

Top 10 States With the Highest Economic Momentum

April 2, 2025 [Dillion Roberts](#)

Link to study pages: <https://camoinassociates.com/resources/top-10-states-economic-momentum/>



For economic development professionals, understanding state-level competitiveness and economic momentum isn't just academic; it's your roadmap to winning business investment, retaining talent, and driving growth. States set the stage with policies, workforce pipelines, and infrastructure that shape the business climate.

Camoin Associates has developed a data-driven framework to rank all states' economic momentum, giving you—economic development organizations (EDOs), site selectors, and industry partners—the intel needed to pinpoint where opportunities thrive.

Our model leans on hard growth metrics, including population shifts signaling labor and consumer demand, employment trends showing job creation, and macroeconomic output reflecting economic health. To gauge business friendliness, we've also included entrepreneurial signals, like new business starts and tax structure analysis.

The result? A clear ranking of states that have experienced momentum in key growth categories over the past 4+ years and are poised for long-term success that arms you with insights to sharpen recruitment pitches, talent strategies, and infrastructure advocacy.

The Top 10 States: What's Driving Economic Momentum

These states stand out for their ability to blend business-friendly climates and workforce vitality, creating strong economic momentum.

1. Texas

What's Fueling the Momentum: Texas tops the list with explosive gross domestic product (GDP) growth, job creation, and business formation. No state income tax, a light regulatory touch, and a population boom make it a business relocation magnet.

Key Assets: Energy dominance, Austin's tech surge, and robust logistics hubs.

2. Florida

What's Fueling the Momentum: Population surges, employment gains, and a no-income-tax edge fuel Florida's rise. Tourism and real estate anchor it, but fintech and aerospace are climbing.

Key Assets: Miami's financial scene, Orlando's tech growth, and Tampa's trade ports.

3. North Carolina

What's Fueling the Momentum: The Research Triangle and Charlotte's financial hub drive jobs and innovation. A strong STEM workforce and competitive taxes seal the deal.

Key Assets: Biotech leadership, banking strength, and university ties.

4. Tennessee

What's Fueling the Momentum: Low taxes, a central location, and a logistics boom—think Memphis—power Tennessee's climb. Manufacturing, especially automotive, thrives here.

Key Assets: Nashville's buzz, no income tax, and transport hubs.

5. Arizona

What's Fueling the Momentum: Rapid population and job growth, especially in tech and manufacturing, put Arizona on the map. Business-friendly policies draw big players.

Key Assets: Semiconductor surge, aerospace, and clean energy push.

6. Utah

What's Fueling the Momentum: Tech startups, high quality of life, and rapid job growth lift Utah. Its innovation economy is attracting attention.

Key Assets: Financial services, healthcare, and venture capital draw.

7. Indiana

What's Fueling the Momentum: A manufacturing revival, logistics strength, and low costs propel Indiana. It's quietly outpacing its flashier peers.

Key Assets: Auto industry, distribution networks, and affordable cost of living.

8. Georgia

What's Fueling the Momentum: Atlanta's tech, logistics, and finance hub drives Georgia's rank. Strong infrastructure and pro-business policies help.

Key Assets: Hartsfield-Jackson Atlanta International Airport, corporate giants, and the film industry.

9. Virginia

What's Fueling the Momentum: Proximity to Washington, DC, a tech-savvy workforce, and data center growth keep Virginia competitive. Education fuels its edge.

Key Assets: Cybersecurity, defense contracting, and IT talent.

10. Michigan

What's Fueling the Momentum: Michigan's manufacturing resurgence—especially autos—and its workforce investments lift it into the top 10. It's rebounding strong.

Key Assets: Detroit's revival, engineering talent, and logistics links.

[View the full list \(PDF\)](#)

Regional Trends and How to Take Advantage of Them

Sun Belt Surge

Fueled by low taxes, population booms, and business incentives, Texas (#1), Florida (#2), North Carolina (#3), Tennessee (#4), Arizona (#5), and Georgia (#8) dominate.

Takeaway: Affordable housing and workforce programs keep the South hot. EDOs here should amplify these strengths.

Mid-Sized Hubs Rise

Arizona (#5), Utah (#6), Indiana (#7), and Michigan (#10) shine as tech and logistics alternatives to coastal giants.

