



# The HEALTH 2004 of Lee County

TAKE TWO



## LEE COUNTY TODAY

### *Experiencing recovery*

**Y**ou could almost hear the collective sigh of relief rolling across Lee County this year, as unemployment started cascading to more reasonable levels.

The economic recovery, which had been visible over the horizon for months, seemed finally to take hold. Retail sales have shot up and more people are working.

If you listen to the news, you may not believe what you see with your own eyes.

During a long election, the American economy teetered back and forth, almost hourly, between Nirvana and torment. Depending, that is, on which candidate was speaking and how the polls were drifting.

Even now, as cash registers start playing their own version of Jingle Bells, some retailers are already complaining of dismal holiday sales and drawing dire conclusions about the economy. Even as others say “Black Friday” wasn’t all that dark; Neiman Marcus, for one, posted an 8.4 percent gain over the day after Thanksgiving last year.

The point is this: It’s important to look at the statistics. But, if we overreact to every

number thrown into the public debate, we’ll be tossed about forever and not achieve the progress we want.

Because the economic health of Lee County can’t be captured in one figure or a single moment in time, this annual event gives us a valuable chance to step back, take a broader perspective, and consider where we are today. And, most importantly, where we’re headed in the future.

#### **The Big Picture:**

#### **Lee is Doing Well**

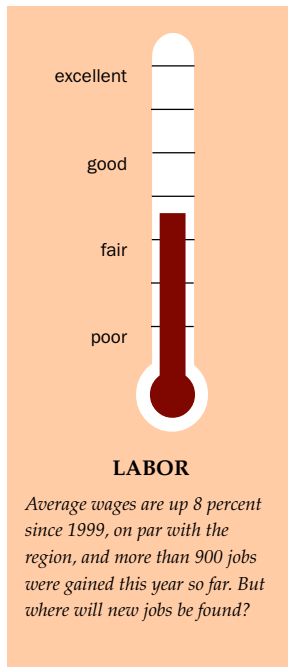
This year, there’s good news across the board. Not only has the economy enjoyed steady gains, but recent figures show improvement in the crime rate, another entry on the community’s “watch list.”

And, there’s been some good news among the many educational statistics—not to mention progress on our educational infrastructure, with a new high school nearing completion.

Do challenges remain? Sure, and they always will. But let’s always keep the big picture firmly before us. ■

## LABOR

### *Manufacturing in decline?*



**T**wo major issues of concern loomed over last year's initial look at the Health of Lee.

One of them: the county's traditional reliance on manufacturing, even as industry appears to decline everywhere else.

Don't look now, because it could be happening here.

Local manufacturing employment dropped from 40 to 35 percent over just one year, according to first-quarter figures for 2002 and 2003 supplied by the North Carolina Employment Security Commission.

Data mirrored the Research Triangle, as a whole, where manufacturing employment tumbled from 15 to 10 percent. Across the region, government and services reign supreme. Surprise!

It's not clear that any decline—if it really is happening—has hurt the county. Yet.

Conventional wisdom is that any decline in manufacturing will drive down income, since those wages are significantly higher than others paid to service workers.

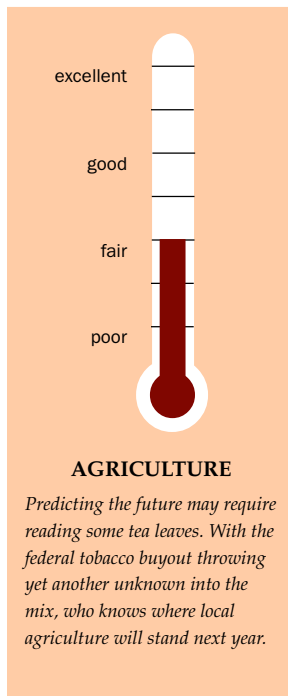
But manufacturing wages have actually increased here, from \$36,732 per year to almost \$39,000. And so have the actual number employed, which is up about 75 jobs, albeit at five fewer establishments.

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If manufacturing really is going south, should Lee actively move toward a service economy like the rest of the region? If so, how can we enhance educational opportunity to provide what's needed to thrive in a different kind of economy?

## AGRICULTURE

### *An economic sector in turmoil*



**W**hen the inaugural "Health of Lee County" assessments were made last year, several folks asked why there was no mention of agriculture. Well, it was because last year's topics focused on factors corporate chief executive officers use to determine where they will locate business.

Based on an annual survey in *Area Development* magazine, those factors boil down to labor, infrastructure, finance and the quality of life.

Since infrastructure and finance don't change appreciably from year to year, we're looking, albeit briefly, at two new topics: agriculture and the economy.

Perhaps the major news for local agriculture has been the \$10.1 billion tobacco buyout, which became law in October and ends all federal growing regulations.

