

Business

GBC report: Region's progress is threatened by crime, traffic

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The Baltimore region continues to grow in prominence as a center for education, research, and technological development, according to a report on the area released Thursday, but persistent crime and transportation issues continue to drag on its potential.

The Greater Baltimore State of the Region Report, prepared by the Greater Baltimore Committee and the Baltimore Metropolitan Council, surveys Baltimore's rankings among 20 comparable metropolitan areas.

This was the fifth such report issued since 1998. It tracks the region's progress during that time, as the area developed from a declining economy — frustrated by a nationwide industrial exodus — to a technology-based market that leads the nation in fields including academic research and development, and hospital quality.

Donald C. Fry, president and CEO of the GBC, said the report shows that the area is living up to goals it had 10 years ago.

"We have certainly seen [Greater Baltimore] grow into a much more affluent region," he said. "It shows we're setting ourselves apart from the Rust Belt cities that we had previously been associated with."

For the first time, Baltimore was not at the bottom of the list for violent crime. Charlotte, N.C., crept into that spot, but Baltimore still ranked next-to-last when compared to 2006 violent crime rates. The report points out that Baltimore had the third-best improvement in crime rates between 2004 and 2006.

Transportation remains a persistent problem, though. Baltimore was close to the bottom of the list in issues such as roadway miles traveled per capita and average travel time to work. The GBC and other business groups have lobbied to boost state transportation dollars, and Fry said the statistics underscore the importance road and transit improvements.

"We need to have an area that has satisfactory mobility for our people, for our employees, and to move our goods," he said.

Richard Clinch, director of economic development at the Jacob France Institute at the University of Baltimore, helped write the report. He said crime is one of the issues that companies consider when determining where to do business. High crime can suppress economic development, he said.

But Clinch said the past 10 years have seen the area moving in the right direction. Baltimore was ahead of the curve in losing its industrial base, he said, and thus quicker to recover from it.

"All of the progress is in areas where we want to have progress," he said. "We're a high-tech region, we're a creative region and we're a growing region."

As high-tech employment increased, manufacturing continued to decline. Baltimore ranked 19th in terms of manufacturing as a percentage of total employment and 17th by manufacturing employment growth.

Clinch said the Baltimore region could not have expected to hang on to manufacturing jobs that were leaving as part of national and international trends. The region made the right move in developing a high-tech economy, he said, and was fortunate to have players like the University of Maryland, Baltimore, and the Johns Hopkins University to drive it.

"Baltimore built smartly, in my opinion, where its strength was," Clinch said.

He said the area's development as a tourist destination, combined with healthy financial services activity in the 1990s, helped hold it over as manufacturing jobs fled. Clinch said the technological economy, which developed over that time, is now beginning to bear fruit.

Clinch said the shift from manufacturing to a high-tech economy does not represent a direct replacement. High-tech jobs tend to create a "bifurcated" job force, where some make a lot of money, and others provide services for them. Manufacturing jobs created more opportunities for entry into the middle class, Clinch said.