Takeaway: Secondary markets are stealing the show. Pitch your lower costs and high-wage jobs as an edge.

Southeast Strength

Tennessee (#4), Georgia (#8), and North Carolina (#3) lead industrial and tech investment.

Takeaway: Transportation and infrastructure wins. Use them to land automotive, logistics, and advanced manufacturing projects.

Mountain West Momentum

Colorado (#11), Nevada (#13), and Idaho (#18) are gaining ground with strong workforce pipelines, diversified economies, and in-migration of talent and firms.

Takeaway: Quality of life, affordability, and entrepreneurial ecosystems are giving these states a serious growth edge. Lean into it.

Midwest Reinvention

Ohio (#14), Missouri (#16), and Wisconsin (#20) are retooling their economies through smart investments in automation, logistics, and tech-enabled manufacturing.

Takeaway: The "Rust Belt" is becoming the "Resilience Belt." Midwest EDOs should own this narrative and support innovation in legacy industries.

Southern Second Wave

South Carolina (#15) and Alabama (#17) are climbing the ranks thanks to port access, global supply chains, and targeted FDI strategies.

Takeaway: Deep industry focus and logistics readiness are powerful differentiators. Double down on cluster development and international marketing.

Smaller States, Smart Plays

South Dakota (#24), Delaware (#26), and Wyoming (#27) stay competitive through low taxes, nimble governance, and targeted sector support.

Takeaway: If you're small, you have to be sharp. EDOs in these states prove that clarity, speed, and focus can outmaneuver size.

Middle-of-the-Pack States: The Tipping Point

Illinois (#22), Kentucky (#23), Minnesota (#31), and Massachusetts (#36) have strong fundamentals but face hurdles like talent shortages, high costs, or inconsistent execution.

Takeaway: These are the battleground states. Winning the next five years depends on aligning workforce, housing, and growth strategies.

Lagging Behind: States at Risk

West Virginia (#49), Hawaii (#50), and Vermont (#51) struggle with population loss, limited economic diversification, and slow job growth.

Takeaway: These states need to rethink the basics and diversify their industry, invest in talent, and create a compelling case for why businesses should take a second look.

The Bottom Line for EDOs

The top 10 states offer a masterclass in competitiveness: Blend tax advantages, talent, and infrastructure, and then market it hard.

Whether you're in a Sun Belt star or a Rust Belt riser, the formula is clear: Know your strengths, back them with data, and turn them into wins.

For economic developers, this isn't just a ranking; it's a call to lead investment, jobs, and prosperity where it counts. Additionally, those ranked lower may offer opportunities for prospecting and targeting for marketing purposes, especially from states that may have more opportunities to offer companies looking to relocate or expand.

Coming Soon: County Rankings and an Interactive Dashboard

While state-level competitiveness sets the stage, economic development happens at the county level. That's why we're taking it a step further.

We're excited to announce the upcoming release of our county rankings and the latest version of [ProspectEngage®](#)—a powerful tool we developed to help EDOs like yours make smarter, faster, and more strategic business attraction decisions.

These updates allow you to:

- **Compare your county** to any other across the US using metrics like job growth, new business formation, and GDP expansion.
- **Benchmark your county** against top performers or peer communities in your target industries.
- **Spot opportunity gaps** by identifying underperforming counties ripe for targeted recruitment efforts.
- **Visualize your strengths** with ready-to-use charts and graphs for presentations to site selectors, investors, and stakeholders.

But we didn't stop at general competitiveness. The updated ProspectEngage® dashboard will also feature industry-specific insights, including:

- Location Quotient (LQ) data for manufacturing-related sectors.
- NAICS-level business counts to highlight existing clusters and supply chain strengths.
- Sector comparisons to help you refine and prioritize your business attraction strategy.

Whether you're positioning your county against top performers, uncovering untapped growth opportunities, or strengthening your pitch to key industries, ProspectEngage® puts actionable data at your fingertips.

Stay tuned for the full release—and get ready to elevate your recruitment, marketing, and investment strategies with precision.

If you'd like to see the new ProspectEngage® dashboard in action and learn more about our business recruitment services, [please set up a time to meet with me](#).