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METROTRENDS

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Public Policy

Central Arkansas: Are We Losing Ground?

The August/September issue of Metrotrends provided an in-depth review of local demographic changes that occurred in the four-county Little Rock-North Little Rock Metropolitan Statistical Area (LR-NLR MSA) during the 1980s. The purpose of this issue is to put these changes in perspective by examining LR-NLR MSA data in the context of statewide demographic changes.

This issue compares demographic changes in the LR-NLR MSA against changes in other regions in the State. In particular, this issue focuses on (1) the Little Rock-North Little Rock MSA, consisting of Pulaski, Saline, Faulkner, and Lonoke counties, (2) Northwest Arkansas, defined here as Washington and Benton counties, and (3) the Fort Smith region, consisting of Crawford and Sebastian counties.

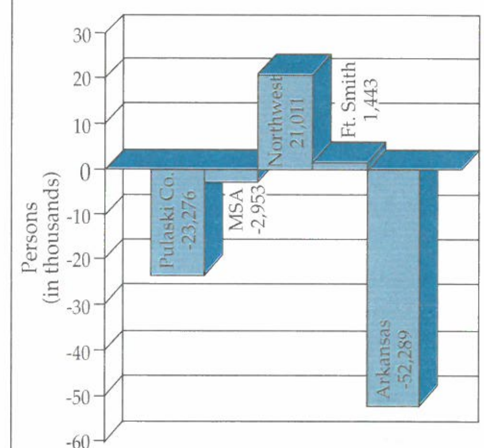
POPULATION

Population growth can occur in three ways: (1) a greater number of births than deaths, commonly referred to as "natural increase", (2) a greater number of immigrants (incoming) than emigrants (out-going), resulting in a positive net migration, or (3) a combination of the two. Although both components are important to population change, migration is often taken to represent a community's desirability, or the extent to which outsiders are willing to relocate in order to live in that community.

Growth

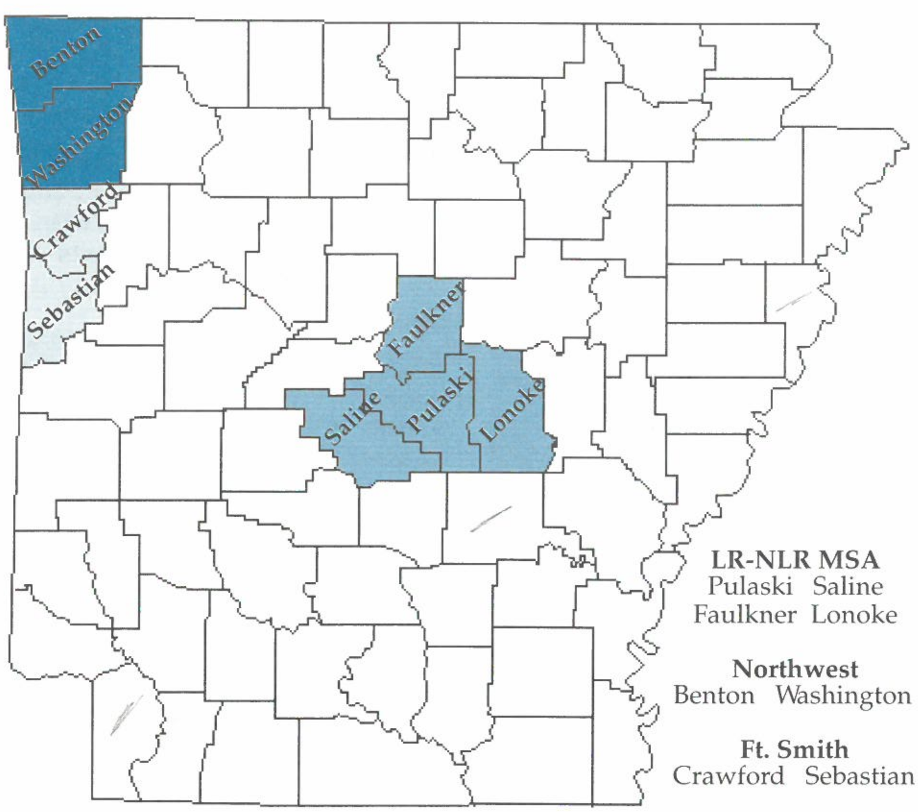
Data from the 1990 Census suggests that the population growth rate in the Little Rock-North Little Rock MSA trailed that of both

Net Migration 1980 - 1990



Northwest Arkansas and the Fort Smith region. Although the LR-NLR MSA's population increased by 38,649 (8.1%) during the 1980s, there was an actual out-migration of 2,953 persons. Pulaski County, which contains the LR-NLR MSA's urban core, witnessed an outmigration of 23,376 persons.

