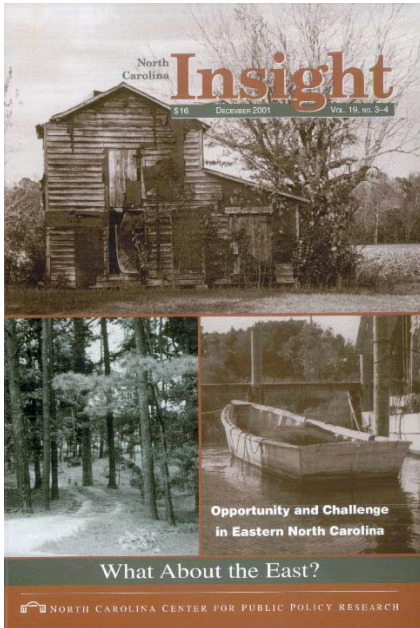




From The Center Out

The Newsletter of the North Carolina Center for Public Policy Research ... A voice for good government
January-February-March 2002



Center Says Plight of Eastern North Carolina Needs Attention

Eastern North Carolina – despite areas of bright promise – ranks behind the Western and Piedmont parts of the state on a wide range of indicators, from education levels to income and poverty rates, to having the necessary infrastructure in place to help the region grow. These are the findings in a new study by the N.C. Center for Public Policy Research published in the December issue of *North Carolina Insight*.

“The East suffers a double whammy,” says Mike McLaughlin, editor of *Insight*. “Not only is the region behind, but it doesn’t have the tools in place to catch up. It’s going to take a serious, long-term commitment to get the region on par with the rest of North Carolina.”

The Center says conditions in the East represent a significant barrier for Gov. Mike Easley in realizing the goal of “one North Carolina” outlined in his Inaugural Address in 2001. Easley said then, “We are one State, one people,

one family bound by a common concern for each other. Our economic and educational development must reflect this common spirit of purpose as we build our future.”

How Does the East Compare to the Rest of North Carolina?

The Center’s study found Eastern North Carolina trails the rest of the state on a broad range of human resources indicators that suggest an “opportunity gap” for this region of the state. These include:

- **Poverty** – At 17.6 percent, the average poverty rate for eastern counties greatly exceeds the North Carolina average of 12.6 percent and the U.S. average of 13.3 percent. Poverty rates exceed 20 percent in 11 of the 41 Eastern counties, and all but five Eastern counties exceed the statewide average.
- **Education** – The Center found the East has the highest dropout rates in the state, the lowest levels of adult literacy, and the lowest percentage of residents with high school and college degrees. Of the 13 public schools the N.C. Department of Public Instruction labeled as low performing for the 2000-01 school year, 10 are in Eastern North Carolina. “The old explanation that lots of people are older and therefore less educated than today’s youth doesn’t fit anymore,” says Mary Dunn Siedow, director of the N.C. Literacy Resource Center. “We’ve been talking about this for 40 years, so I say to myself, ‘What’s going on here?’ Somehow, we’re replenishing a portion of the population that can’t read or write.”
- **Unemployment** – Eastern unemployment rates, averaging 5.5 percent in 2000, are higher than the state average of 3.6 percent. The Center’s analysis found this to be a long-term problem, with the East’s average unemployment the highest in the state from 1990 to 2000, an 11-year period.
- **Per capita income** – As a region, Eastern North Carolina has the lowest per capita income of the state’s three regions, at \$20,536. That’s 22 percent lower than the Piedmont’s \$25,088 and 9 percent lower than the mountain counties’ average of \$22,409.
- **Population loss** – All three counties that lost population in the 2000 Census – Bertie, Edgecombe, and Washington – are located in Eastern North Carolina. In the 1990 Census, 14 of North Carolina’s 19 counties that lost population were in the East. By contrast, a handful of coastal counties – Brunswick, Currituck, Dare, New Hanover, and Pender – are growing almost too rapidly, straining the infrastructure that supports growth, such as schools, housing, and water and sewer facilities.

Does Eastern N.C. Have the Physical Infrastructure Necessary To Close the Gap?

The Center also examined whether Eastern North Carolina has the necessary infrastructure in place to close the opportunity gap with the rest of North Carolina. Here again, we found the region's infrastructure behind in virtually every area investigated.

