VIEWPOINT

Triad Business Journal welcomes letters to the editor

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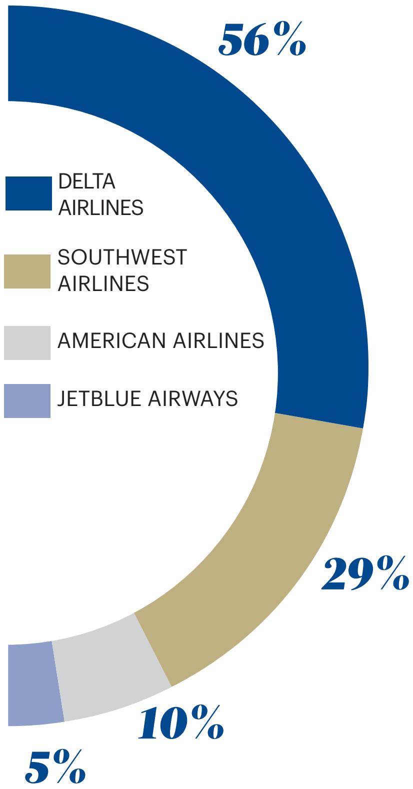
▸ BUSINESS PULSE SURVEY

WE ASKED

What's your favorite U.S. airline?



0% UNITED AIRLINES

0% OTHER

THIS WEEK'S QUESTION

What's the most important factor for buying your dream home?

VIEWPOINT

A tale of two, or perhaps five, different North Carolinas

We've been hearing for a few years about the so-called "Carolina Comeback." Former Gov. Pat McCrory used the term to claim that our state has come roaring back from the Great Recession. I don't recall Gov. Roy Cooper using it, but it's probably just a matter of time. Incumbents like telling us how good we have it.

The reality was never quite consistent with that rosy claim. To be sure, North Carolina is growing. Total employment (my go-to economic indicator) hit its previous peak in February 2008, right after the Great Recession started. The number of jobs fell thereafter and eventually rose again, and now it's 5.6 percent above where it was in early 2008.

Nationally, that figure is 5.8 percent. It's good that we're nearly keeping up with the national economy, but that's not the kind of comeback that warrants any fanfare.

In addition, North Carolina's comeback is uneven. We have seasonally adjusted employment data for 14 of the state's 15 metropolitan areas, and there's a lot of variation among them.

It's no secret that the Charlotte and Triangle regions are leading the state. But one could also say that they're leaving the rest of the state behind. Outside of Charlotte and the Triangle, employment is actually 1.6 percent lower than in early 2008. The rest of the state has yet to regain the jobs lost in the Great Recession.

More broadly, the urban-rural divide is alive and well. Aggregate employment in the 14 metros is up 8 percent, while

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employment in rural counties outside of metro areas is down 4.3 percent.

Here's a breakdown of the 14 metro areas, ranked by growth in total employment since February 2008.

High flyers: Raleigh, up 17.4 percent; Charlotte, up 14.4 percent; Durham-Chapel Hill, up 10.8 percent. These regional economies feature universities, financial sectors, biotech and computing, consultancies and state government. They depend on skilled labor and attract talented people from around the state and country. These economies are not without problems, but they're dynamic and growth-oriented.

Moderate growth: Asheville, up 7.6 percent; Wilmington, up 6.7 percent; Jacksonville, up 5.1 percent. It's good to be near beaches or the mountains, and tourism keeps these metros humming. Universities and retirement communities also play a role.

Just getting by: Greenville, up 1.7 percent; Fayetteville, up 1.1 percent; Burlington, no change. Growth must be hard to come by on the coastal plain, and each of the metros in this group falls below the state's average growth rate. But they've recovered the jobs they lost during the Great Recession, so it could be worse.

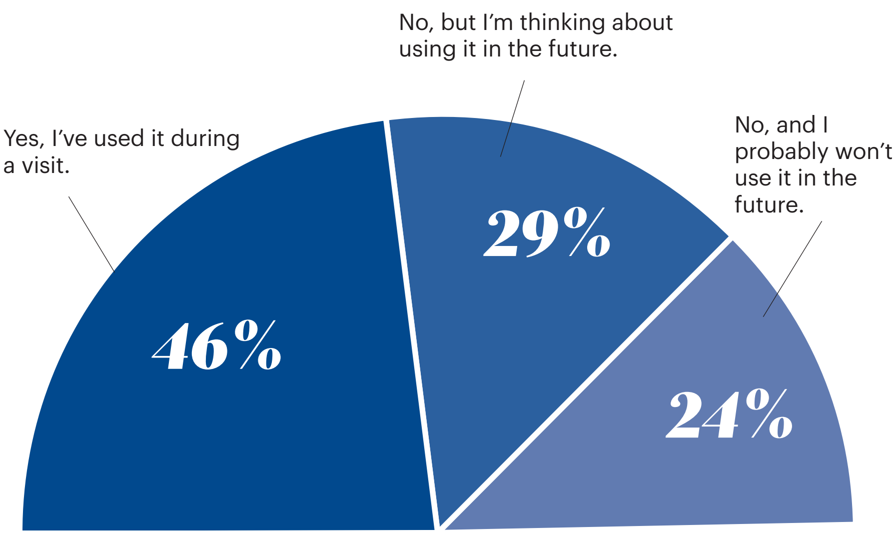
Stuck in reverse: Winston-Salem, down 0.3 percent; Greensboro-High Point, down 2.1 percent; Hickory, down 5.1 percent; Goldsboro, down 8.2 percent; Rocky Mount, down 13.5 percent. These five metros are the weakest in the state, with workforces that have actually shrunk since 2008.

