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“Most Livable” a Dubious and Fleeting Honor

Quick—who did *Forbes* magazine recently name as its “Most Livable City”? Unless one has been under a rock in southwestern Pennsylvania they would know that Pittsburgh was crowned with the honor.

The City—more accurately, the seven county metropolitan statistical area from which data was extracted and compared to other metro areas—has now been named “most livable” by three separate publications since spring of 2007. *Forbes’* insistence on calling metro areas cities is terribly misleading and not worthy of the magazine. This is especially true in the case of Pittsburgh where the City’s population accounts for about 13 percent of the metro population. That’s compared to the Allegheny Institute Benchmark City average of 40 percent.

But which place was bestowed with the *Forbes* number one title last year? That is probably not on the tips of many people’s tongues. The answer is Portland, ME. A review of the 2009 most livable list and the 2010 rankings (as much as are available, as *Forbes’* website presents slides for only the top ten or fifteen metro areas) shows that Portland dropped out of the 2010 top ten entirely. The same fate was shared by three others in the top five for 2009 (Bethesda, Des Moines, and Tulsa). Only the metro area comprising Stamford, CT managed to retain its place in the top performers, dropping from fourth place to ninth.

This year Pittsburgh, along with two Utah places (Ogden and Provo), Ann Arbor, MI, and our own state capital comprised the top five most livable.

So how does one account for the fact that—in one year’s time—*Forbes* has put together a new top five with all of last year’s cream of the crop failing to stay in the top five while last year’s tenth place finisher jumped to number one? The ranking’s volatility from year to year suggests a not very well thought out methodology. After all if the most livable cannot stay in the top ten for a year after being so designated, what is the point of naming a number one in the first place?

Consider the disappointment of someone who decided to act on the belief that the Portland ranking was accurate and moved there only to see the ranking drop dramatically by the next spring. Consider too, the poor Chamber of Commerce in Portland. What does it do after a year of touting itself as the number one livable city only to find themselves now not even in the top ten? How do they explain the drop without saying either (a) their city has undergone a massive twelve month decline in its economy and quality of life or (b) that the *Forbes* ranking methodology stinks? And by so doing demonstrate their own gullibility and unsavory tendency to engage in empty braggadocio. What a dilemma.

There do not appear to be major changes in the measure used by *Forbes* to determine livability. They collect current unemployment rate, five-year income growth, crime rates, a cultural index,

and cost of living from the Bureau of Labor Statistics, Moody's, Sperling's art and leisure index, and the Federal Bureau of Investigation. One thing that did change is the size of the sample. In 2009, 379 metropolitan areas were evaluated. This year the magazine used only the largest 200.

**Pittsburgh's Livability Measure Rankings,
2009 and 2010**

2009	Top Third (1-126)	Middle Third (127- 253)	Bottom Third (254- 379)	2010	Top Third (1-66)	Middle Third (67- 133)	Bottom Third (134- 200)
Income Growth			269	Income Growth	20		
Cost of Living		147		Cost of Living	52		
Culture	37			Culture	26		
Crime	45			Crime	15		
Unemployment Rate	48			Unemployment Rate		73	

Pittsburgh has always received good marks on cultural attractions and overall crime rate, even though in the case of the former some of the venues are used by relatively few people and on the latter there are areas of high crime. And in the 2009 and 2010 *Forbes* rankings those good marks are reflected: in 2009, Pittsburgh ranked 37th out of 379 on culture and 45th out of 379 on crime. This year the rankings were 26th and 15th out of 200, respectively. So it is fair to say that Pittsburgh was in the top third of the sample cases on both indicators.

The table above divides the sample cases from the last two years into thirds to show how shrinking the number of metros affected Pittsburgh on livability measures. As pointed out, crime and culture stayed relatively the same, but income growth (measured by *Forbes* as the average of the last five years) shot up from 269th to 20th. By the way, faster income growth means relatively faster or did not fall as much. It could be every area actually had negative growth, some more than others.

Instead of being behind 268 other metros on income growth *Forbes* is arguing that this year only 19 are greater. Cost of living ranking for Pittsburgh likewise moved up and while the unemployment rate ranking fell from 48th to 73rd, Pittsburgh found itself with four rankings in the top third this year and none in the bottom third, unlike 2009.

A basic problem with the rankings is that a long term slow growth area such as the Pittsburgh region—where there has been no net gain in private sector jobs for ten years and had very slow growth prior to the recession—can weather downturns better because there was no construction boom to unwind and the industry mix has shifted very far away from goods production to service production.

Another problem is that, to a large degree, livability is a subjective concept. For some, being close to relatives and long time friends trumps everything except perhaps the complete inability to earn a decent income. For others with children, the schools will be very important. Then there are those who put great stock in culture and still others who enjoy the outdoors, great scenery and so on.

Then there are the aggravations of life that *Forbes* does not take into account sufficiently. How about traffic problems, high property taxes, incompetent public officials, financial conditions of the core city, labor strife, poor street maintenance and inept snow removal?

Still, however flawed the latest rankings are, City officials and boosters are quick to make a big deal of the ranking. And why not? *Forbes'* report talks almost exclusively about the City, its universities and cultural offerings and how it is no longer a smoky city. Could someone tell these ranking writers that Pittsburgh has not been smoky for 20 years at least? It is past time for a new cliché.

Here's a question. Why have we not seen a gaggle of elected officials from around the metro area standing up to take a share of the credit and accolades? It is a metro wide honor, after all.

And a final question. After all the ill conceived and much ballyhooed rankings over the years, does anyone (other than boosters and officials) put any credence in these rankings?

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