperity of Colorado's counties 2021

Strongest Weakest

	Strongest	Weakest
1	Broomfield	60 Dolores
2	Douglas	61 Saguache
3	Ouray	62 Pueblo
4	Boulder	63 Bent
5	Pitkin	64 Crowley

Broomfield (1st) sees a community college graduation rate of 97%, over 60 percentage points higher than the national average, contributing to its placement as the most prosperous county across the 12 surveyed states.

Denver (22nd) is Colorado's most populous county and has the strongest communications infrastructure in the state, with mean download speeds of 140mbps, 55% higher than the state average and 30% higher than the national average.



Pitkin (5th), home of the ski resort of Aspen, is a county whose residents are among the healthiest in the Index. Diabetes rates of 3% are less than a third of the national average, and the proportion of residents reporting having poor physical health stands at 8%, nearly five percentage-points lower than the national average.

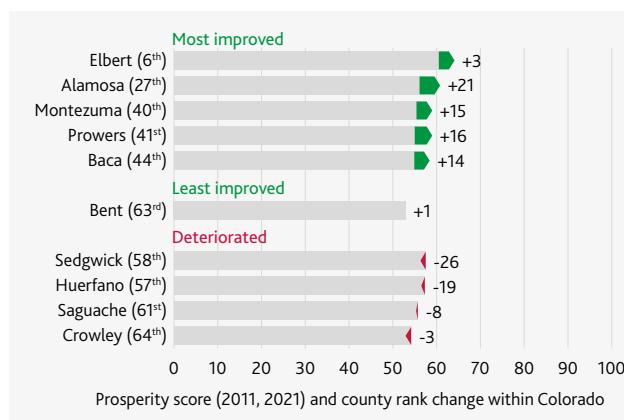
Alamosa (27th) has seen the incidence of aggravated assaults fall by just under 80% since 2011, from 200 to 40 incidents per 100,000 people, helping to push it from the 2nd to the 1st quintile of the Index, and is Colorado's most improved county.

Crowley (64th) is Colorado's weakest performing county, and has experienced a slight deterioration in prosperity since 2011, falling from the 2nd to the 3rd quintile of the Index. Over the decade, the youth unemployment rate more than doubled in the county, from 14% in 2010 to 29% in 2019.

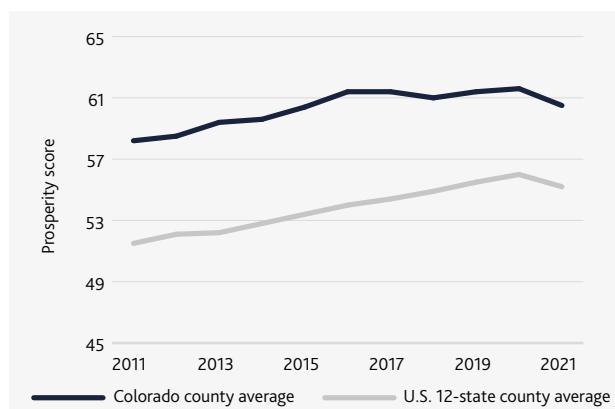
Positioning of counties within the County Index



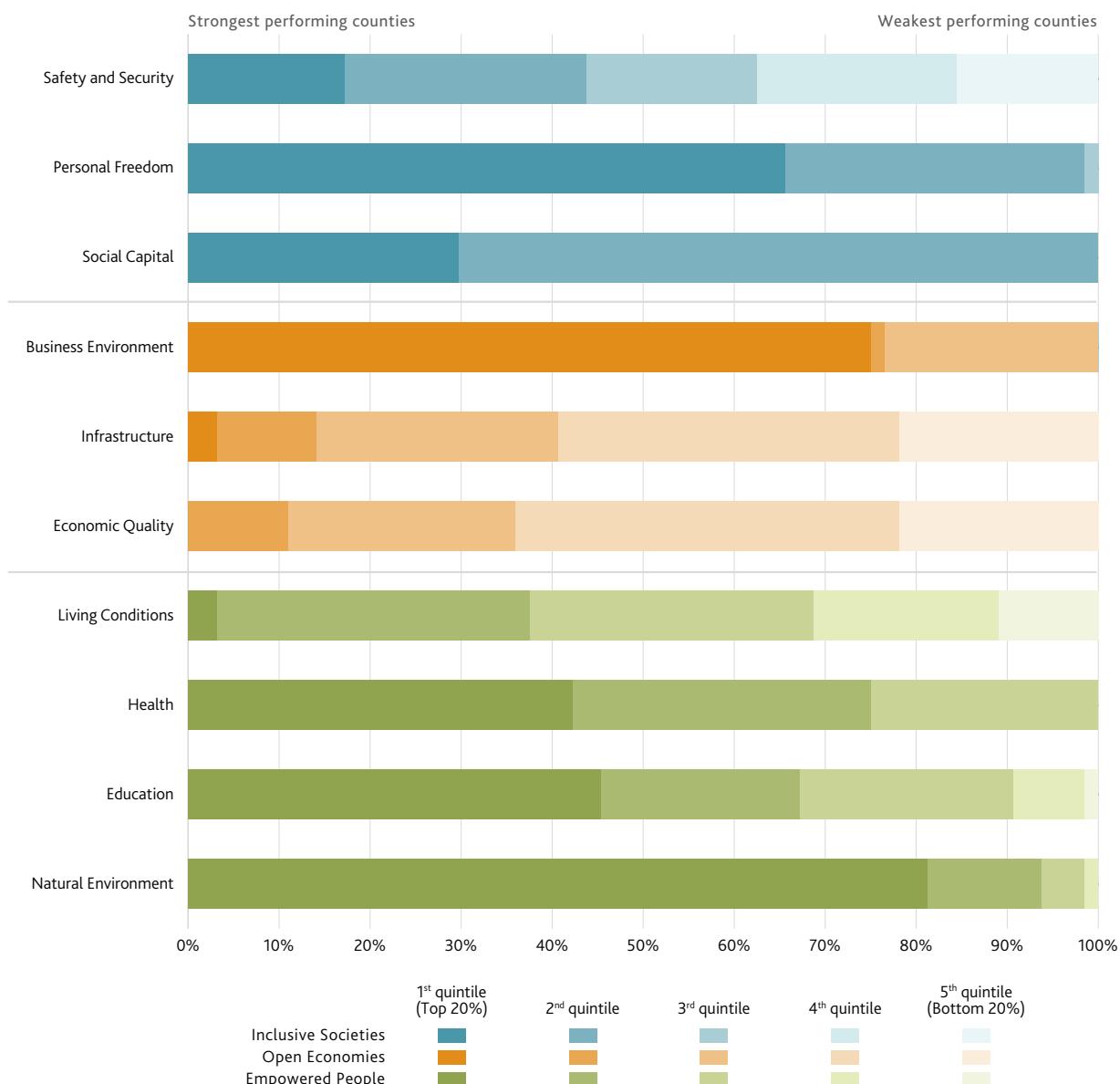
Most and least improved counties within Colorado (2021 rank), 2011-2021



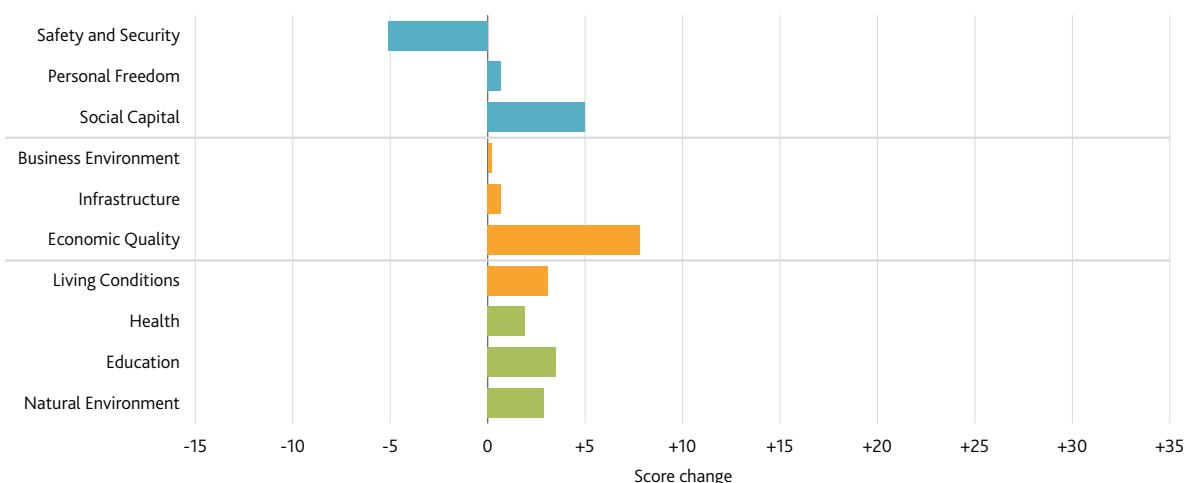
Prosperity of Colorado's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Colorado county change, by pillar, 2011-2021





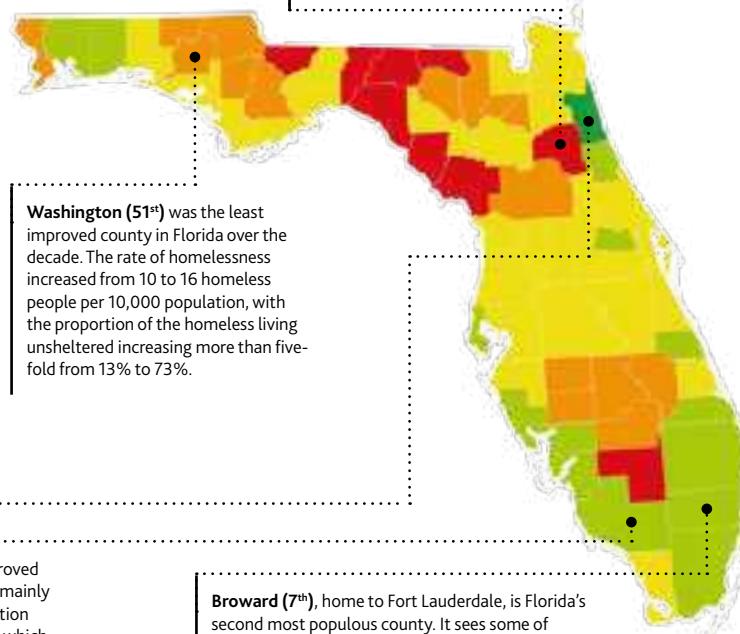
Counties of Florida

Prosperity of Florida's counties 2021

Strongest Weakest

	Strongest	Weakest
1	St Johns	63 Dixie
2	Seminole	64 Hendry
3	Collier	65 Madison
4	Sarasota	66 Taylor
5	Charlotte	67 Putnam

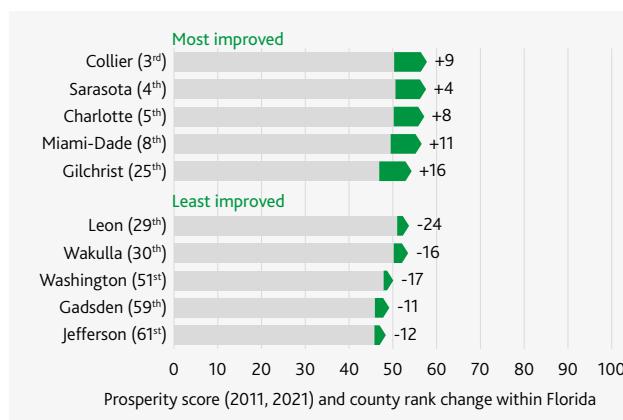
St Johns (1st) has a highly educated population, 95% of whom have attained at least a high school diploma and 45% of whom have achieved at least a bachelor's degree, compared to 88% and 33% nationally, contributing to it being Florida's top performing county.



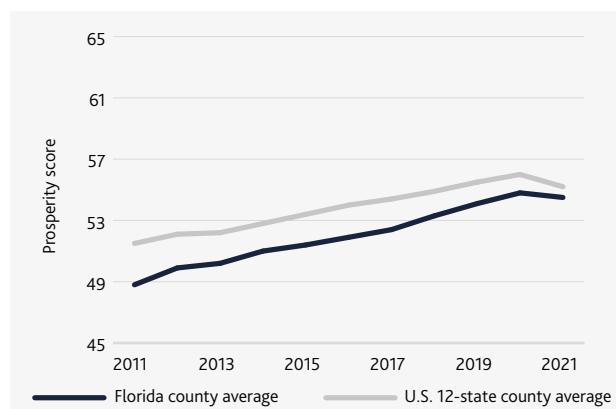
Positioning of counties within the County Index



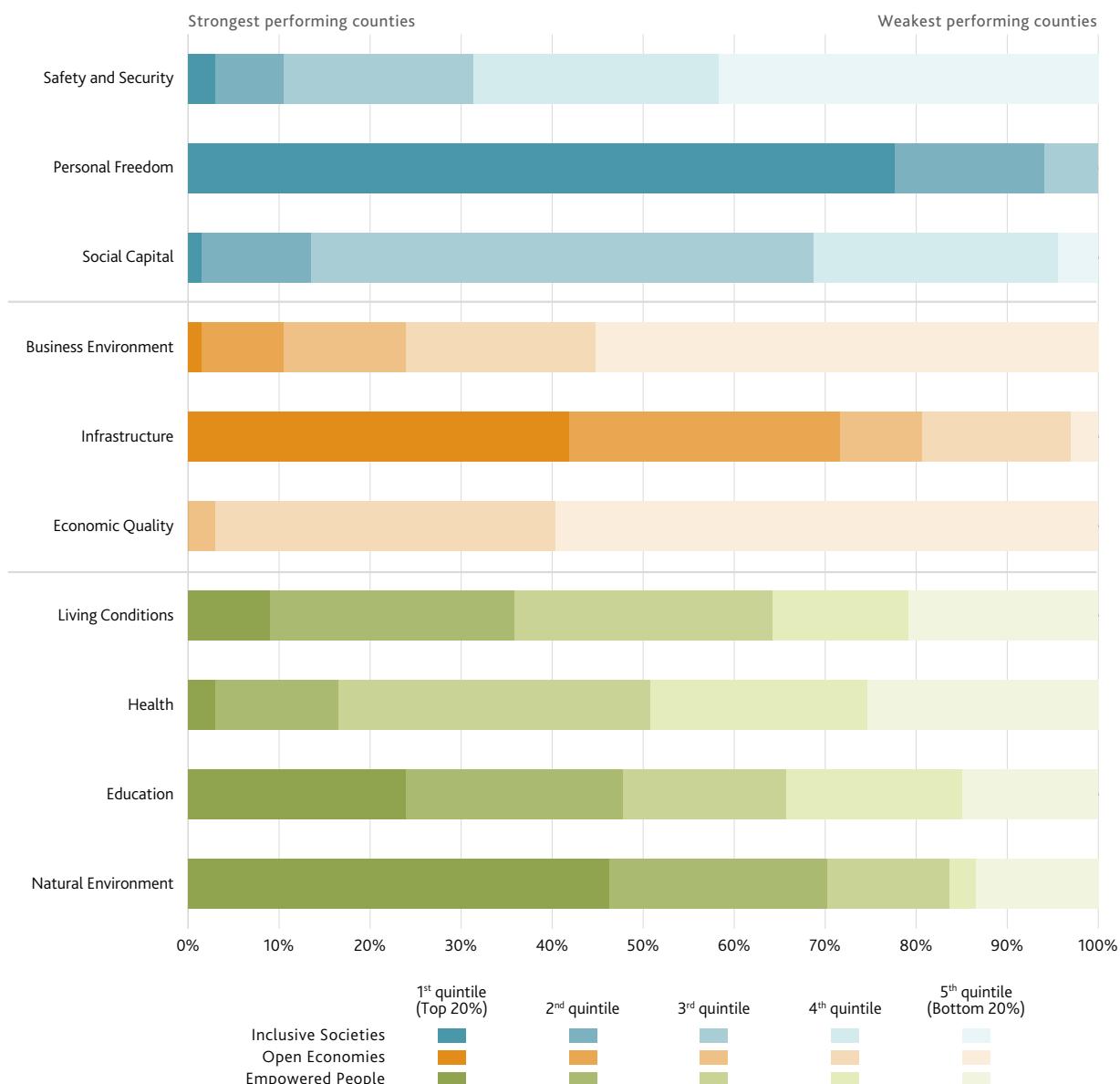
Most and least improved counties within Florida (2021 rank), 2011-2021