- **Water and sewer availability** – The East faces \$1.5 billion in additional water and sewer needs. Many of Eastern North Carolina's small towns don't have water and sewer systems at all, and many other systems within the region are operating at capacity. And, the ground won't accept septic tank discharge in parts of Bertie, Chowan, Camden, Currituck, Gates, Hertford, Pasquotank, and Perquimans counties.
- **Highways** – Three counties – Hoke, Hyde, and Pamlico – are as yet unapproved for any four-lane highway within their boundaries.
- **Housing** – The U.S. Department of Housing and Urban Development's (HUD) first survey of housing after Hurricane Floyd estimated that more than 135,000 people in the 41 Eastern counties live in housing that is either unaffordable, inadequate, or overcrowded. According to HUD, renters in Eastern counties are three times more likely to pay more than a quarter of their total income in rent than renters in the rest of the state.
- **Internet access** – Compared to other regions of the state, Eastern North Carolina has fewer people who own home computers or are connected to the Internet. A study prepared for the N.C. Rural Internet Access Authority found that only 11 of the 41 counties meet or exceed the statewide average of having at least 62.1 percent of their population within range of possible high-speed Internet access.
- **Natural gas availability** – Of the 20 North Carolina counties currently without natural gas service, 14 are in Eastern North Carolina.

The Center's research clearly shows that in order to close the opportunity gap, some type of organized intervention is necessary to address the broad array of problems besetting Eastern North Carolina. "After all," says the Center's McLaughlin, "You can't see your way to a solution unless you open your eyes to the problems."

Center's Study Receives Statewide News Coverage

The Center's study of the East received extensive news coverage, with 58 articles in 35 newspapers, including nine editorials urging state action. *Insight* editor Mike McLaughlin also appeared on statewide public television's "North Carolina Now" program, on the 90-station N.C. Radio News Network, and on radio talk shows in Wilmington, New Bern, and Raleigh. A *Charlotte Observer* editorial concluded, "Policymakers at the state and local level should digest the Center's research and ponder how they should plug the leaks that threaten to drag Eastern North Carolina down and keep it from joining the progress the rest of North Carolina has enjoyed." The *Elizabeth City Daily Advance* wrote, "One of the state's most respected think tanks has concluded that eastern North Carolina lags behind.... Is it possible that the report issued last week by the N.C. Center for Public Policy Research could actually make a difference?" And, a *Raleigh News and Observer* columnist said the study was done "in thoughtful fashion by the well-regarded N.C. Center for Public Policy Research."

Center Recommendations To Mitigate Future Hurricane and Flood Damage

In this same issue of *Insight*, the Center published a study of "Lessons Learned and Not Learned" from Hurricane Floyd, which devastated Eastern North Carolina in 1999. After extensive research, the Center made nine recommendations to prevent or mitigate damage before the next storm hits. These include a complete remapping of the floodplains for North Carolina; removal of hog farms, junkyards, and hazardous chemical facilities from the floodplains; and limits on the development of sewage treatment plants within the 100-year floodplains. Twelve newspapers covered this story, and six published editorials endorsing the Center's recommendations.

Copies of the 124-page issue of *Insight* on opportunities and challenges facing Eastern North Carolina are available for \$20, which includes tax, postage, and handling. To order, write the Center at P.O. Box 430, Raleigh, NC 27602, call (919) 832-2839, fax (919) 832-2847, or order through the Center's web site at www.nccppr.org/.

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Help Us Celebrate Our 25th Anniversary

The N.C. Center for Public Policy Research and the N.C. Cable Telecommunications Association invite you to a very special event. This year, the Center celebrates its 25th year of service to the people of North Carolina. On Thursday evening, February 21, 2002, at 6:00 p.m. at the Sheraton Imperial Hotel in Research Triangle Park, the Center and the Association will host "An Evening with Four Leaders for North Carolina's Future." We will be joined by:

- **Senate Minority Leader Patrick J. Ballantine,**
- **Attorney General Roy Cooper,**
- **Lieutenant Governor Beverly Eaves Perdue, and**
- **Representative Constance (Connie) K. Wilson.**

These leaders will discuss:

- key issues facing North Carolina in the first two decades of the 21st Century,
- what they see ahead in the next era of state politics and leadership,
- how the nature of leadership is changing for those in political office, and
- their visions for North Carolina in 2020.

We hope you will join us. Please call (919) 832-2839 or email tbromley@nccppr.org to reserve your ticket (\$75 each).

Become A New Individual Donor to the Center

As we approach our 25th Anniversary, we hope that 50 Center members will step forward and become Charter Donors in our new Major Donors Program. Twenty-three members already have done so. To become a Charter Donor, you would pledge to give \$500 a year for 3 years, beginning in 2002. Additionally, please consider putting us in your will or making a bequest. Call Ran Coble or Laurita Ray at (919) 832-2839 to discuss becoming a Charter Donor.

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