


# The U.S.'s Biggest Brain Magnets

by Joel Kotkin

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## College graduates are heading in droves to Raleigh, Austin and, surprisingly, New Orleans.

For a decade now, U.S. city planners have obsessively pursued college graduates, adopting policies to make their cities more like dense hot spots such as New York, to which the "brains" allegedly flock.

But in the past 10 years, "hip and cool" places like New York have suffered high levels of domestic outmigration. Some boosters rationalize this by saying the U.S. is undergoing a "bipolar migration" -- an argument recently [laid out by Derek Thompson in The Atlantic](#). On the one hand the smart "brains" head for cool, coastal cities like New York and Boston, while "families" and "feet" -- a term that seems to apply to the less cognitively gifted -- trudge to the nation's southern tier -- a.k.a. the Sun Belt -- for cheap prices and warm weather. "College graduates with bachelor's degrees or higher," Thompson notes, "have been moving to the coasts, like salmon swimming against the southwesterly current."

However, this analysis -- no matter how widely accepted in the media -- is grossly oversimplified, perhaps even misleading. Indeed, college graduates, for the most part, are heading not to the big cities on the coasts, but to smaller, less dense and quite often Sun Belt cities.

To come up with our list of the country's biggest brain magnets, we took the 50 largest metropolitan areas and ranked them by gains in people with college educations compared to the population over 25 years of age between 2007 and 2009, using the latest data from the American Community Survey provided by demographer Wendell Cox. **It turns out that *none* of the top 10 gainers were large Northeastern cities, but largely Southern or Midwestern. New Orleans; Raleigh, N.C.; Austin, Texas; Nashville; Birmingham, Ala.; Kansas City, Mo.-Kan.; and Columbus, Ohio, all scored high marks. Only one California city, San Diego, made the top 10. Perennial "brain gainers" Denver, Colo., and Seattle round out the top 10.**

Among those metropolitan statistical areas with populations over 5 million, the best ranking went to the Philadelphia region (No. 12 overall), arguably the least glitzy and most affordable of the large northeast cities. The San Francisco metropolitan area, long a leader in its percentage of college-educated adults, held the next spot at No. 13. On the other hand, supposed "brain" magnets Boston and Chicago managed middling rankings, right behind Charlotte, N.C., and just ahead of San Antonio, Texas. Both fell well behind such overlooked "brain gain" areas as Jacksonville, Fla.; St. Louis, Mo.-Ill.; and Indianapolis. New York, the nation's intellectual capital, ranked a mediocre 29th and Los Angeles an even worse 37th. To put in perspective, Nashville's rate of college educated migration growth was 3.7%, compared with 1.4% for New York and a measly 0.7% for Los Angeles.

Rather than following a clear path to the world of the "hip and cool," college graduates appear influenced by a more nuanced and complex series of factors in terms of their location. New Orleans' No. 1 ranking, for example, is likely product of the [continuing recovery of its shrunken population](#), where the central city

appears to be somewhat more attractive to professionals than before Katrina while the suburban populations have recovered more quickly from the disaster. The strong showing of Birmingham may likely be traced not to changes in the core city itself, but to the rapid growth in its surrounding suburban counties and the rapid expansion of the region's medical complex.

This reflects something not often mentioned: the spreading out of intelligence. Conventional theory suggests that the new generation of college graduates will go to the largest, densest places, eschewing, [as The Wall Street Journal put it snidely](#), their parent's McMansions for small abodes in the inner city. Yet the ACS numbers indicate that, overall, college migrants tend to choose less dense places. In the two years we covered, the growth rate in urban areas with lower urban area densities (2,500 per square mile) boasted a 5% increase in college-educated residents, compared with roughly 3.5% for areas twice as dense.

This can be seen in the pattern of migration toward relatively low-density metropolitan areas like Nashville, Columbus, Raleigh or Kansas City as opposed to more packed regions like New York, Los Angeles or San Francisco. And wherever these college graduates migrate, they are at least as likely to settle outside the urban core. Another overlooked fact: Most places with the highest percentages of college-educated people are in suburbs. Only two of the 20 most-educated counties in the country are located in the urban core: New York (Manhattan) and San Francisco. Virtually all the rest are suburban.

Another somewhat surprising statistic revolves around affordability and job growth. The college-educated, particularly in this tepid economy, are not immune to reality. They may want to go one place -- for example, ever-alluring New York or sunny Los Angeles -- but may soon find they can find neither a good job there nor an affordable place to live in order to stay there. Overall our analysis shows that many end up in places with **lower housing prices**. Areas with the highest price housing experienced college-educated growth at a rate only 60% of those with more affordable real estate. This is one thing that makes an **Austin** or Raleigh, even a Columbus or Kansas City, more attractive than a Boston, New York or Los Angeles

Finally we have to consider employment trends. For the most part college graduates, like most folks, preferred cities with lower unemployment and more job growth. Some top gainers, such as Raleigh, Columbus and Kansas City, all boast lower than average unemployment and appear to be [recovering from the recession](#). But this is not always the case: Some relatively poor performers on the job front, like Portland, Ore., and San Diego, have managed to maintain their appeal -- for now.

As the economy recovers these patterns are likely to accelerate, although they could also shift a bit as regions gain or lose employment momentum. Meanwhile, the best strategy for attracting graduates lies in creating jobs, as well as in offering both affordable housing and a range of housing options, including both reasonably priced urban and lower-density living. Generally speaking an area that is economically vital as well as physically or culturally appealing will do best. In the next decade advantages will also fall to family-friendly regions, particularly as the current crop of millennial-generation graduates starts entering en masse their family-forming years. These factors, more than hipness or dense urbanity, may well be more influential in determining which regions do best in the ongoing war for talent.

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### No. 3: Austin-Round Rock, Texas

Grad gain: 42,117

Share of 25+ Population, 2007: 4.23%

Brains are flocking to Austin for good reason. Forbes ranked it the best large urban area for jobs in 2010. Along with Raleigh-Durham, Austin is emerging as the next Silicon Valley, luring lots of brains who would have previously headed toward the West Coast. Austin owes much both to its public-sector institutions

(the state government and the main campus of the University of Texas) and its expanding ranks of private companies -- including foreign ones -- swarming into the city's surrounding suburban belt. Its vibrant cultural scene certainly helps in attracting college-educated millennials.

[Click here to see all of America's Brainiest Cities](#)

*Joel Kotkin is a distinguished presidential fellow in urban futures at Chapman University. He is also an adjunct fellow at the Legatum Institute in London and serves as executive editor of [newgeography.com](http://newgeography.com). He writes the weekly New Geographer column for Forbes. His latest book, "The Next Hundred Million: America in 2050," was published February 2010 by Penguin Press.*

**Courtesy of JB Goodwin**