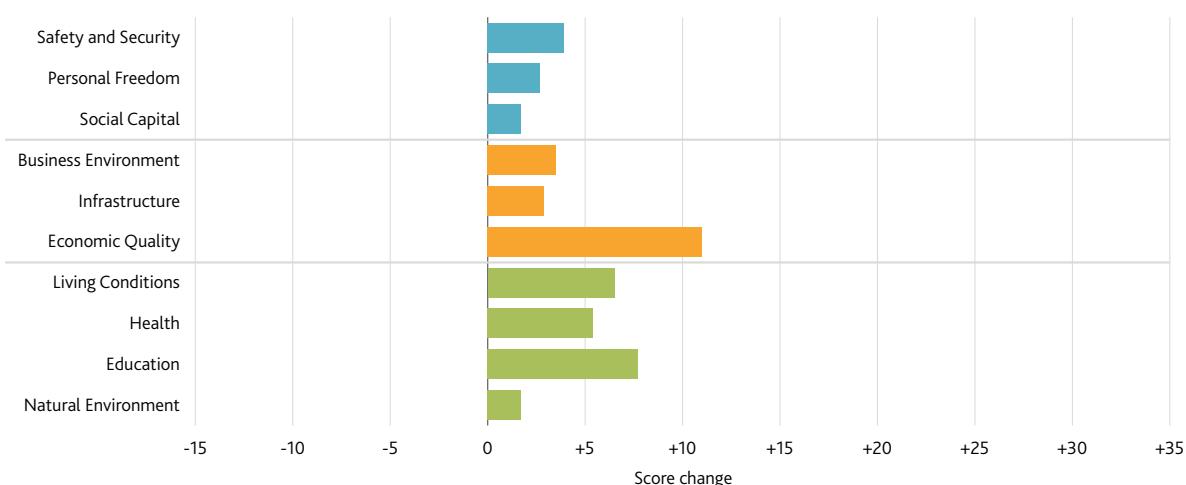
Prosperity of Florida's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Florida county change, by pillar, 2011-2021





Counties of Georgia

Prosperity of Georgia's counties 2021

Strongest		Weakest	
-----------	--	---------	--

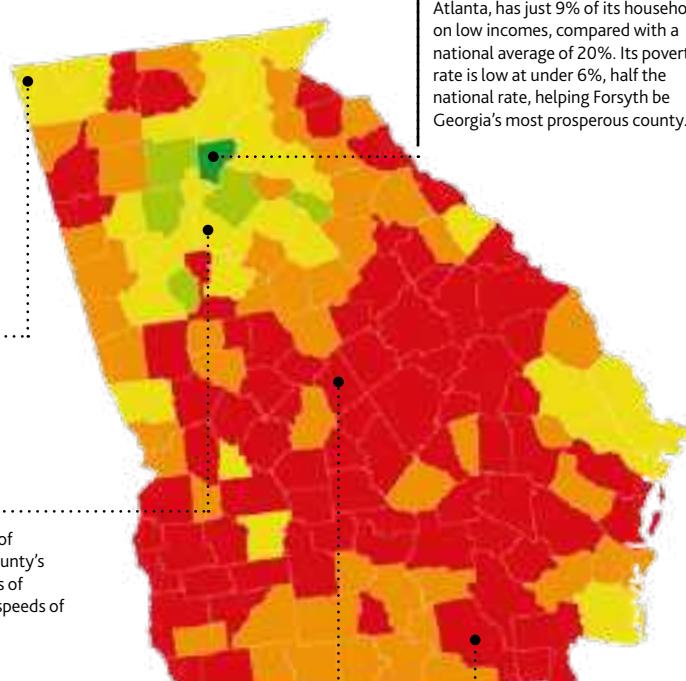
1	Forsyth	155	Warren
2	Fayette	156	Clinch
3	Cobb	157	Macon
4	Cherokee	158	Hancock
5	Oconee	159	Twiggs

Dade (7th), located on the border with Tennessee, is Georgia's most improved county since 2011, moving from the 4th to the 3rd quintile of the Index. The county benefited from significant drops in crime rates, with burglary rates falling from over 400 to 43 incidents per 100,000 people.

De Kalb (31st), together with Fulton, represents the city of Atlanta. Internet access is universal, with 100% of the county's population having access to broadband download speeds of 100mbps and up, while experiencing average download speeds of 220mbps, over twice the national average.

Twiggs (159th) saw motor vehicle thefts increase 35% over the past 10 years, from 82 to 111 incidents per 100,000 people. These shifts have contributed to it being the weakest performing county across the 12 selected states.

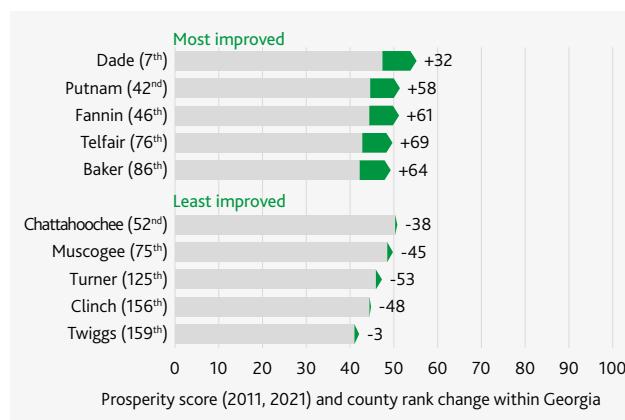
Clinch (156th) is Georgia's least improved county and has remained in the 5th quintile of the Index for over a decade. Health insurance costs have increased in the county from an average of \$4,155 per employee per year in 2011 to \$5,407 in 2019.



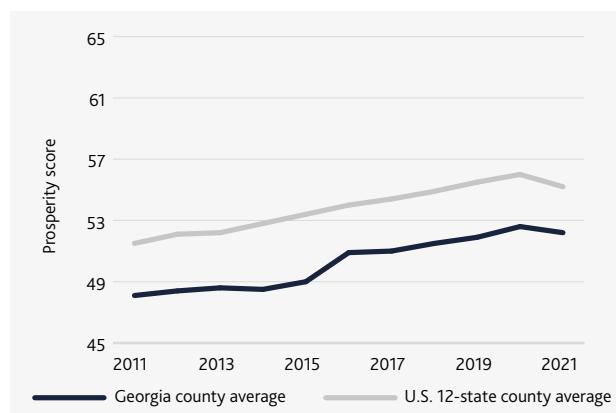
Positioning of counties within the County Index



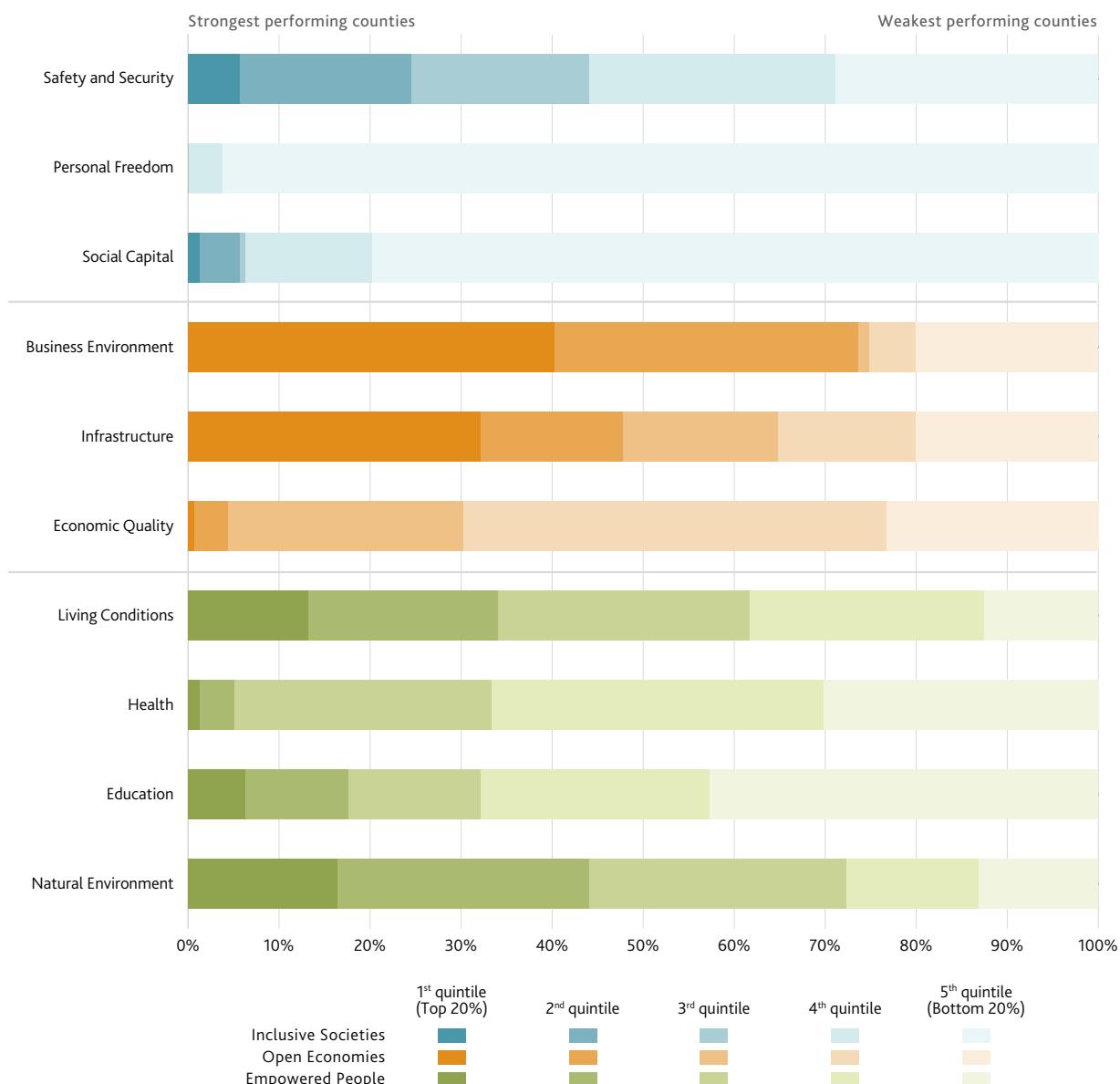
Most and least improved counties within Georgia (2021 rank), 2011-2021



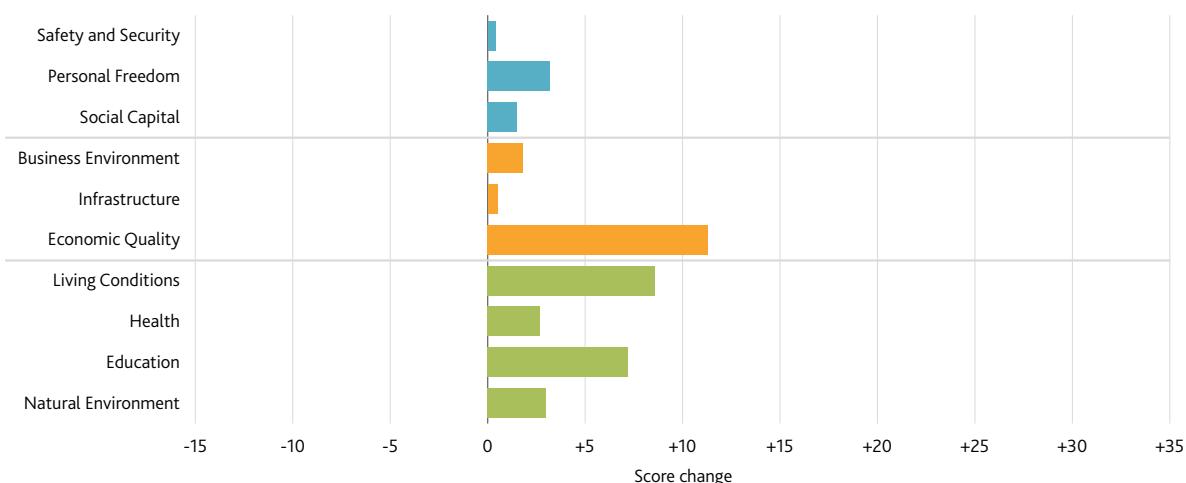
Prosperity of Georgia's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Georgia county change, by pillar, 2011-2021





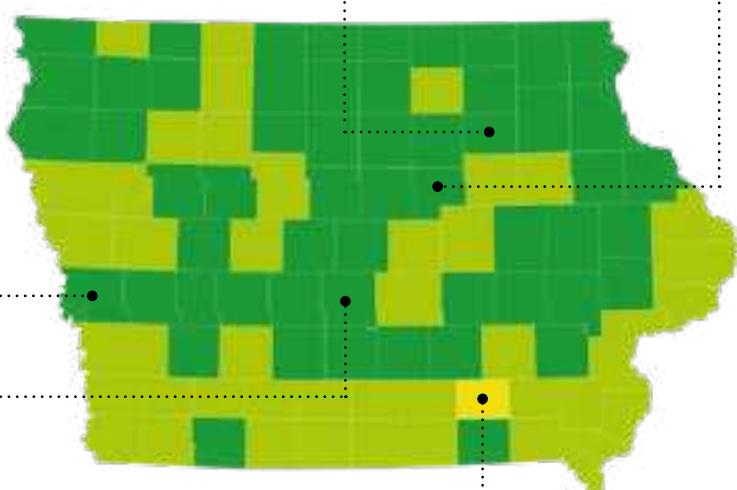
Counties of Iowa

Prosperity of Iowa's counties 2021

Strongest		Weakest	
1	Bremer	95	Webster
2	Sioux	96	Lee
3	Story	97	Des Moines
4	Dallas	98	Pottawattamie
5	Winneshiek	99	Wapello

Bremer (1st) has experienced nearly a tripling in the rate of new entrepreneurs since 2011, from 115 to 336 new ventures per 100,000 of the population, contributing to it ranking as the strongest performing county in Iowa.

Grundy (36th) has not seen an improvement in prosperity over the past decade. The percentage of residents in the county reporting confidence in the media fell from 72% to 47%, compared to 59% and 53% respectively for the whole state of Iowa.



Harrison (44th) is the most improved county in Iowa since 2011, moving from the 2nd to the 1st quintile as a result. The county's government saw its revenue to expenditure ratio improve from \$0.99 of revenue to each dollar of expenditure in 2011 to \$1.10 in 2021 and saw its debt to GDP ratio fall almost 80% from 2.8 to 0.6.

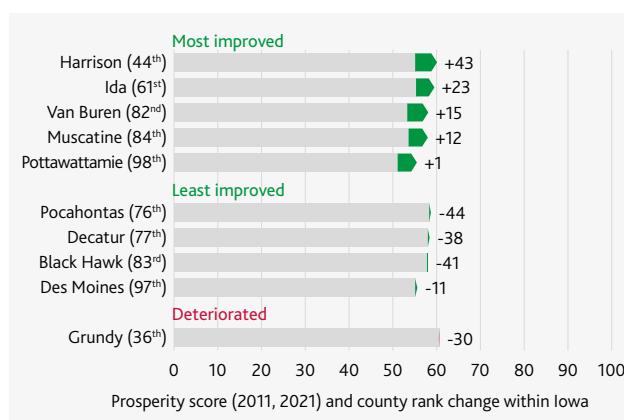
Polk (35th) is home to the city of Des Moines, the capital of and largest city in Iowa. The county is well served when it comes to public transport, with 0.6 miles of bus route for each square mile of land area, twice the national average. This contributes to its placement in the 1st quintile for prosperity.

Wapello (99th) sees the volume of toxic water releases standing at 1,743lbs per square mile, over 16 times the national average of 105lbs. This has contributed to Wapello's ranking as the weakest performing county in Iowa.