What that will mean in a state and county

already moving to other crops is uncertain. Livestock now accounts for 46 percent of North Carolina's farm cash receipts; followed by crops, at 36 percent, and greenhouse and nursery, at 13 percent.

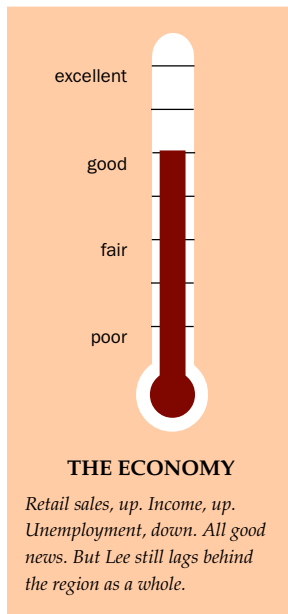
Despite being smaller geographically, Lee generates about the same farm income as its neighbors—with one notable exception. Harnett County heads the local tally, far outpacing Lee, Chatham, Moore and Wake.

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Now that the tobacco buyout is a "done deal," what will happen with local agriculture? Can Lee continue to take advantage of demand for specialty crops or will there be wealth in a return to the golden leaf? Will agriculture wither all together?

## THE ECONOMY

*Indicators are positive. Finally.*



**F**inance, a major issue for relocating business, was up for discussion last year. Stimulating topics like Industrial Revenue Bonds, the One North Carolina Fund and the famed William S. Lee Quality Jobs and Expansion Act.

But nearly all major financing options are provided through state-operated programs available to every county. And not much has changed on the financial landscape.

So, let's change the topic. To the economy.

One year ago, that might have been a frightening prospect. With unemployment standing at 7.4 percent last November—and even that was down from a high of 8.1 two years ago—folks were beginning to wonder if relief would ever appear.

The answer is “yes.” This October, the rate stood at just 4.6 percent among a stable

labor force estimated at 27,000. The regional numbers are better—with unemployment at just 3.6 percent and a *growing* labor force.

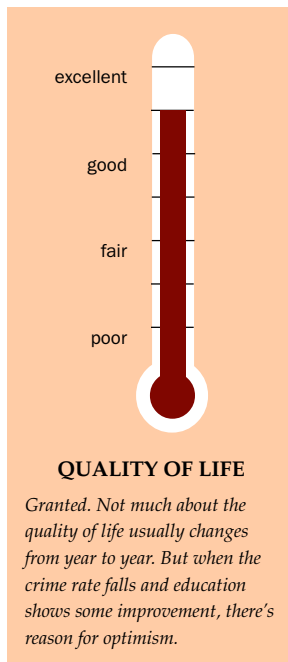
Per capita income for 2002 was \$26,598 and rising, and retail sales increased from about \$650 million in 2002 to \$706.6 million last year. All good news.

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Though the numbers are good, Lee's unemployment is always higher than the region and its labor force is stable, not growing. With Raleigh, Durham and Chapel Hill in the region, this could be expected. But how can Lee gain ground on its bigger siblings?

## QUALITY OF LIFE

*Crime down; SATs up!*



**P**erhaps no single issue has generated as much debate as crime. When the 2002 rate of roughly 7,000 crimes per 100,000 inhabitants was unveiled.... Well, let's just stay it caused quite a stir.

Throw in some simmering debates on how the statistics are generated and a few highly-publicized incidents—with one particularly-violent case involving local people, but apparently committed elsewhere—and crime quickly became Public Enemy Number One.

Not to reprise a theme from last year, but once again, there's good news and bad. Let's focus on the good.

Lee County's crime rate has dropped. Significantly. Last year's rate was posted at 6,289, down from 7,201 in 2002. The figure ended an ominous rise since 2000, when crimes suddenly dropped to just over 4,000 per 100,000 inhabitants.

So, what's the bad news? Crime in Lee remains higher than the region as a whole, where the rate is 4,523 and more stable.

Folks can still debate why local numbers are higher or how the State Bureau of

Investigation compiles the stats. “Debates,” as this year's most famous new criminal might say, “are a good thing.” But what matters is how people from outside the area, particularly relocating businesses, see Lee in comparison to other counties in the region.

The other good news: SAT scores, one measure of educational attainment, continue to rise—from 967 two years ago to 985 and, now, 1009—and are roughly on par with similar counties in the region. Lee compares favorably to Person, Vance and Warren counties. Not so well to Chapel Hill-Carrboro. No surprise there.

### TAKE TWO

Lee County ranks 83rd among state school districts in per pupil spending, up three spots from last year. Though spending doesn't guarantee quality, the county spends \$6,524 per pupil, compared with \$6,908 in the region. What is ideal for challenges we face?