

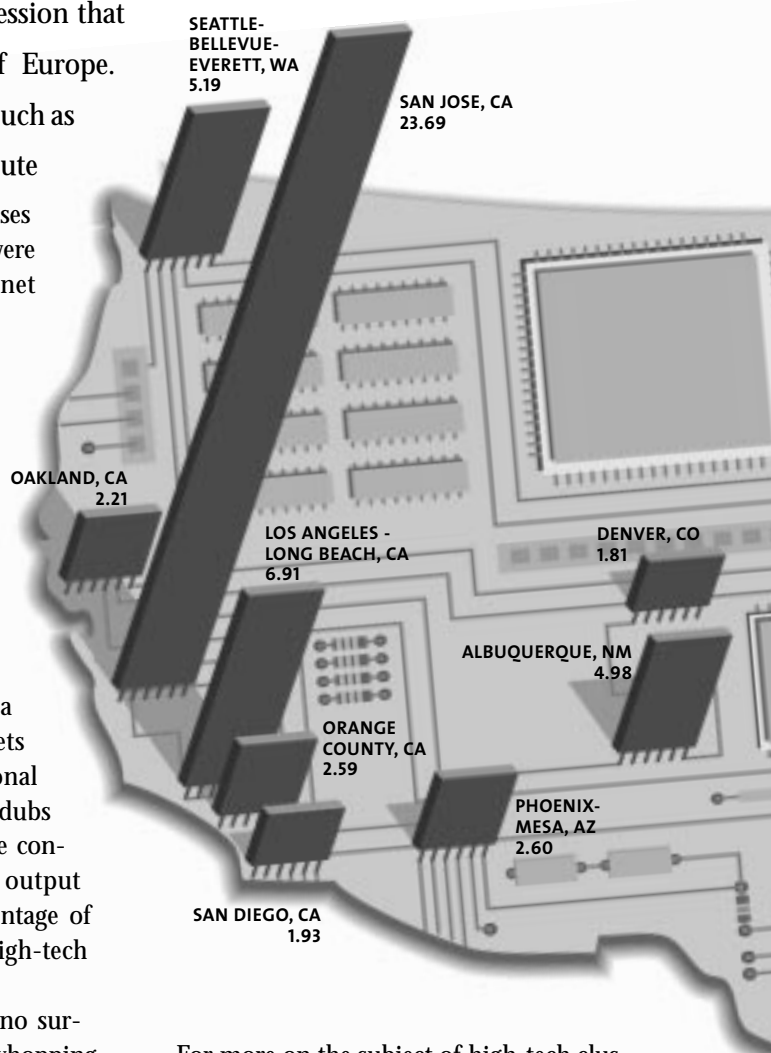
There's a good case to be made these days that high

technology is bringing home America's bacon, powering the productivity boom and sparing the nation from the recession that has dogged Asia and much of Europe.

This makes high-tech clusters – such as Silicon Valley and Boston's Route 128 – that attract high-tech businesses even more important than they were thought to be before the Internet became The Next Big Thing.

Which clusters really matter to the economy's future? The concentration of high-tech output in a metropolitan region (i.e., the percentage of a metro region's output that is attributed to high-tech goods and services) can be a misleading measure. America is full of towns in which half the population works for just one or two high-tech companies. To build a better index of high-tech magnets (Ross DeVol, director of Regional Studies at the Milken Institute, dubs them "tech poles"), we weighted the concentration of high-technology output figures by the metro region's percentage of the overall national output of high-tech goods and services.

Silicon Valley (San Jose, Calif.), no surprise, is the index leader with a whopping score of 23.7. Here, though, are a bunch of surprises: Dallas (7.1), Los Angeles (6.9), Washington, D.C. (5.1) and Chicago (3.8).



For more on the subject of high-tech clusters, check DeVol's article on page 90, or his Policy Brief, just published by The Milken Institute (www.milken-inst.org).

MAX HARLESS

Where the Techies Stack Their Chips (An index of Technology Concentration)

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