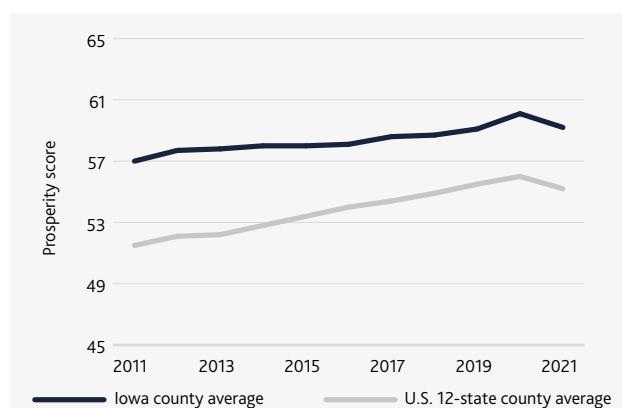
Positioning of counties within the County Index



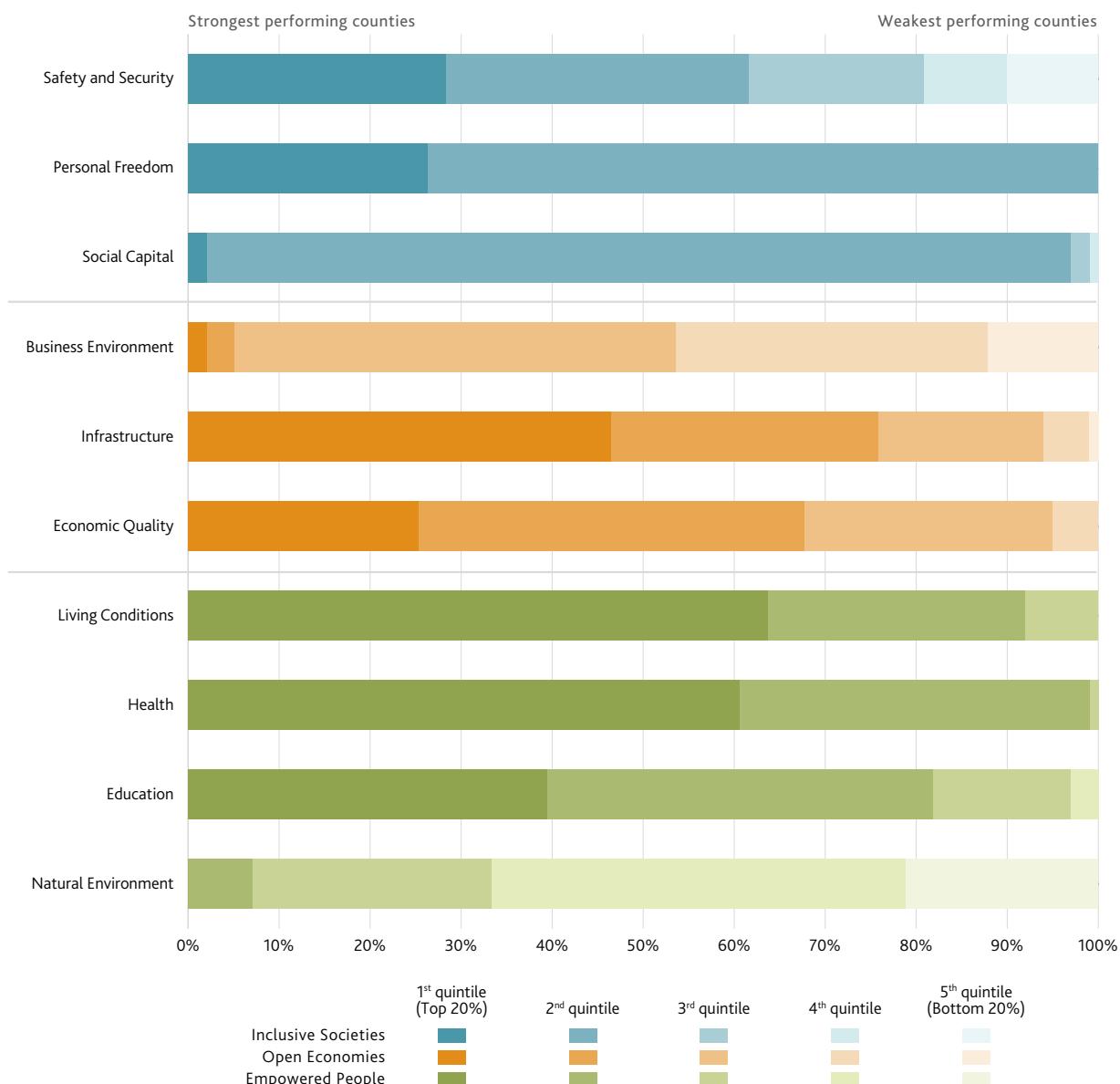
Most and least improved counties within Iowa (2021 rank), 2011-2021



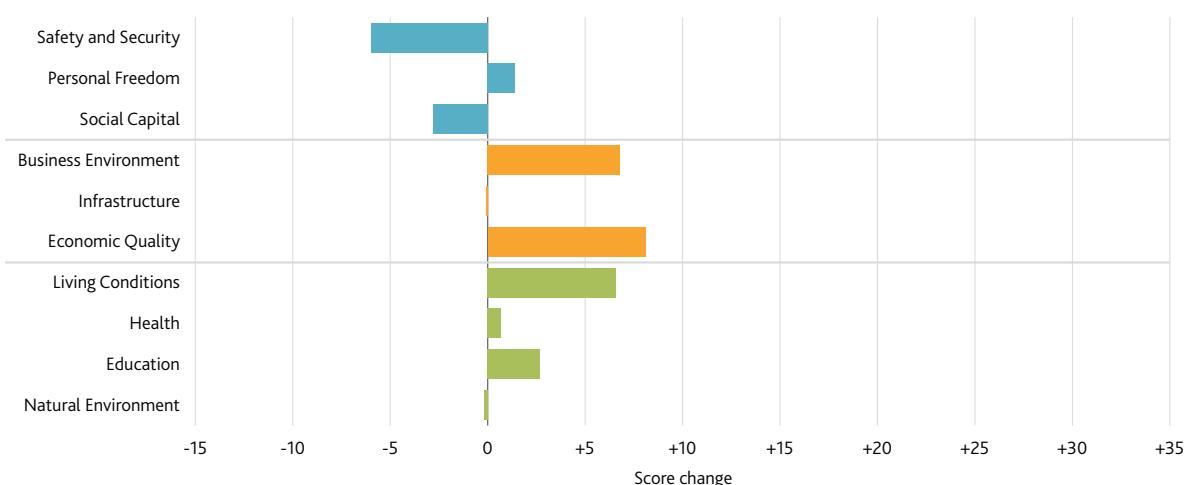
Prosperity of Iowa's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Iowa county change, by pillar, 2011-2021





Counties of Kentucky

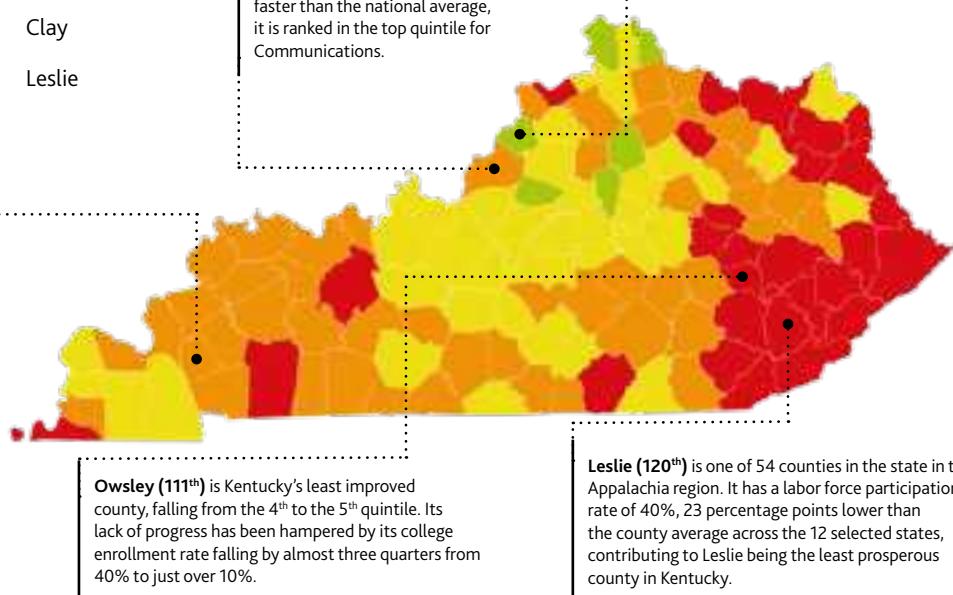
Prosperity of Kentucky's counties 2021

Strongest		Weakest	
-----------	--	---------	--

1	Oldham	116	Fulton
2	Woodford	117	Mason
3	Campbell	118	Breathitt
4	Spencer	119	Clay
5	Boone	120	Leslie

Jefferson (56th) is the most populous county in Kentucky and is home to the city of Louisville. With 100% of its residents having access to fast Internet and mean download speeds of over 170mbps, almost 60% faster than the national average, it is ranked in the top quintile for Communications.

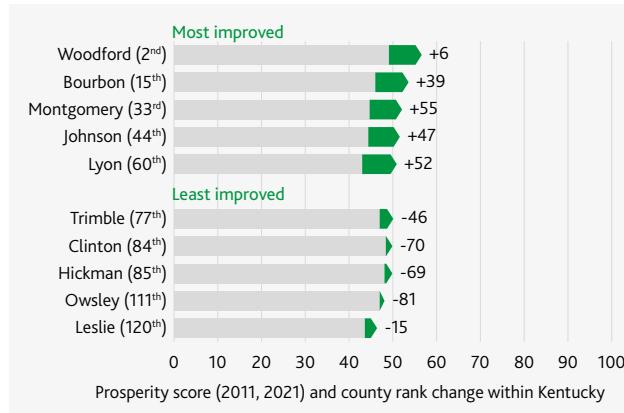
Oldham (1st), an affluent suburb of Louisville, has just 9% of households on low incomes and 6% in poverty, both of which are around half the national rate, which contributes to it being the most prosperous county in Kentucky.



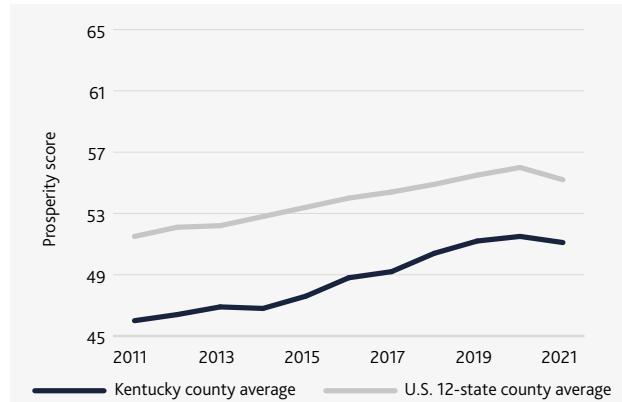
Positioning of counties within the County Index



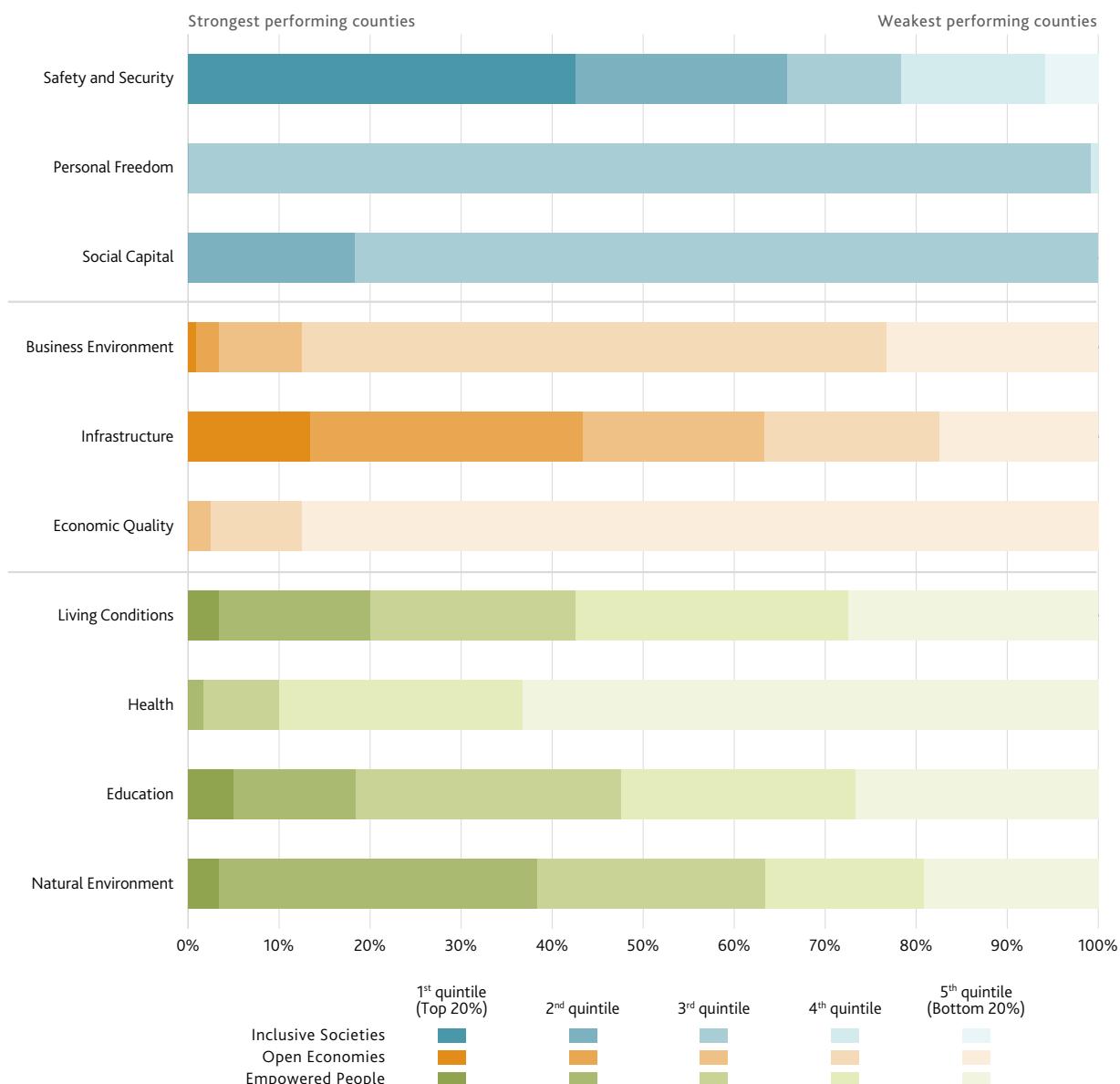
Most and least improved counties within Kentucky (2021 rank), 2011-2021



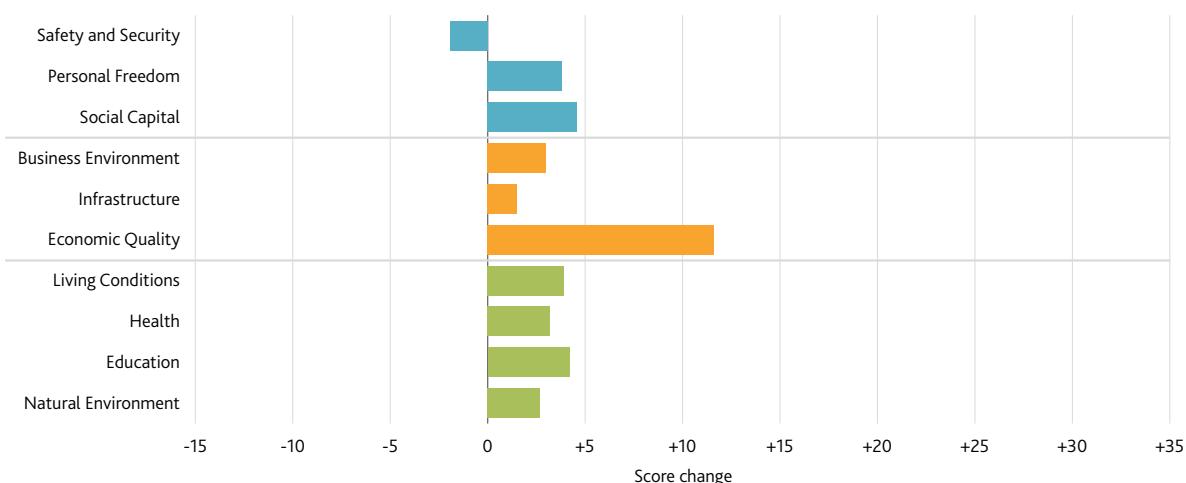
Prosperity of Kentucky's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Kentucky county change, by pillar, 2011-2021





Counties of Minnesota

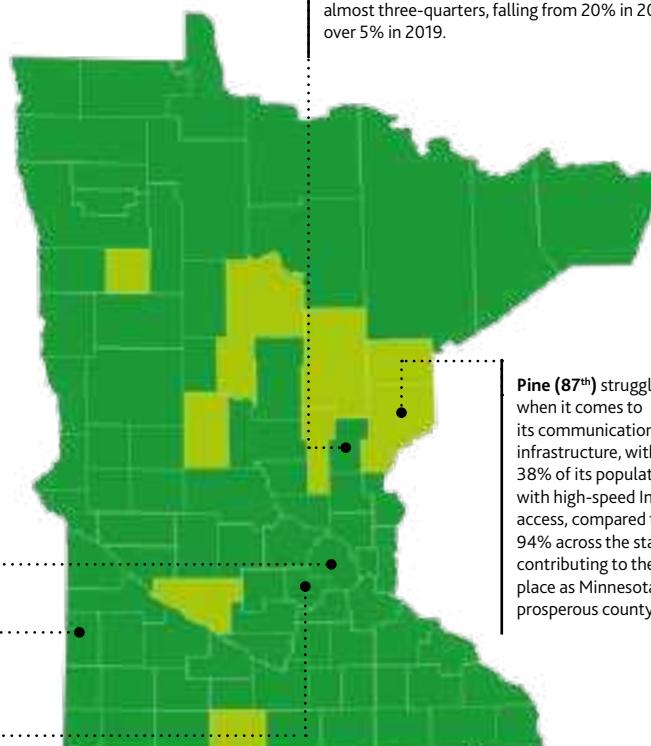
Prosperity of Minnesota's counties 2021

Strongest		Weakest	
1	Carver	83	Renville
2	Houston	84	Cass
3	Wabasha	85	Mahnomen
4	Scott	86	Aitkin
5	Rock	87	Pine

Hennepin (21st), located in Western Minneapolis, the county is the most populous county in Minnesota. Fewer than one in four residents in the county (23%) are classified as obese, a third lower than the national average.

