

# 10 Best Cities for the Next Decade

They're prosperous, innovative, and they'll generate plenty of jobs, too.

By the Editors of *Kiplinger's Personal Finance Magazine*

We live in challenging times. Unemployment remains high, and the U.S. lead in technology and science is slipping as many foreign countries gain ground. But some U.S. cities, though slowed by the Great Recession, still thrive by lifting good old American innovation to new levels. And that will help put more Americans back to work and keep our international edge.

In *Kiplinger's* latest search for top cities, we focused on places that specialize in out-of-the-box thinking. "New ideas generate new businesses," says Kevin Stolarick, our numbers guru, who this year evaluated U.S. cities for growth and growth potential. Stolarick is research director at the Martin Prosperity Institute, a think tank that studies economic prosperity. "In the places where innovation works, it really works," he says.

After researching and visiting our 2010 Best Cities, it became clear that the innovation factor has three elements. Mark Emmert, president of the University of Washington in Seattle, put his finger on two of them: smart people and great ideas. But we'd argue that it's the third element -- collaboration -- that *really* supercharges a city's economic engine. When governments, universities and business communities work together, the economic vitality is impressive.

And it's no coincidence that economic vitality and livability go hand in hand. Creativity in music, arts and culture, plus neighborhoods and recreational facilities that rank high for "coolness," attract like-minded professionals who go on to cultivate a region's business scene. All of which make our 2010 Best Cities not just great places to live but also great places to start a business or find a job.

## 1. Austin, Tex.

Austin is arguably the the country's best crucible for small business, offering a dozen community programs that form a neural network of business brainpower to help entrepreneurs. Now overlay that net with a dozen venture-capital funds and 20 or so business associations, plus incubators, educational opportunities and networking events. Mix all these elements in what many call a classless society, where hippie communalism coexists with no-nonsense capitalism, and you've got a breeding ground for start-ups.

Don't discount the fun factor: In the self-proclaimed live-music capital of the world, music and business creativity riff off one another. The city's famous South by Southwest festival, where concerts, independent film screenings and emerging technology overlap, is a prime example.

Read the rest of the article at

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