

Robeson County: Current Economic Picture

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This is the first publication of The Office of Economic and Business Research (EBR), School of Business, The University of North Carolina at Pembroke. Our objective is to present current economic conditions of Robeson County in a manner that is understandable to the non-specialists, without the cumbersome jargon. In this quarterly newsletter we will also present economic forecasts.

Facts and Figures: Current Conditions

Unfortunately at the time of writing this document economic picture of Robeson County is not very promising. Table 1 presents an outline of the economics conditions.

Table 1

Variable Name	North Carolina	Robeson County
Per Capita Income	20,307	13,224
Percent Transfer Payments	12.60%	25.30%
Percent Receiving Food Stamps	6.00%	14.70%
Unemployment Rate	6.00%	11.00%
Percent Population in Poverty	9.00%	19.6%
White Poverty Rate	8.40%	13.50%
Black Poverty Rate	24.90%	34.30%
American Indian Poverty Rate	21.00%	23.00%
Hispanic Poverty Rate	25.20%	25.90%
Female Headed Household Poverty Rate	27.40%	42.90%
Female Headed Household Poverty Rate with Children Under 5 Years of Age	45.90%	63.00%
Elderly Poverty Rate	13.20%	25.30%
Child Poverty Rate	15.70%	30.00%

Source: U.S. Census Bureau. Web address: www.census.gov

As table 1 shows economic conditions in Robeson County are rather alarming to say the least. Table 1 also presents comparable economic figures of the State of North Carolina. Per capita income in Robeson County is only 65% of North Carolina. Over 25% of the Robeson County residents receive transfer payments as compared with 12.60% for the state of North Carolina. Transfer payments include: welfare, social security payments, etc.

About 20% of people in Robeson County are living in poverty. Circumstances are especially dire for children. 30% percent of children are living in poverty. Children under five years of age living in female-headed households, where male is not present, are even worse. The poverty rate in these households is an alarming 63%.

Unemployment rate is almost double the national average. At the time of writing this monograph the unemployment rate in Robeson County was 11%, compared with the unemployment rate of 6% for North Carolina and 6.4% for the US.

What may be the possible reasons behind this depressing economic picture? One reason may be the lack of trained and educated workforce. The 2000 census revealed that only 30.7% of the residents had high school education. As one would expect, residents having college education are even fewer. Only 11.4% earn a Bachelor's degree. As the need for so called blue collar workers declines and the economy moves towards service industry, the importance of college education and the perils of lack thereof become ever so obvious.

One may ask that why should I be concerned when I make a decent living? The reason is that abject poverty is omnivorous and its effects are ambient. It does not distinguish between haves and have-nots. Poverty breeds discontentment, lawlessness, crime and other social ills.

What to expect in the near future for Robeson Country?

According to *The North Carolina Rural Economy* (Summer 2003, Volume 2, Number 3; <http://www.ncruralcenter.org/pubs/EconomySummersheet.pdf>) it will take some time for the North Carolina rural economy to recover even if the U.S. economy shows improvement soon. Structural change, a *natural* phenomenon, in the local economy is not proving very helpful. The document notes that displaced worker in rural areas are having hard time finding new jobs. The workers who did find new jobs had to get a pay cut of about 50%. *The North Carolina Rural Economy* cites the U.S. and global trade policies as one of the reasons. It points out that, "North Carolina manufacturers, especially those in textiles and furniture, have stated that shipments and new orders continue to decrease. As a result they are continuing to cut payrolls and have not increased capital spending."

It goes without saying that something needs to be done. The question is: What? Experts suggest that the first step for solving a problem is to bring out the problem in the open instead of covering it with politically correct jargon and pretending it did not exist.

**A publication of the Office of Economic and Business Research
School of Business
The University of North Carolina at Pembroke**