Lincoln (48th) saw its prosperity stagnate over the past decade. The county's college enrolment rates more than halved, going from 41% to 18% over the decade, while across Minnesota, they rose slightly from 43% to 45%.

Carver (1st) has a working-age mortality rate that is 50% below the national average, at 145 deaths per 100,000 population, contributing to the county's place as the most prosperous county in Minnesota.



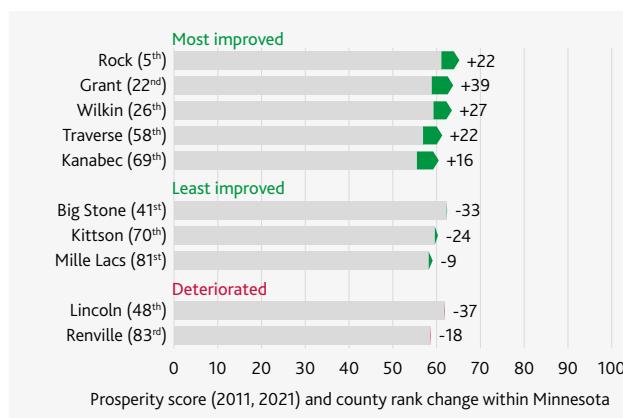
Kanabec (69th) was the most improved county in Minnesota over the decade, moving from the 2nd to the 1st quintile. Its youth unemployment rate reduced by almost three-quarters, falling from 20% in 2010 to just over 5% in 2019.

Pine (87th) struggles when it comes to its communications infrastructure, with only 38% of its population with high-speed Internet access, compared to 94% across the state, contributing to the county's place as Minnesota's least prosperous county.

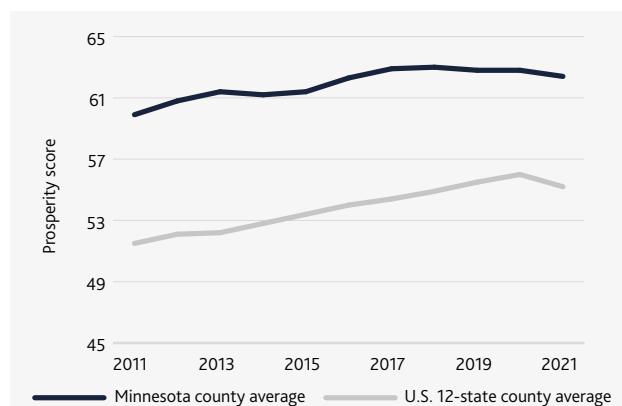
Positioning of counties within the County Index



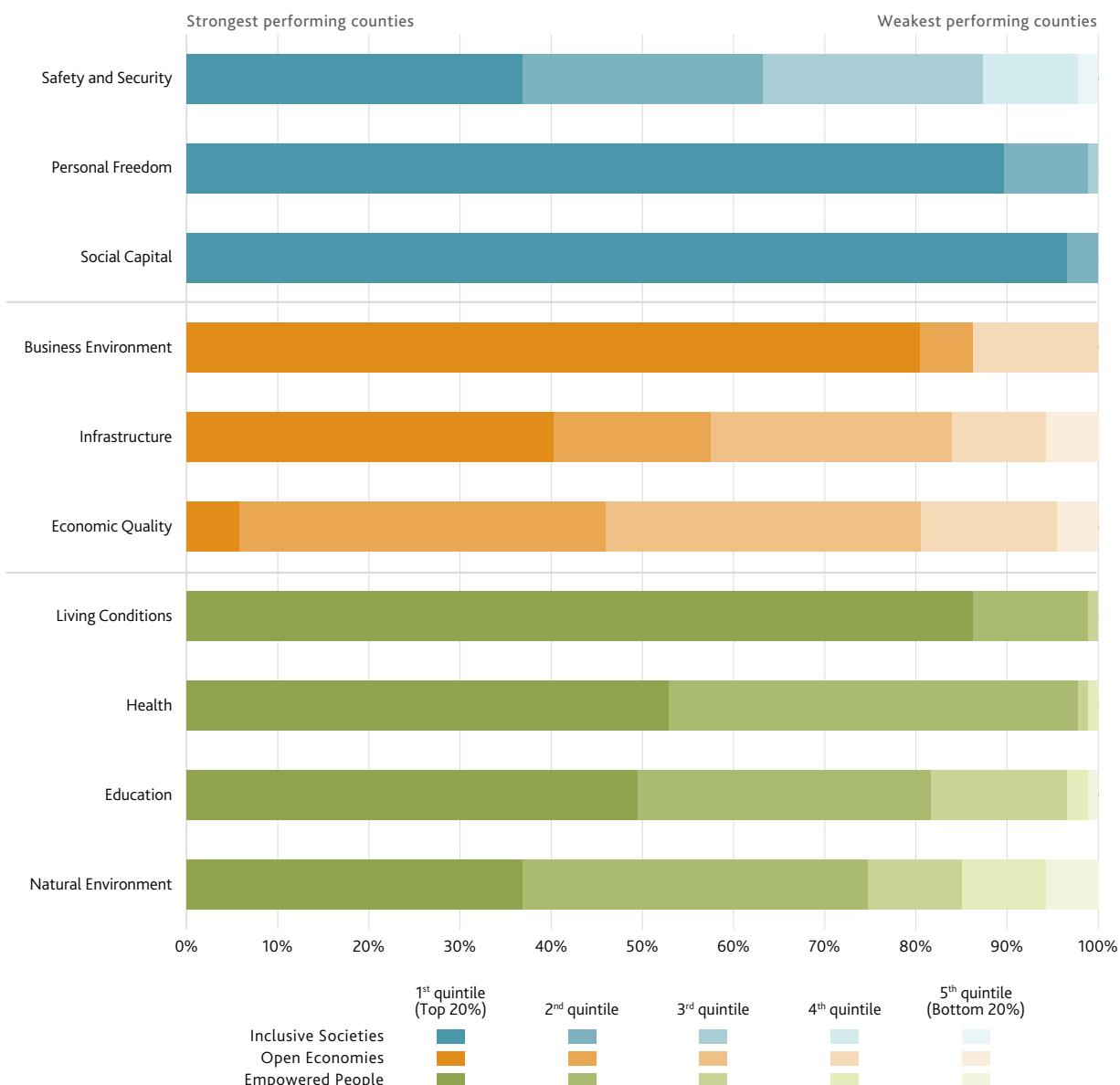
Most and least improved counties within Minnesota (2021 rank), 2011-2021



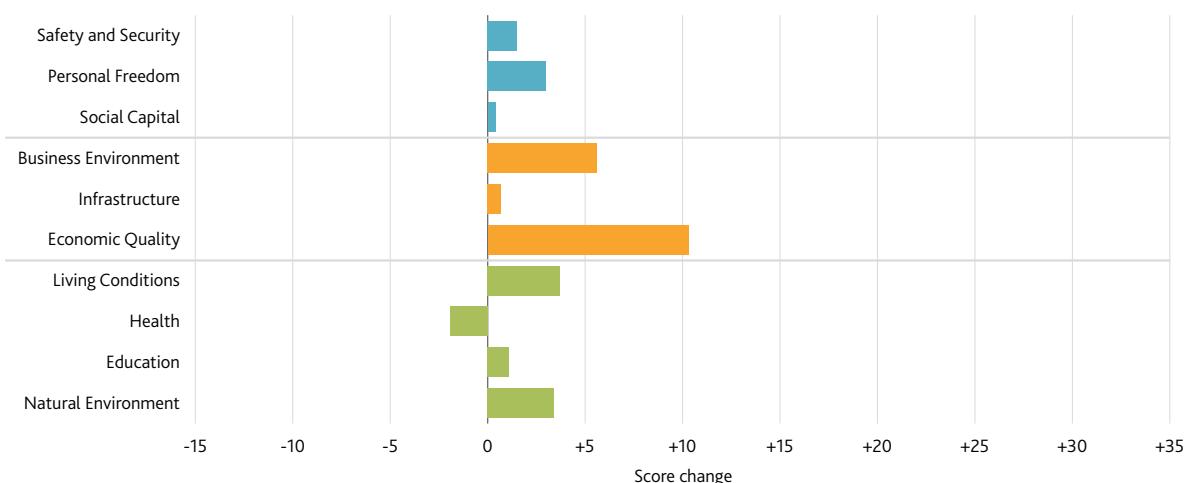
Prosperity of Minnesota's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Minnesota county change, by pillar, 2011-2021





Counties of Montana

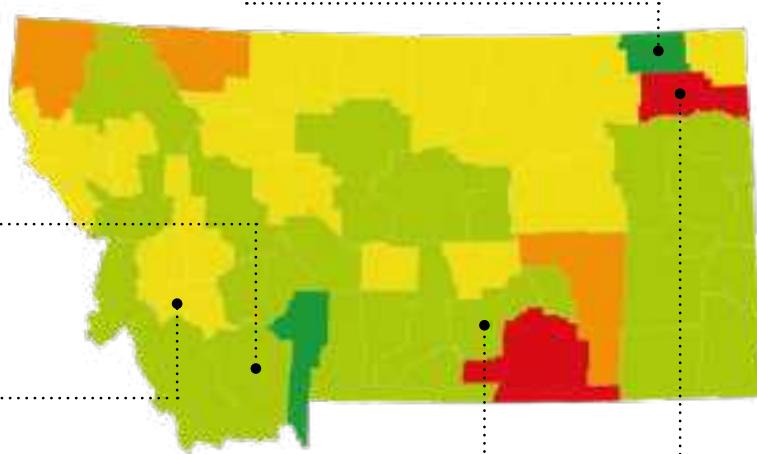
Prosperity of Montana's counties 2021

Strongest		Weakest	
1	Daniels	52	Lincoln
2	Gallatin	53	Rosebud
3	Fallon	54	Glacier
4	Madison	55	Big Horn
5	Beaverhead	56	Roosevelt

Madison (4th) is the most improved county in Montana since 2011. Over the decade, rates of broadband access in the county rose from 6% to 91%, compared to an increase from 67% to 87% Montana-wide.

Deer Lodge (51st) saw the least improvement of all counties in Montana, due to its prosperity stagnating over the past 10 years. Rates of toxic air releases in the county increased sevenfold from 4lbs to 28lbs per square mile over the decade.

Yellowstone (25th) is Montana's most populous county and is home to the city of Billings. Almost three-quarters of residents trust others in their neighborhoods and 65% regularly talk with their neighbors.



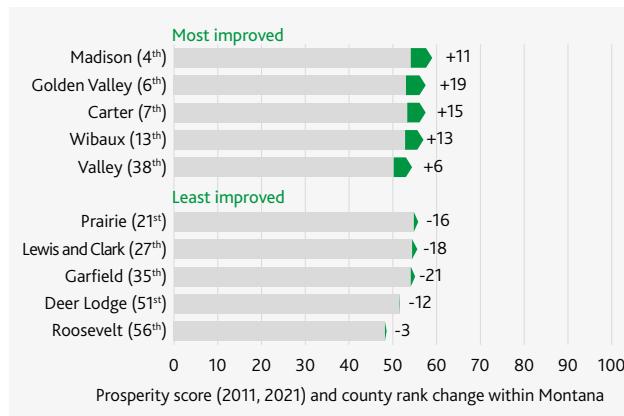
Daniels (1st) saw 46% of its population participate in religious organizations and 29% participate in sports and recreation organizations, 25 and 20 percentage-points higher, respectively, than the national average. This strong social capital has contributed to Daniels' place as Montana's most prosperous county.

Roosevelt (56th), home to the Fort Peck Indian Reservation, fell from the 3rd to the 5th quintile, becoming Montana's least prosperous county as a result. The high school graduation rate fell by almost 30%, from 100% in 2011 to 73% in 2021.

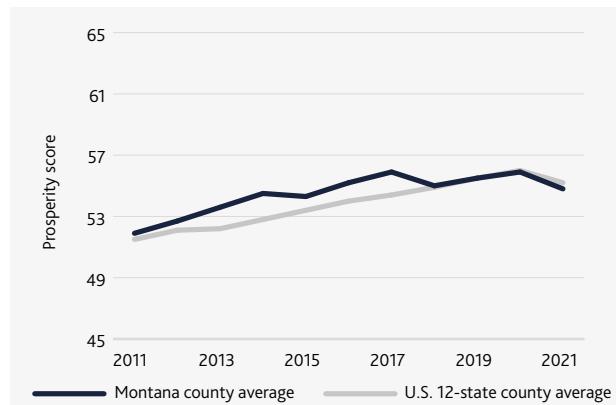
Positioning of counties within the County Index



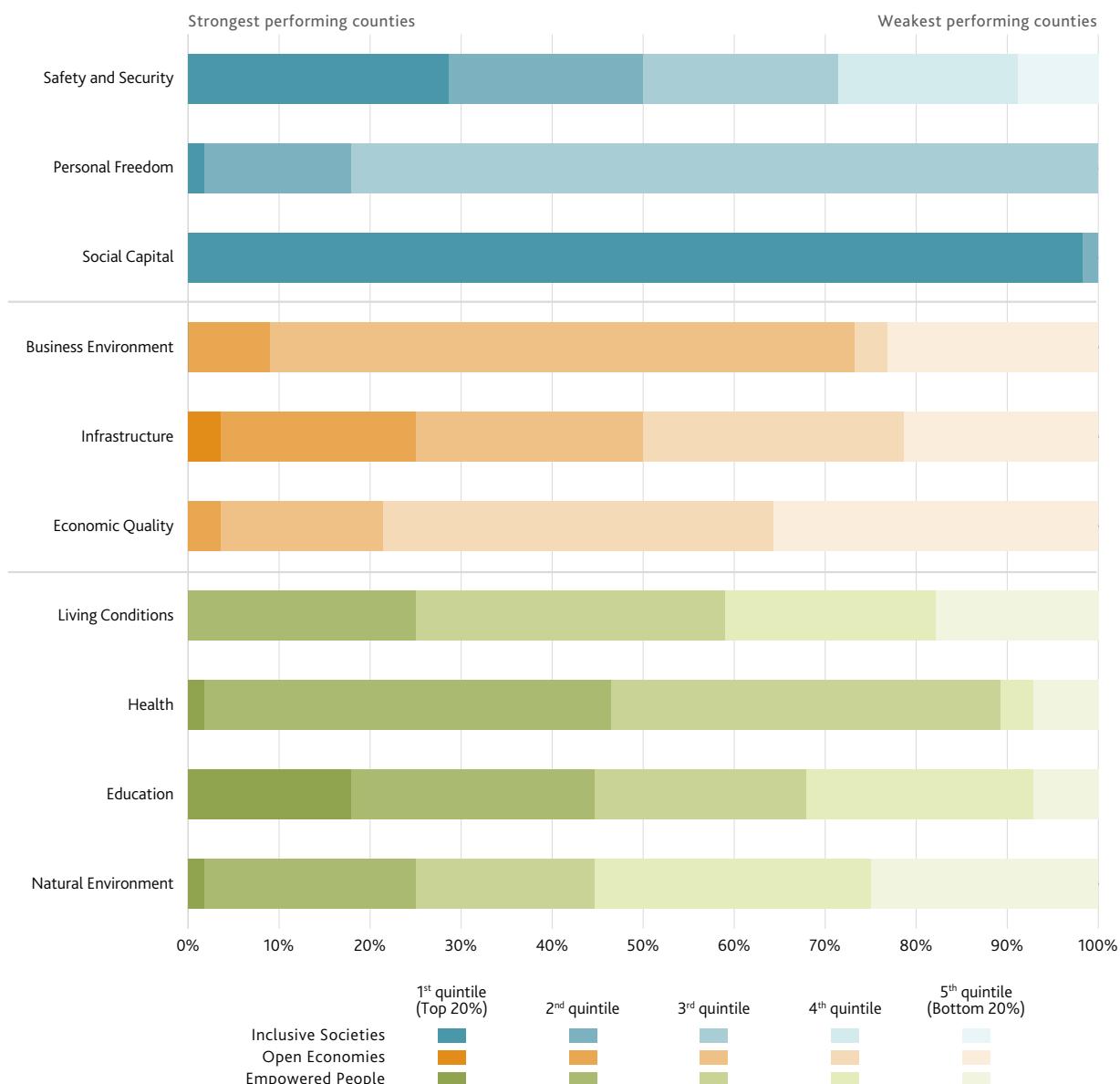
Most and least improved counties within Montana (2021 rank), 2011-2021