In terms of job growth, the last five metropolitan areas are more like rural North Carolina than like Charlotte and the Triangle. They face long-term structural challenges related to declining manufacturing industries and changes in agriculture, and the Great Recession exacerbated the pain of adjustment. They haven't fully recovered from a recession that ended eight years ago.

For a significant portion of our citizens, there's been no "Carolina Comeback." It won't be easy for the state to invigorate its weaker regions. It takes time and money to improve worker skills and economic infrastructure. But however it's done, those efforts shouldn't be allowed to hamper the state's high flyers, Charlotte and the Triangle. Right now, that's where the growth is.

▸ SURVEY SAYS

HAVE YOU USED AIRBNB?



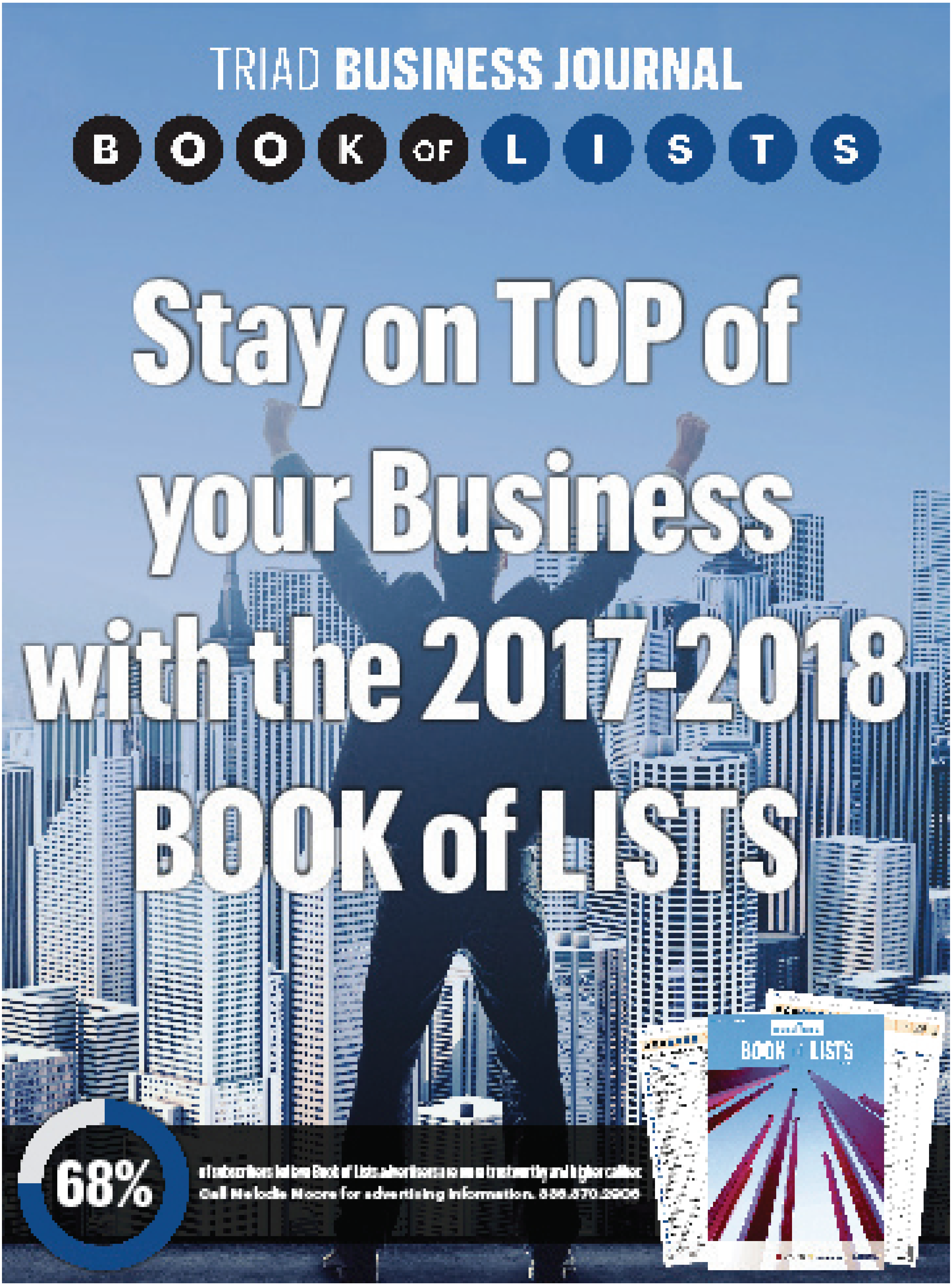
▸ THEY SAID IT

The younger millennial consumer and generation, they are consumers and they may choose to shop in a different capacity. But they are going to be the biggest part of our retail growth as they get additional and disposable income, as they grow up and enter the workforce and continue their evolution. They will be our biggest platform.

~DAVID GORELICK, new head of retail for the Americas, Cushman & Wakefield

"The Fund achieved its highest valuation ever during the second quarter of the year. In this low-interest rate environment, we are pleased our funds did so well, while at the same time, the pension fund as a whole had less exposure to risk."

~DALE FOLWELL, N.C. treasurer, speaking on the 10.6 percent growth in the state's pension fund as of June 30, the end of the fiscal year.



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