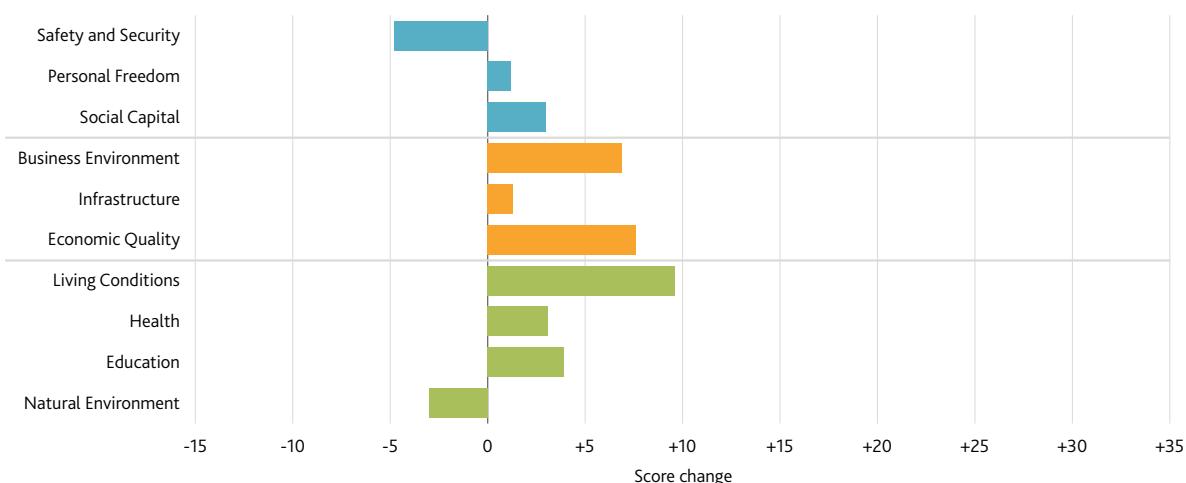
Prosperity of Montana's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Montana county change, by pillar, 2011-2021





Counties of Nebraska

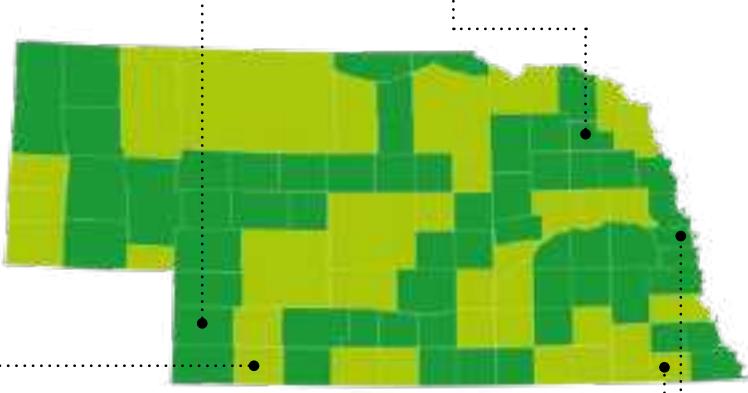
Prosperity of Nebraska's counties 2021

Strongest Weakest

	Strongest	Weakest
1	Wayne	89 Gage
2	Pierce	90 Jefferson
3	Cuming	91 Furnas
4	Burt	92 Thurston
5	Seward	93 Hitchcock

Chase (14th) saw the biggest increase in prosperity of any county in Nebraska over the past 10 years, moving from the 2nd to the 1st quintile. The proportion of the county's children living in unmarried households fell from one in three in 2010 to one in five in 2019.

Wayne (1st) sees its college enrolment rates stand at 90%, the highest rate of any county across the 12 states and 50% above the national average. The county has been Nebraska's most prosperous county for over a decade.



Hitchcock (93rd) has mean download speeds of just 11mbps, nearly a tenth of the nationwide average of 108mbps. Such issues have led Hitchcock to be ranked as Nebraska's least prosperous county.

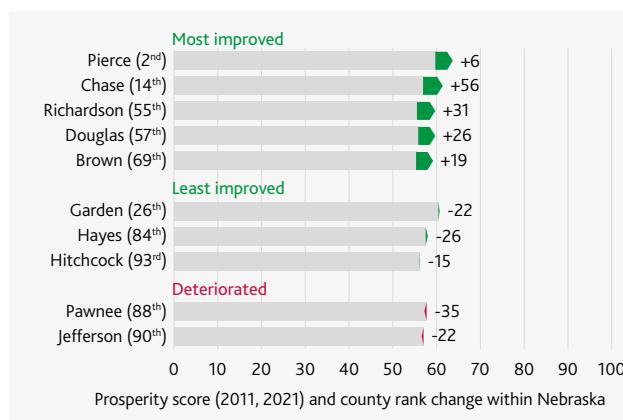
Pawnee (88th) has experienced a slight reduction in prosperity since 2011, falling from the 1st to the 2nd quintile. The county saw its poverty rate increase from 14% to 19%, while for Nebraska the rate fell over the same time period from 12% to 9%.

Douglas (57th) is Nebraska's most populous county and houses the state's largest city, Omaha. The area lags behind when it comes to its natural environment, with 388lbs per square mile of toxic land releases per year, compared to the state average of 66lbs.

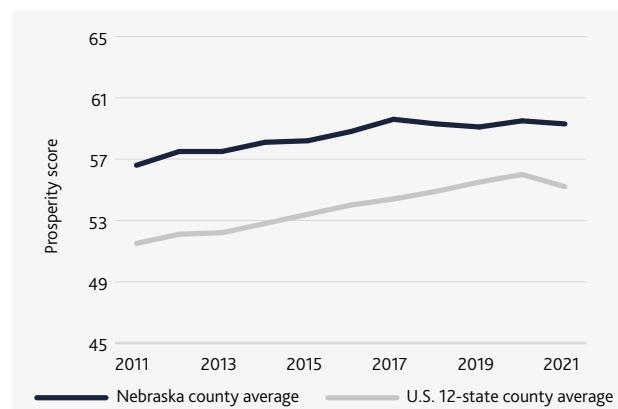
Positioning of counties within the County Index



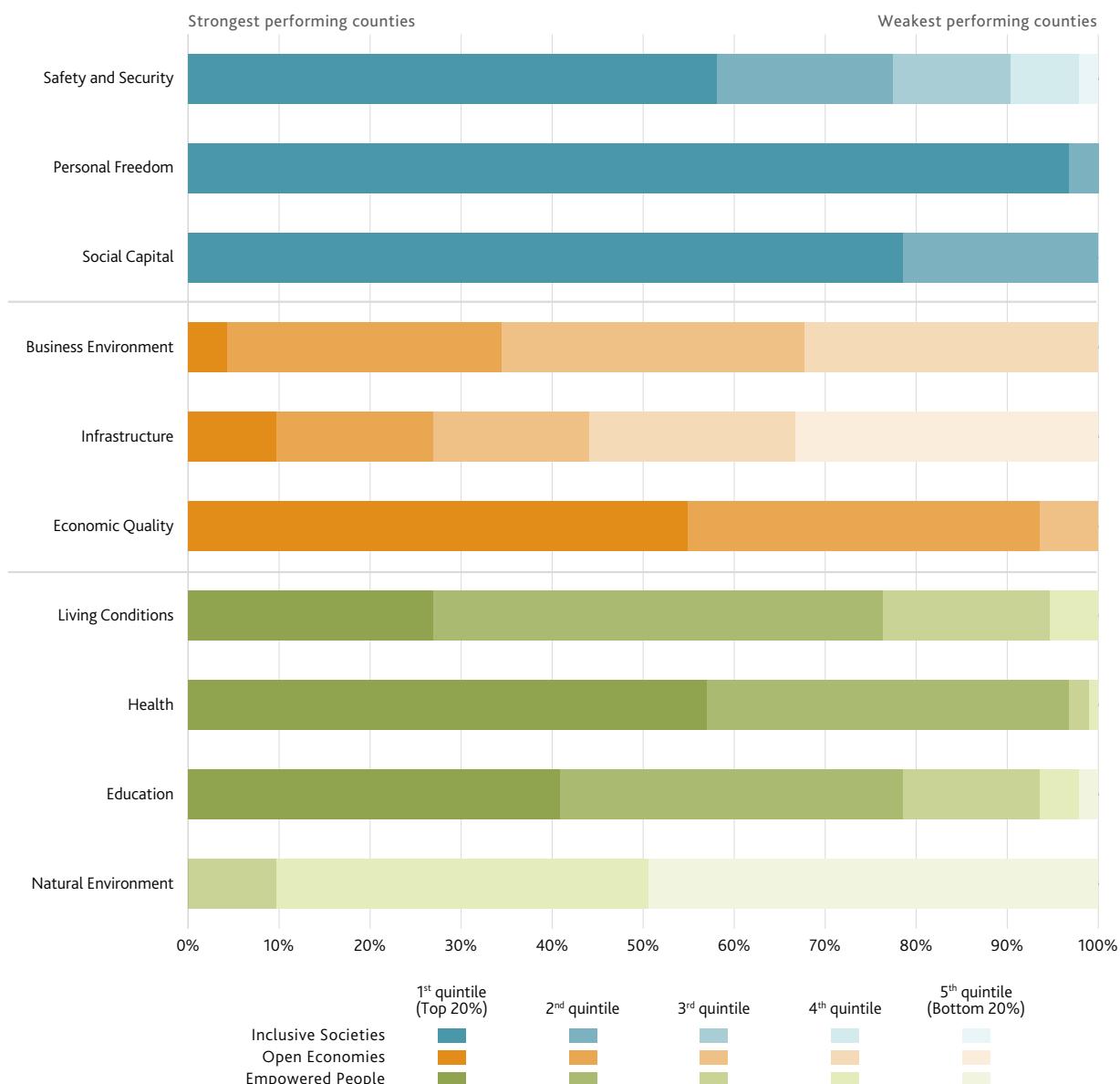
Most and least improved counties within Nebraska (2021 rank), 2011-2021



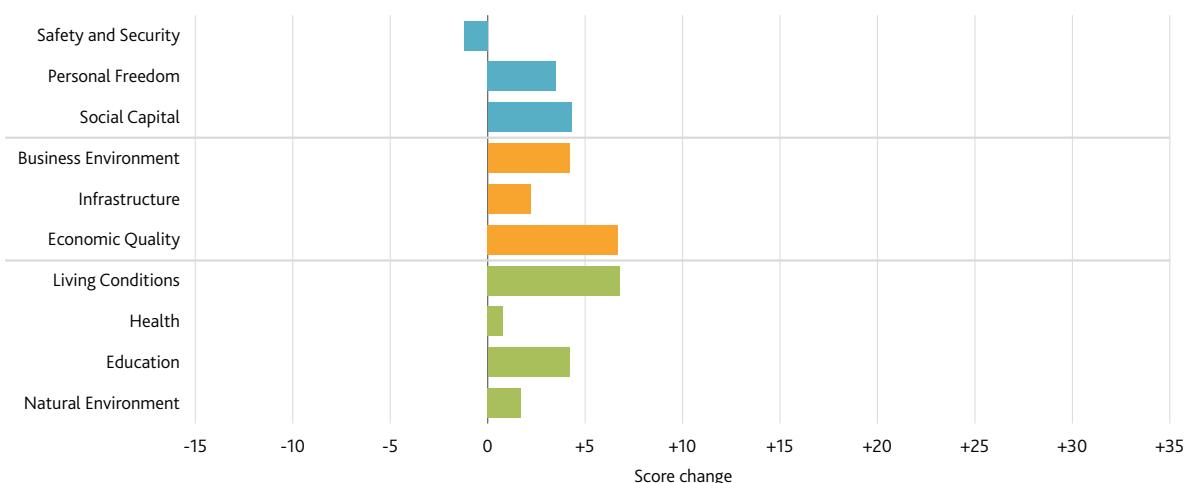
Prosperity of Nebraska's counties



Pillars of Prosperity 2021 (Distribution of county performance)



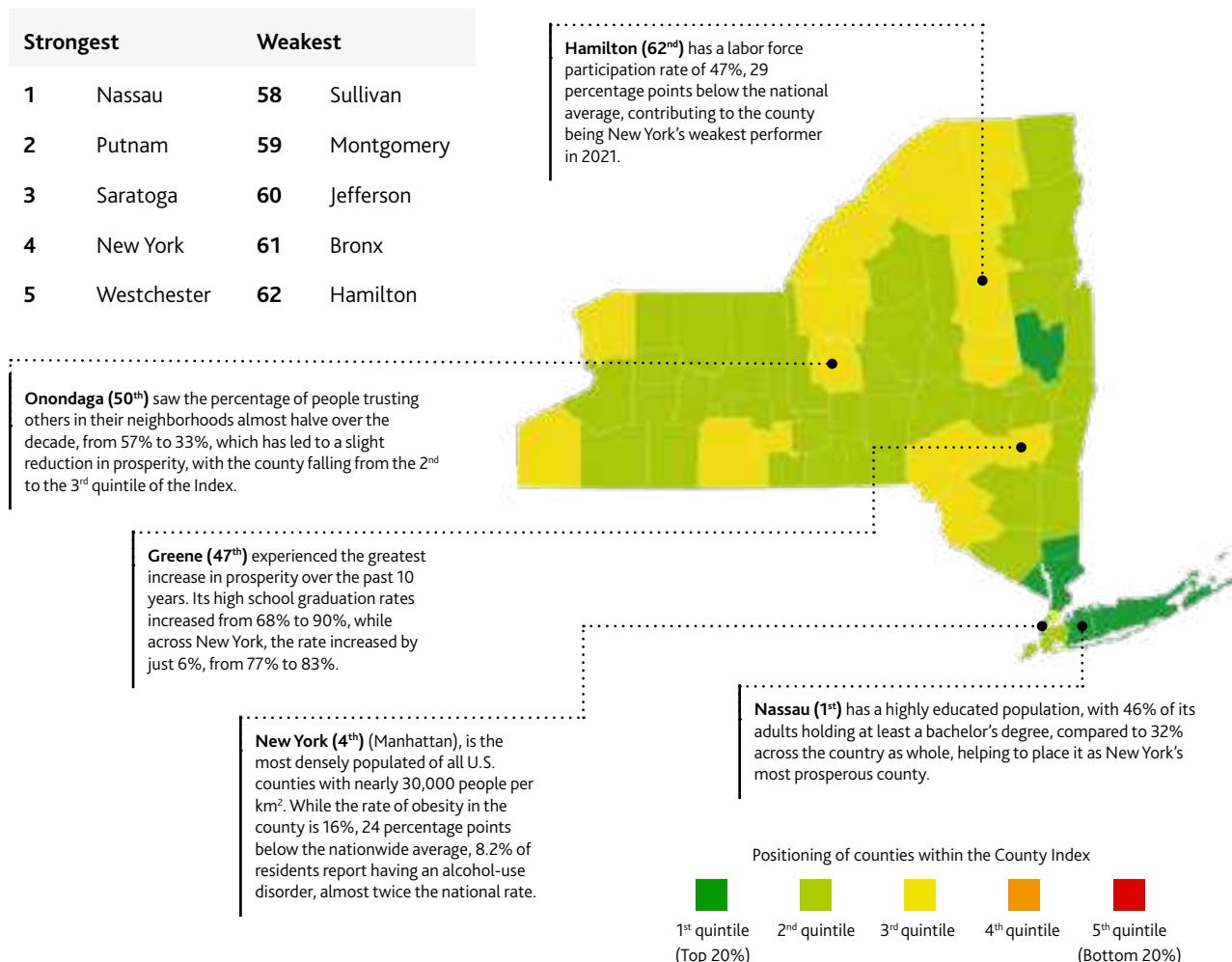
Nebraska county change, by pillar, 2011-2021



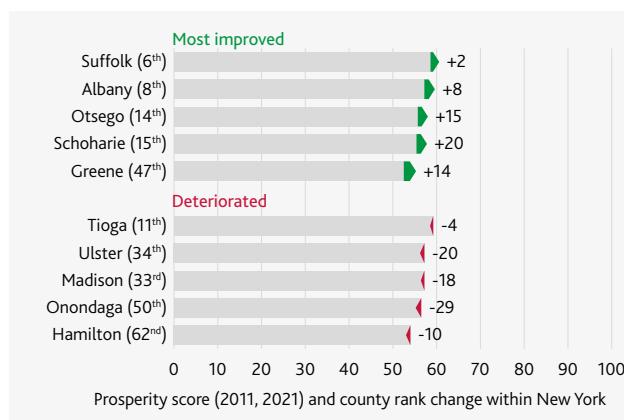


Counties of New York

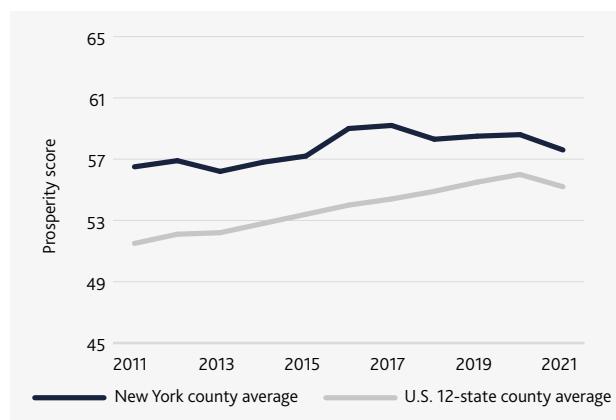
Prosperity of New York's counties 2021



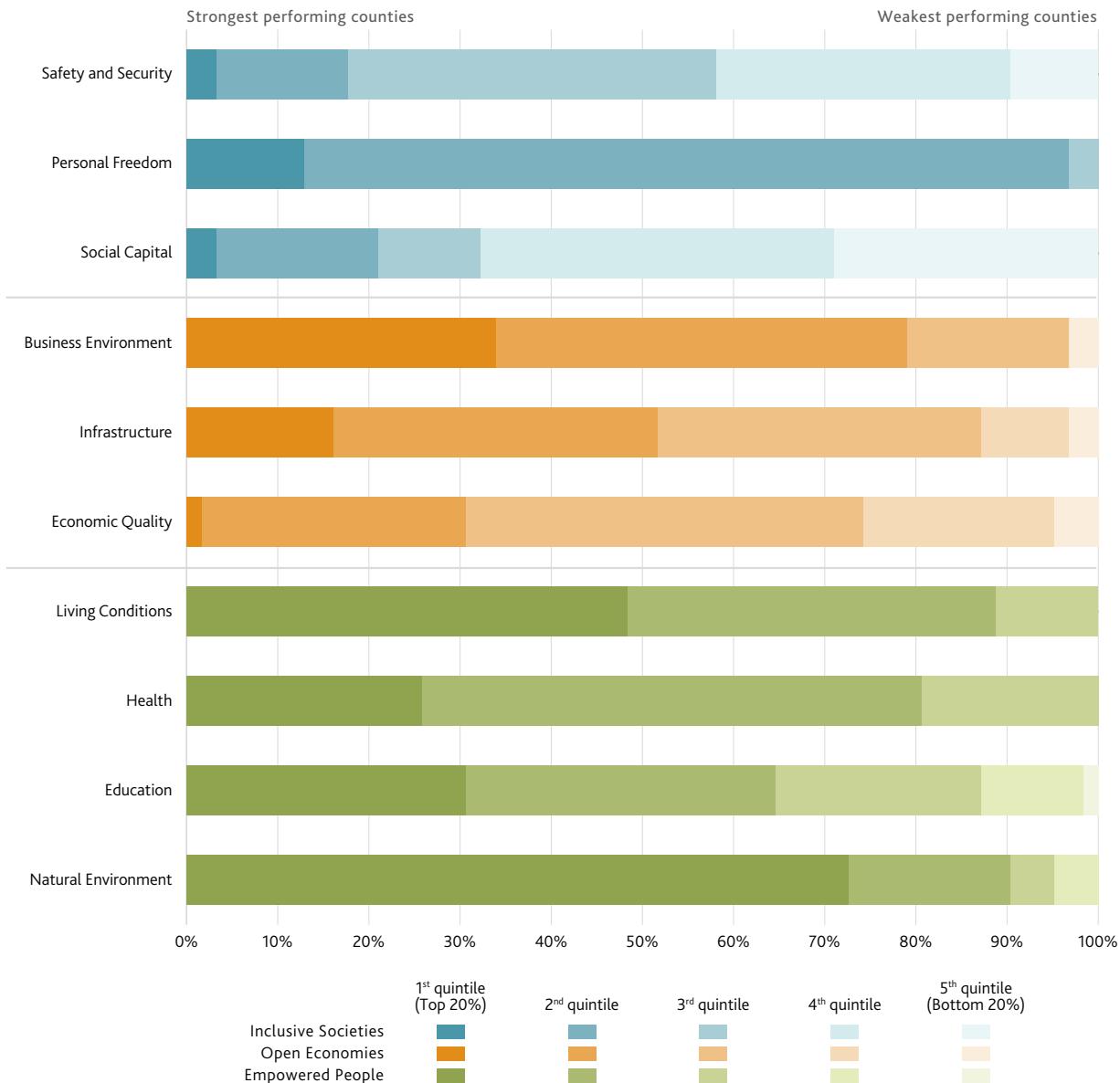
Most and least improved counties within New York (2021 rank), 2011-2021



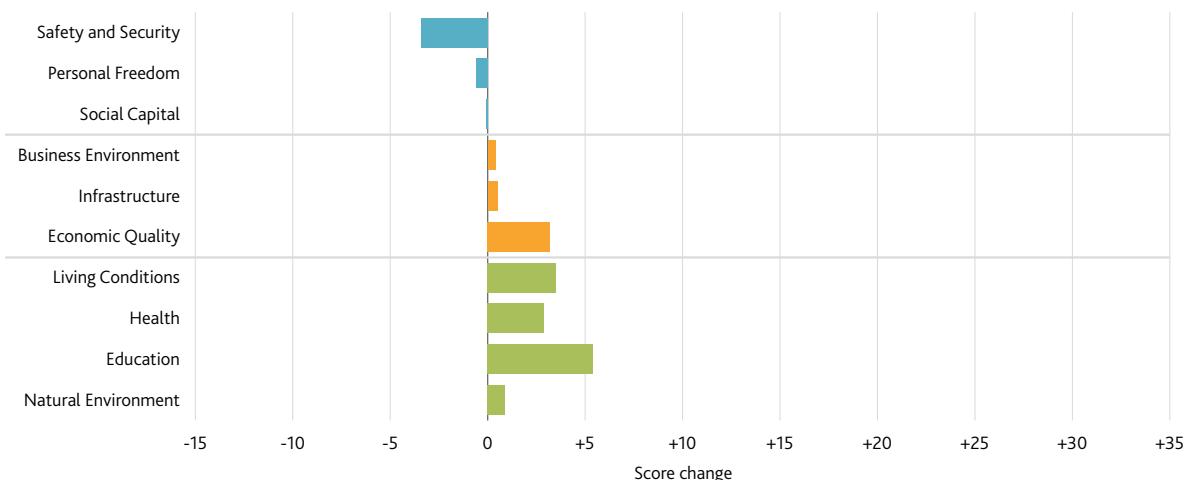
Prosperity of New York's counties



Pillars of Prosperity 2021 (Distribution of county performance)



New York county change, by pillar, 2011-2021





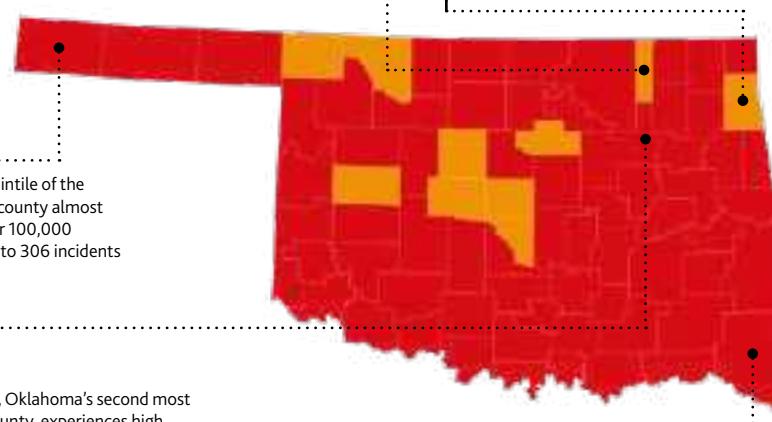
Counties of Oklahoma

Prosperity of Oklahoma's counties 2021

Strongest		Weakest	
1	Washington	73	Choctaw
2	Kingfisher	74	McIntosh
3	Woods	75	Le Flore
4	Cleveland	76	Okfuskee
5	Canadian	77	McCurtain

Washington (1st) has super fast internet connectivity, with 77% of its population having access to broadband with download speeds of at least 1,000mpbs, compared to 27% across the wider U.S., helping to rank the county as Oklahoma's most prosperous.

Delaware (9th) is Oklahoma's most improved county since 2011. It saw its homelessness rates decrease by 65%, from 14 homeless per 10,000 people in 2009 to five homeless per 10,000 people in 2019. The proportion of homeless people living in unsheltered accommodation fell from 58% to 31% over the same period.



Cimarron (39th) moved from the 4th to the 5th quintile of the Index over the past decade. Burglary rates in the county almost doubled, increasing from 125 to 234 incidents per 100,000 people, while across the state, they fell from 355 to 306 incidents per 100,000.

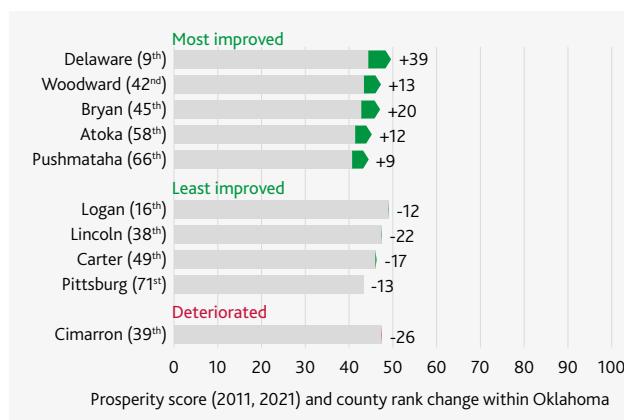
Tulsa (13th), Oklahoma's second most populous county, experiences high levels of air pollution, with 1,290lbs per square mile of toxic air releases, compared to the nationwide average of 669lbs.

McCurtain (77th) has 23% of its population living below the poverty line and 47% in liquid asset poverty, 14 and 11 percentage points, respectively, above the national averages. The county currently ranks as the least prosperous in Oklahoma and 2nd least prosperous across the 12 selected states.

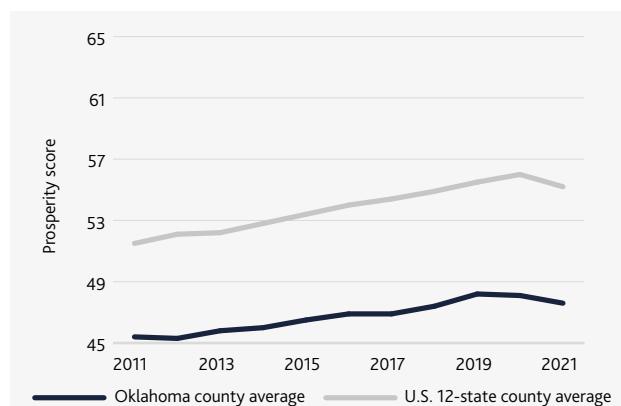
Positioning of counties within the County Index



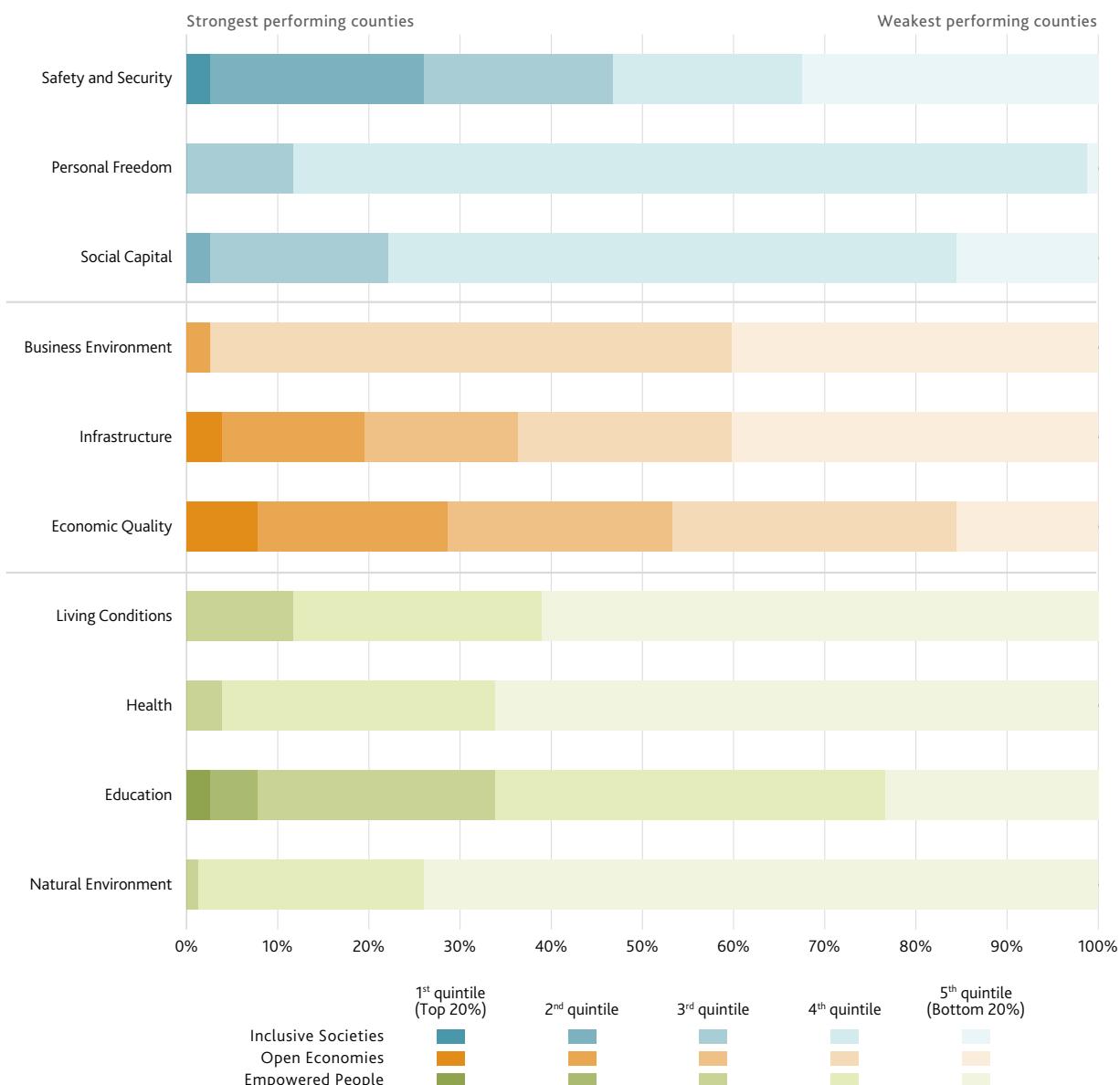
Most and least improved counties within Oklahoma (2021 rank), 2011-2021



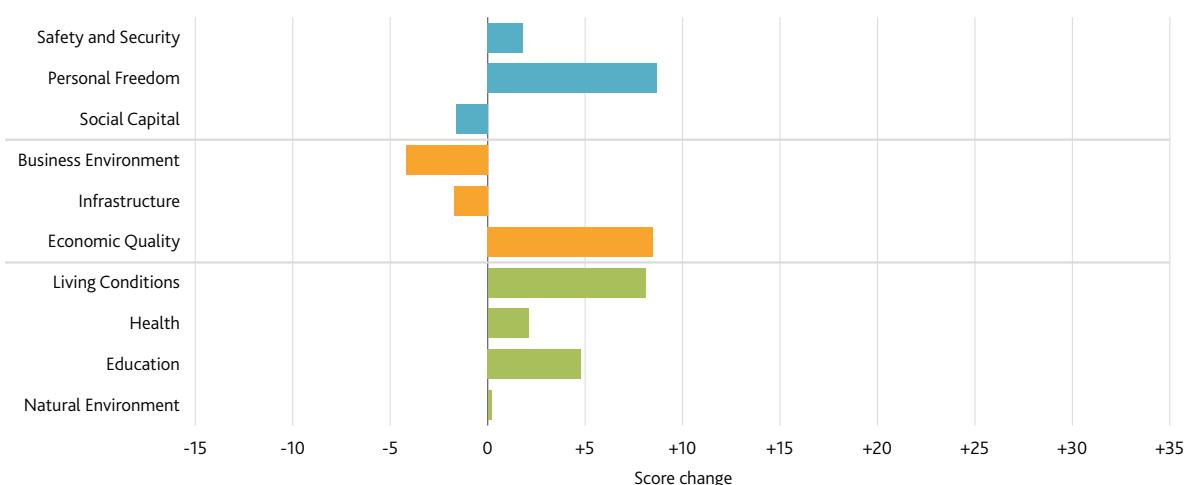
Prosperity of Oklahoma's counties



Pillars of Prosperity 2021 (Distribution of county performance)



Oklahoma county change, by pillar, 2011-2021





Counties of Texas

Prosperity of Texas's counties 2021

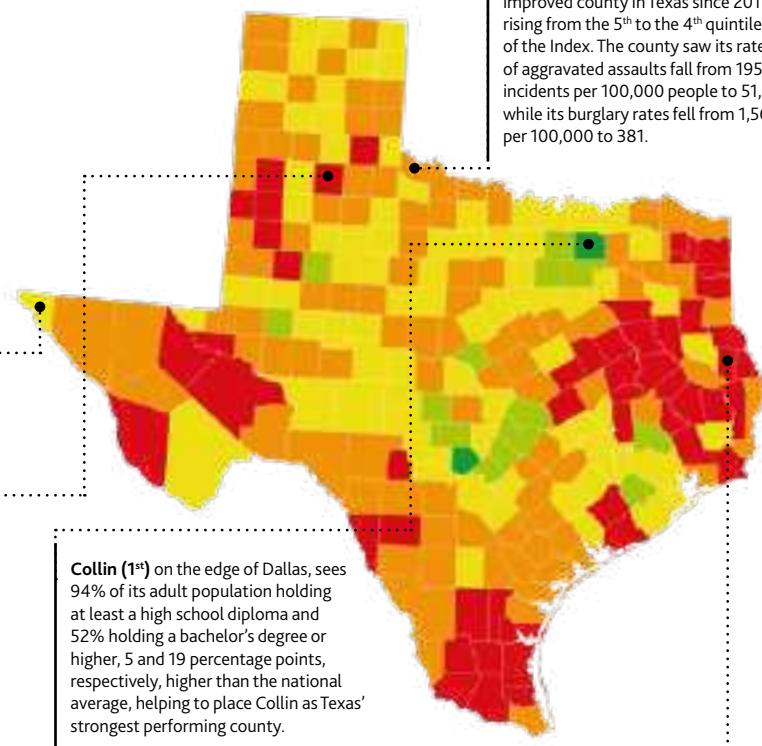
Strongest Weakest

	Strongest	Weakest
1	Collin	250 Limestone
2	Kendall	251 Cass
3	Williamson	252 Dawson
4	Denton	253 Terry
5	Travis	254 San Augustine

El Paso (67th), Texas' westernmost county, ranks in the 3rd quintile for prosperity. Only 6% of its population engage with sport or recreational organizations, just over half the average of 11% across the 12 surveyed states.

Floyd (236th) was Texas' most deteriorated county, falling from the 3rd to the 5th quintile between 2011 and 2021. The county's pre-primary school enrolment rates fell by 80% over the decade, from 49% in 2010 to 10% in 2019.

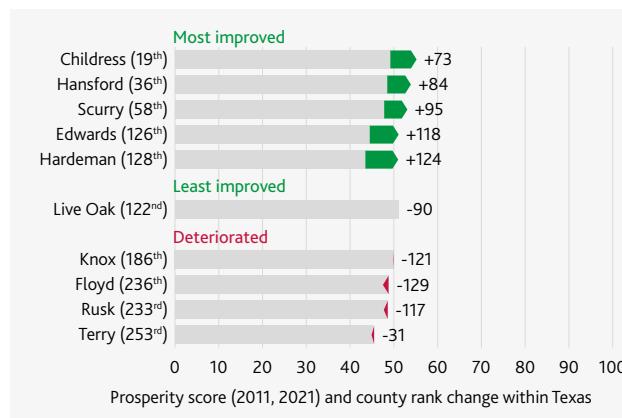
San Augustine (254th) the most deteriorated county in Texas, has only 19% of its population connected to broadband, compared to 96% across the 12 surveyed states. Average download speed is low at 25mbps, compared to 103 mbps for Texas as a whole. San Augustine has remained Texas' least prosperous county since 2017.



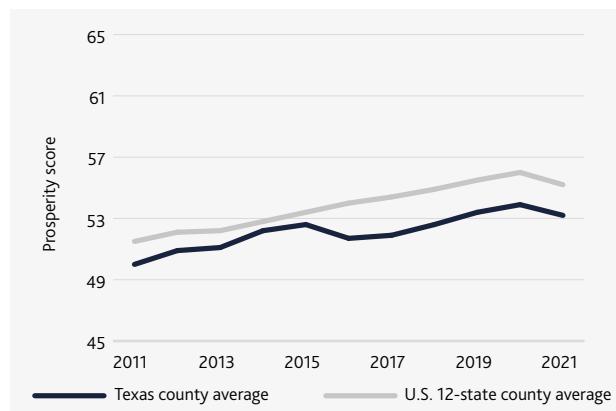
Positioning of counties within the County Index



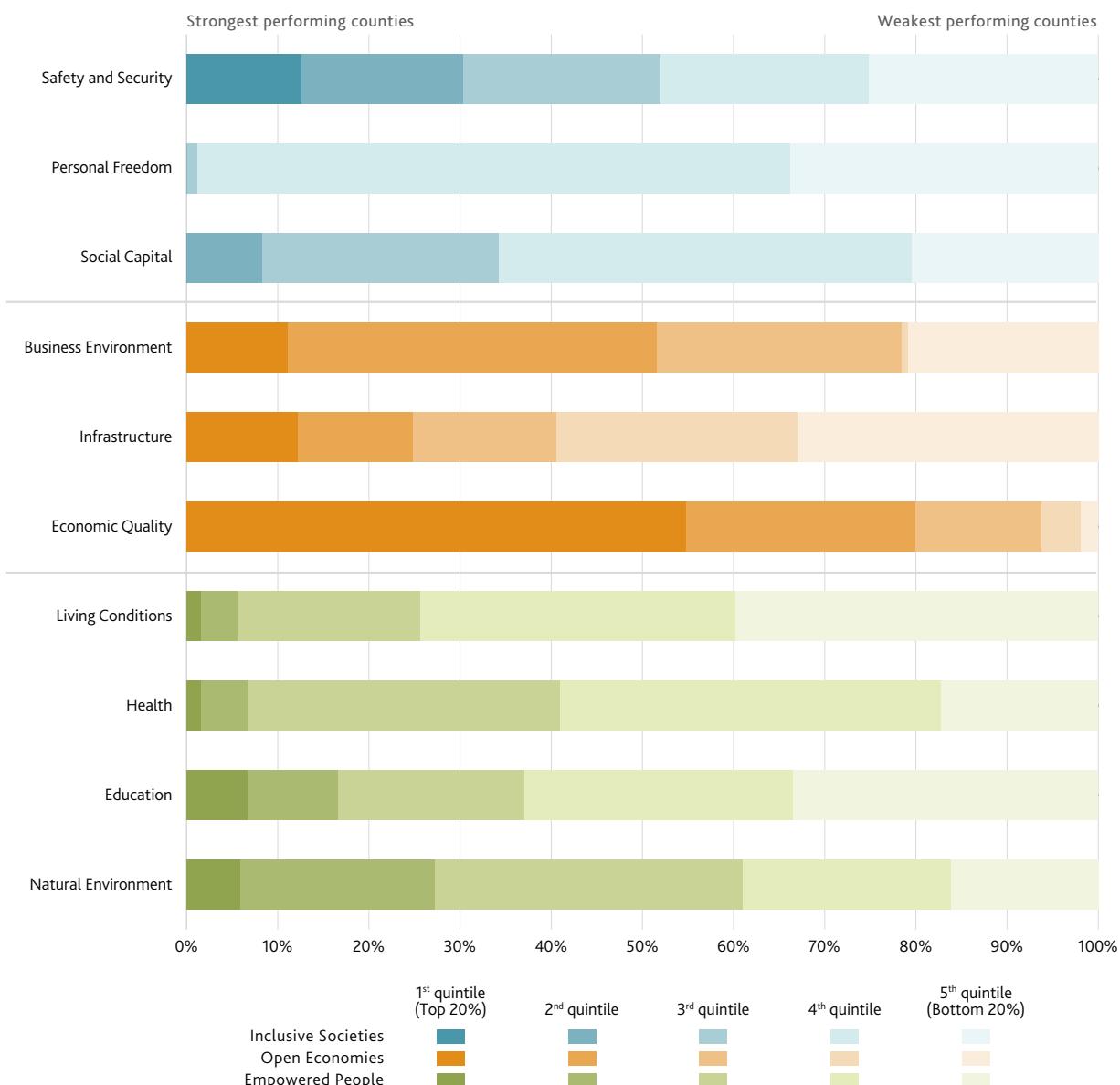
Most and least improved counties within Texas (2021 rank), 2011–2021



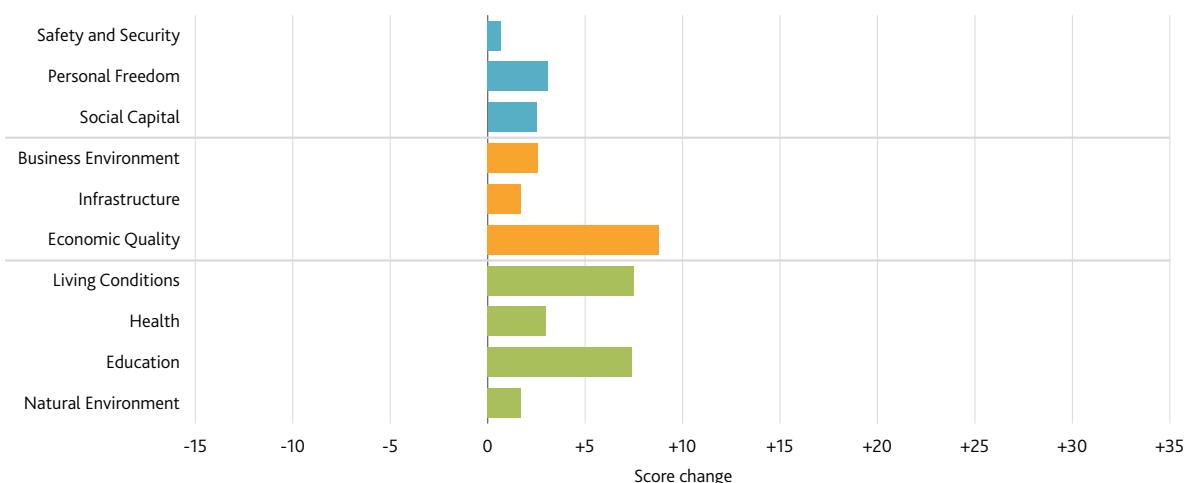
Prosperity of Texas's counties



Pillars of Prosperity 2021 (Distribution of county performance)

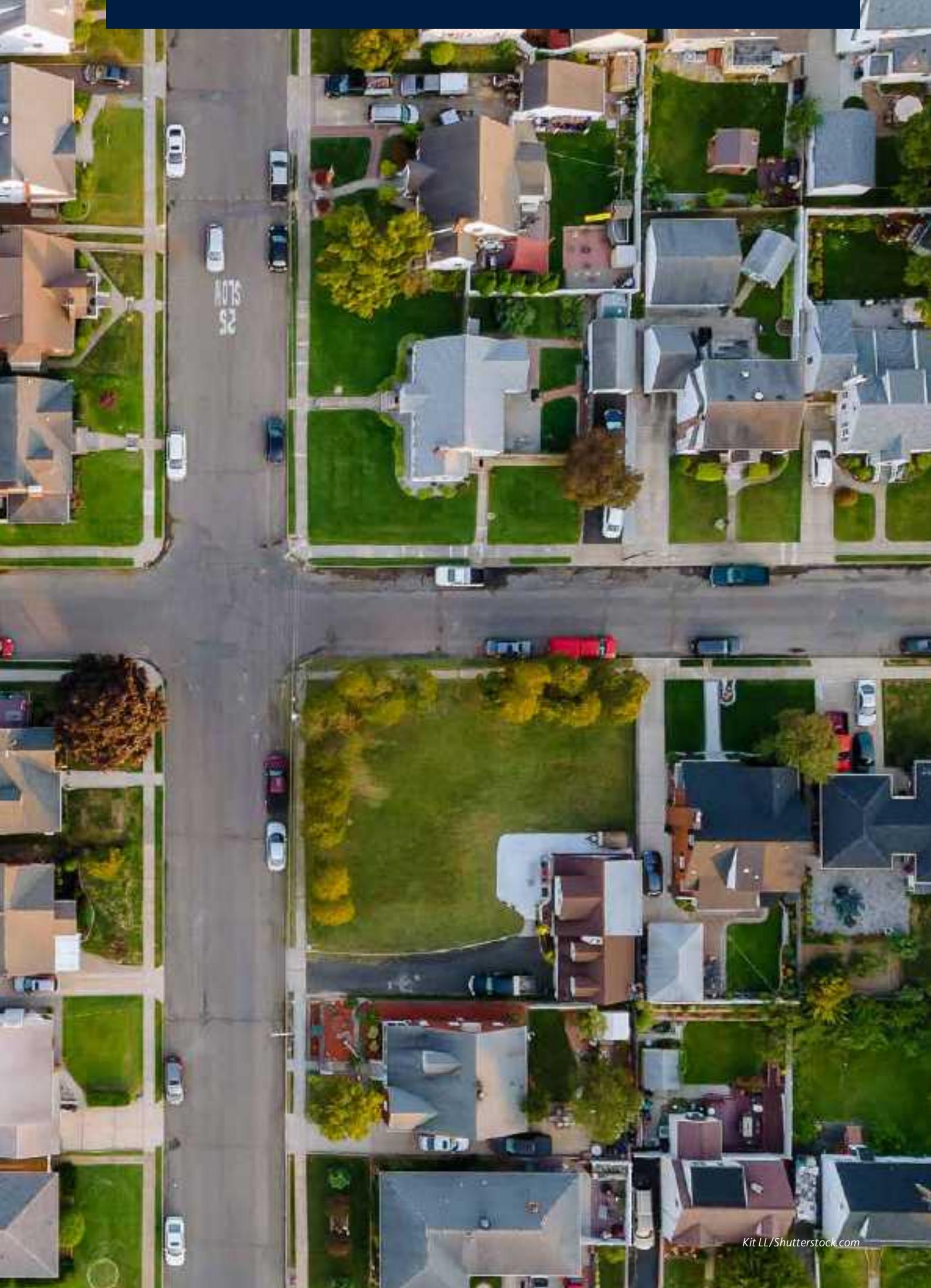


Texas county change, by pillar, 2011-2021



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 1,196 counties within the 12 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 40 U.S. academic and policy experts (see page 100 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: Inclusive Societies; Open Economies; and Empowered People. Through this engagement we constructed a U.S.-focused Prosperity taxonomy that contained 11 pillars and 48 policy-focused elements (see page 28).

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 a county-level Index added in 2020. Since last year we have made some minor improvements and modifications to both Indexes. 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 applied the U.S. prosperity taxonomy at a county level to construct a county-level Index for twelve selected states: California, Colorado, Florida, Georgia, Iowa, Kentucky, Minnesota, Montana, Nebraska, New York, Oklahoma, and Texas, covering the 1,196 counties within them. The 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.

The state-and county-level Indexes aim to capture the richness of a truly prosperous life, moving beyond traditional macroeconomic 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 United States.



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 and 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 215 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 215 indicators in the state level Index, we sourced over 120 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, while we expect there to be underlying county variation, county-level data was not publicly available. For these 60 indicators, we used the state figure for each county in the state, as an indicative proxy. This approach has the advantage 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 among counties within each state. Over time, these indicators will hopefully become available at a county level and we can replace the state average with more relevant county data.

2

Standardization

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, and 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 worst 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 worst values are applied). This approach enables us to compare Index scores over time in each of the respective indexes, to understand whether a state's or a county's performance is improving or weakening.

Indicator weights

3

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 well-being 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. While 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.

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 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 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 66 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, while trying to capture the same aspects where the elements are the same, may be 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 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. While there should be, and indeed is, some similarity in the overall findings between the two indexes, there are also some differences.

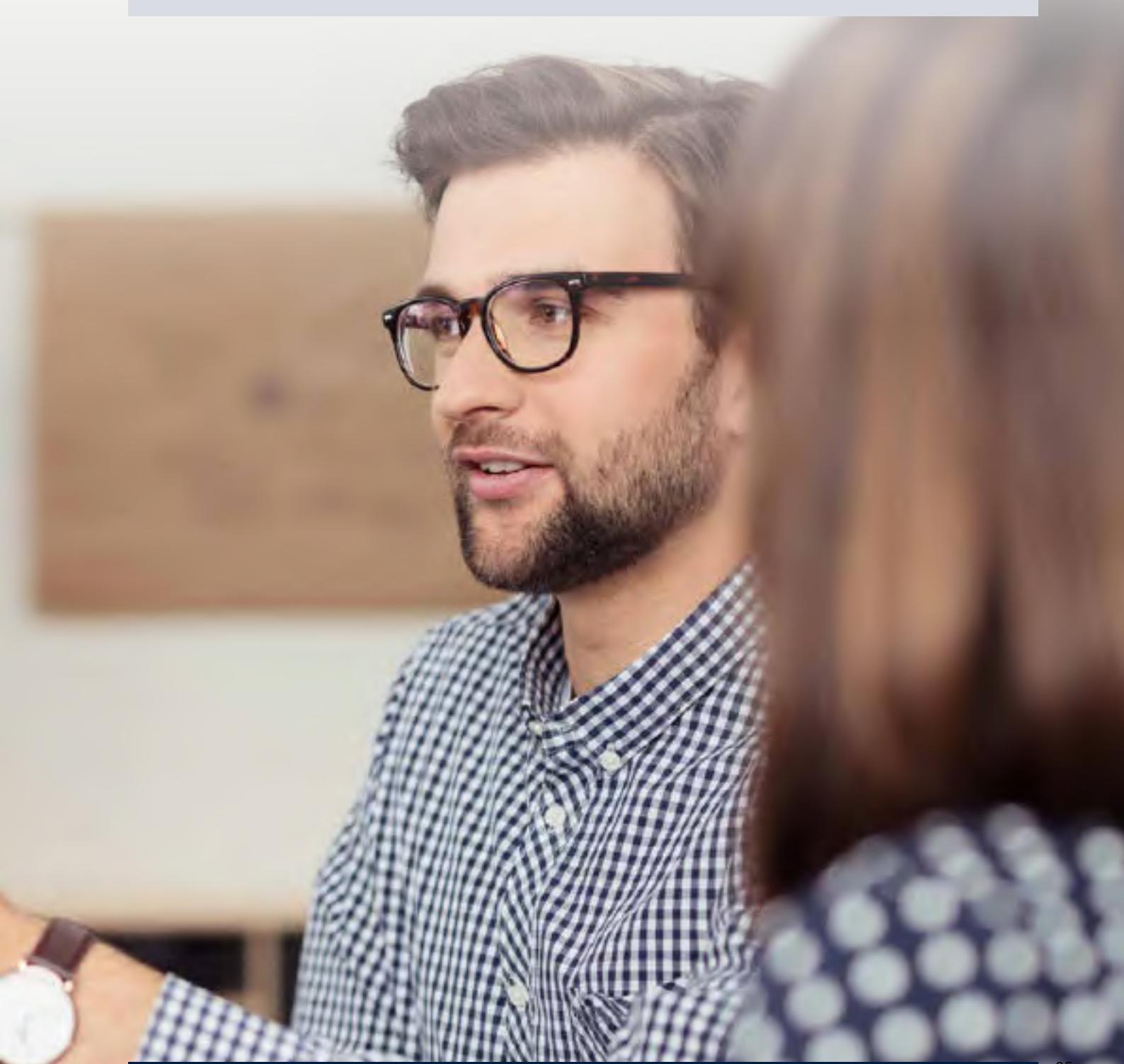


Table of sources

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	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
FHWA	Federal Highway Administration	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

Source abbreviation	Source description	Data availability at state and/or county level
NCAJ	National Center for Access to Justice	State
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 with huge passion and rigor, in producing the United States Prosperity Index. We are incredibly grateful for their dedication and hard work.

Mohamed Abdi Karim

Joshua Lee

Shaun Flanagan

Edward Wickstead

Matt Latham

The Legatum Institute would also like to express their huge thanks to the following advisors who have been so helpful in the initial construction of the Index and its component elements. The views expressed in this report are those of the Legatum Institute and do not necessarily reflect the views of these advisors.

Inclusive Societies:

Christopher Albin-Lackey, Legal & Policy Director, National Center for Access to Justice, Fordham Law School

Katy Bass, Research Director, Knight Institute

Saskia Brechenmacher, Associate Fellow, Carnegie Endowment for International Peace

Alison Brysk, Mellichamp Professor of Global Governance, University of California

Meagan Cahill, Senior Policy Researcher, RAND Corporation

David Cuillier, Associate Professor, University of Arizona School of Journalism

Francis Fukuyama, Olivier Nomellini Senior Fellow, Stanford — Freeman Sprogli Institute

Mark Gibney, Belk Distinguished Professor, University of North Carolina — Asheville

Nazim Habibov, Professor at the School of Social Work, University of Windsor

Seok-Woo Kwon, Robson Professor, University of Calgary

Joseph Lewandowski, Professor of Philosophy, University of Central Missouri

Egizar Lizundia, Senior Manager for Governance, International Republican Institute

Carol MacGregor, Associate Professor of Sociology, Loyola University, New Orleans

Fred McMahon, Project Editor, Human Freedom Index, Fraser Institute

Toby Mendel, Founder and Executive Director, Centre for Law & Democracy

Tanja Porčnik, President, Visio Institute

Charles Stewart III, Professor of Political Science, MIT Election Data and Science Lab

Ian Vásquez, Director, Center for Global Liberty and Prosperity, Cato Institute

Scott Winship, Director of the Social Capital Project, Harvard Kennedy School

Yahong Zhang, Associate Professor, Rutgers

Open Economies:

Laura Alfaro, Professor of Business Administration, Harvard Business School

James Broughel, Senior Research Fellow, Mercatus Center

Cletus Coughlin, Senior Vice President, Chief of Staff, St Louis Fed

Prakash Loungani, Chief of Development Macroeconomics, IMF

Michael Reed, Professor of Agricultural Economics, University of Kentucky

Louis Tay, Professor, Purdue University

Siri Terjesen, Professor, Florida Atlantic University

Ed Timmons, Professor of Economics, Saint Francis University

Mike Troilo, Associate Professor, University of Tulsa

Claudia Williamson, Associate Professor, Mississippi State University

Empowered People:

Corey DeAngelis, Policy Analyst, Cato Institute

Arik Levinson, Professor of Economics, Georgetown University

Nat Malkus, Resident Scholar and Deputy Director of Education Policy Studies, AEI

Sarah Milder, Principal, Arundel Metrics

Doug Noonan, Professor, Indiana University — Purdue University Indianapolis

Dr. Andrew Sharpe, Executive Director, Centre for the Study of Living Standards

Duncan Thomas, Professor of Economics, Global Health and Public Policy, Duke University

David N. Weil, Professor of Economics, Brown University

Zachary A. Wendling, Principal Investigator, 2020 Environmental Performance Index"

The Legatum Institute would also like to thank Broadband Now for the provision of their data.

Unless otherwise stated, all data is from the 2021 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 2021 United States Prosperity Index.

#USProsperity

@LegatumInst

@ProsperityIndex

Endnotes

Executive summary:

1. Jarosz, Beth, Sung Park and Fabian Pfeffer. "Disadvantage for Black Families Compounded by Economic Circumstances of Kin," PRB, April 16, 2020, <https://www.prb.org/resources/disadvantage-for-black-families-compounded-by-economic-circumstances-of-kin/>.
2. Williams, Jhacova and Valerie Wilson. "Black workers endure persistent racial disparities in employment outcomes," Economic Policy Institute, August 27, 2019, <https://www.epi.org/publication/labor-day-2019-racial-disparities-in-employment/>.
3. Czeisler, Mark et al. "Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic – United States, June 24-30, 2020." CDC Morbidity and Mortality Weekly Report 69 (2020): 1049-1057.
4. Mann, Brian. "Overdose Deaths Surged In Pandemic, As More Drugs Were Laced With Fentanyl." Delaware Public Media, April 22, 2021, <https://www.delawarepublic.org/post/overdose-deaths-surged-pandemic-more-drugs-were-laced-fentanyl>.
5. Christakis, Dimitri, Wil Van Cleve and Frederick Zimmerman. "Estimation of US Children's Educational Attainment and Years of Life Lost Associated With Primary School Closures During the Coronavirus Disease 2019 Pandemic," JAMA Network, November 12, 2020, <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2772834>.
6. Dorn, Emma, Bryan Hancock, Jimmy Sarakatsannis and Ellen Viruleg. "COVID-19 and learning loss-disparities grow and students need help," McKinsey & Company, December 8, 2020, <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/covid-19-and-learning-loss-disparities-grow-and-students-need-help>.
7. Kuhfeld, Megan, et al. "How is COVID-19 affecting student learning?" Brookings Institute, December 3, 2020, <https://www.brookings.edu/blog/brown-center-chalkboard/2020/12/03/how-is-covid-19-affecting-student-learning/>.
8. Curran, Megan et al. "Monthly Poverty Rates in the United States during the COVID-19 Pandemic," Center on Poverty & Social Policy, School of Social Work, Columbia University (2020).
9. Haltiwanger, John. "Entrepreneurship During the COVID-19 Pandemic: Evidence from the Business Formation Statistics." NBER Working Paper 28912 (2021).
10. "Overview of Preliminary Uniform Crime Report, January-June, 2020," Federal Bureau of Investigation, September 15, 2020, <https://www.fbi.gov/news/pressrel/press-releases/overview-of-preliminary-uniform-crime-report-january-june-2020>.
11. "New Data Shows FTC Received 2.2 Million Fraud Reports from Consumers in 2020," Federal Trade Commission, February 4, 2021, <https://www.ftc.gov/news-events/press-releases/2021/02/new-data-shows-ftc-received-2-2-million-fraud-reports-consumers>.
12. Case, Ann and Angus Deaton. "Deaths of Despair and the Future of Capitalism." Princeton University Press (2020).
13. "Poll: 66% of Americans aren't friends with their neighbors," The Zebra, April 17, 2020, <https://www.thezebra.com/resources/home/neighbors-survey/>.

Getting recovery right:

1. "Governor Sisolak announces the introduction of the Every Nevadan Recovery Framework," The State of Nevada, April 1, 2021, https://gov.nv.gov/News/Press/2021/Governor_Sisolak_announces_the_introduction_of_the_Every_Nevadan_Recovery_Framework.
2. "Coronavirus State and Local Fiscal Recovery Funds," U.S. Department of the Treasury, 2021. (See "Interim Final Rule" Page 21).
3. Abazajian, Katya and Tyler Kleykamp. "Leveraging Data for Economic Recovery: A Roadmap for States." Beeck Center, Georgetown University, August 2020, <https://beeckcenter.georgetown.edu/report/leveraging-data-for-economic-recovery-a-roadmap-for-states/>.
4. H.R.1319 - 117th Congress (2021-2022): American Rescue Plan Act of 2021. (2021, March 11). <https://www.congress.gov/bill/117th-congress/house-bill/1319>.
5. "California Dream Index," California Forward, 2020, <https://cafwd.org/california-dream-index/>.
6. "Indiana Data Hub," State of Indiana, 2019, <https://hub.mph.in.gov/>.

Defining Inclusive Societies:

1. Locke, John. Two Treatises of Government: With a Supplement, Patriarcha, by Robert Filmer. No. 2. Simon and Schuster, 1947.
2. Galtung, Johan. "Violence, peace, and peace research." Journal of peace research 6, no. 3 (1969): 167-191.
3. De Tocqueville, Alexis. Democracy in America. Vol. 10. Regnery Publishing, 2003.

4. Veenhoven, Ruut. "Social conditions for human happiness: A review of research." *International Journal of Psychology* 50, no. 5 (2015): 379-391
5. Marslev, K. & Sano, H-O. (2016). "The Economy of Human Rights. Exploring Potential Linkages between Human Rights and Economic Development". *Matters of Concern*, the Danish Institute for Human Rights, 2016/2

Rebuilding U.S. social capital in a polarized era:

1. Hawkins, Stephen et al. "Two Stories of Distrust in America." More in common, May 2021, https://www.moreincommon.com/media/yfcfbmmp/mic_two-stories-of-distrust.pdf. (See Figure 0.1)
2. Hawkins, Stephen et al. "Two Stories of Distrust in America." More in common, May 2021, https://www.moreincommon.com/media/yfcfbmmp/mic_two-stories-of-distrust.pdf. (See Figure 0.3)
3. Riek, Blake et al. "Does a common ingroup identity reduce intergroup threat?" *Group Processes & Intergroup Relations* 13, no. 4 (2010): 403-423.
4. Ramiah, Ananthi and Miles Hewstone. "Intergroup contact as a tool for reducing, resolving and preventing intergroup conflict: evidence, limitations and potential." *American Psychologist*, 68, no. 7 (2013): 527.
5. Kwon, K. H., C. Shao and S. Nah. "Localized social media and civic life: Motivations, trust, and civic participation in local community contexts." *Journal of Information Technology & Politics*, 18, no. 1 (2021): 55-69.6. Keele, L. (2007). Social capital and the dynamics of trust in government. *American Journal of Political Science*, 51(2), 241-254.
7. Kang, Jiyun and Gwendolyn Hustvedt. "Building Trust Between Consumers and Corporations: The Role of Consumer Perceptions of Transparency and Social Responsibility." *Journal of Business Ethics*, 125 no. 2 (2014): 253-265.
8. "Americans Surprisingly United Locally – Though Nationally, Divided as Ever, Survey Shows." Reader's Digest, June 7, 2021, <https://www.rd.com/article/unity-survey2020/>.
9. The concept of 'conflict entrepreneurs' is familiar to the field of conflict prevention, and is developed in Amanda Ripley's *High Conflict* (Simon & Schuster, 2021).

Defining Open Economies:

1. Legatum Institute, "Global Index of Economic Openness", 2019.

The Local Nature of Prosperity

1. Williams, Jhacova and Valerie Wilson. "Black workers endure persistent racial disparities in employment outcomes," Economic Policy Institute, August 27, 2019, <https://www.epi.org/publication/labor-day-2019-racial-disparities-in-employment/>.

ABOUT THE LEGATUM INSTITUTE

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. We seek to fulfil our mission by raising up leaders of character, restoring an ethical vitality to all sectors of society, and developing the practical solutions and data tools that will help build inclusive and peaceful societies with open economies and empowered people. For more information about the United States Prosperity Index or to speak to one of the Legatum Institute's experts, please email info@li.com.

FSC LOGO



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.

Legatum Institute
11 Charles Street
London W1J 5DW
United Kingdom
T: +44 (0) 20 7148 5400

www.usprosperity.net
www.li.com
www.prosperity.com

#USProsperity
@LegatumInst
@ProsperityIndex



JULY 2021