In contrast, Northwest Arkansas had a positive in-migration of 21,011, which helped to fuel its population growth of 32,299 (18.1%) over the ten-year span. The Fort Smith region, although its population increased by only 10,019 (7.6%), had a positive in-migration of 1,443 persons. Statewide, Arkansas witnessed a population increase of only 64,368 (2.8%) during the 1980s, due primarily to an outmigration of 52,289 persons.



Age Structure

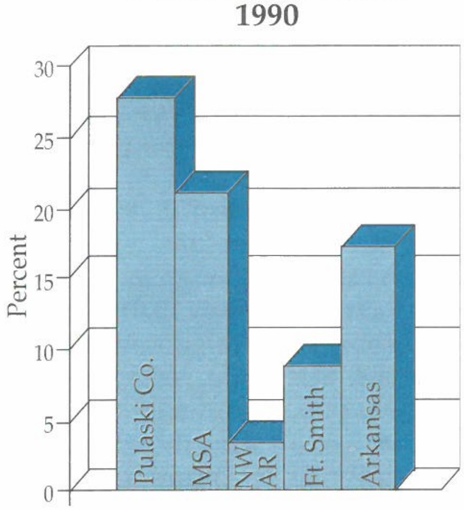
The 1990 Census also reveals substantial variation in regional age structures. On a statewide level, there was a decline of 7.5% in the number of persons under 18 years of age. The LR-NLR MSA's decline was somewhat lower, as it witnessed a decrease of 3.2%, while the decline in Fort Smith was only 1.4%. Only Northwest Arkansas, which recorded a 10.7% increase over the ten-year span, saw its under 18 age group increase.

The trend towards the "greying of the population" continued during the 1980s. The number of persons 65 years and over in the LR-NLR MSA has grown by 24.1% since 1980, while statewide the increase was only 12.0%. During the same period, the Fort Smith region recorded a gain of 15.9% in the 65 and over age group, while Northwest Arkansas had the largest increase at 30.2%. The LR-NLR MSA, with 11.4% of its population in the 65 years and over age group, has the smallest senior citizen concentration of the three regions. Northwest Arkansas has the highest concentration (14.3%), followed by the Fort Smith region with 13.4%.

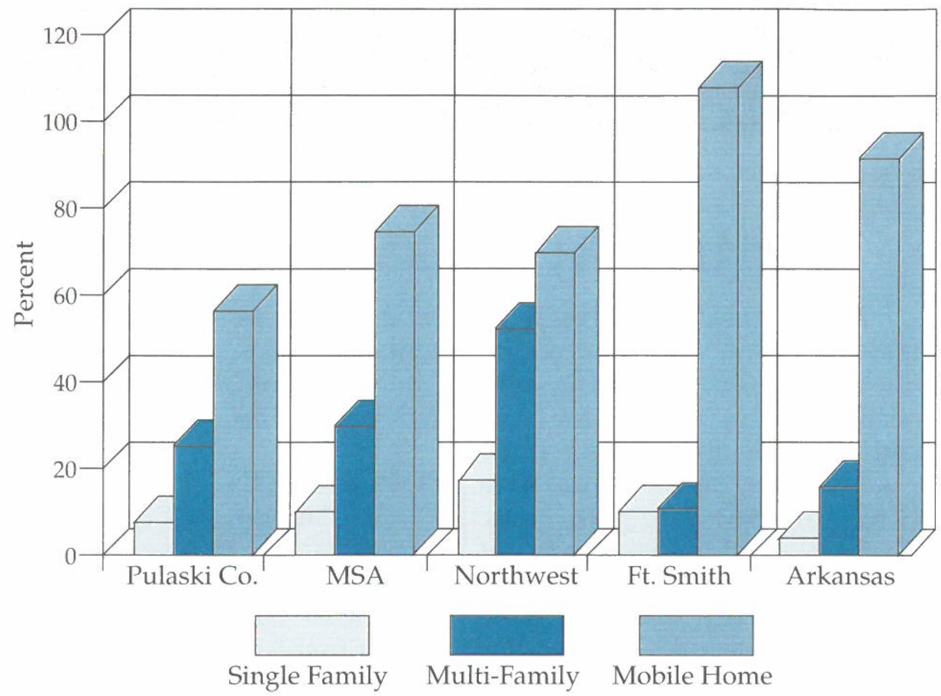
Racial Make-up

The Census also reveals substantial differences in the racial composition of Arkansas' population.

Percent Non-White 1990



Percent Change in Housing Types 1980 - 1990



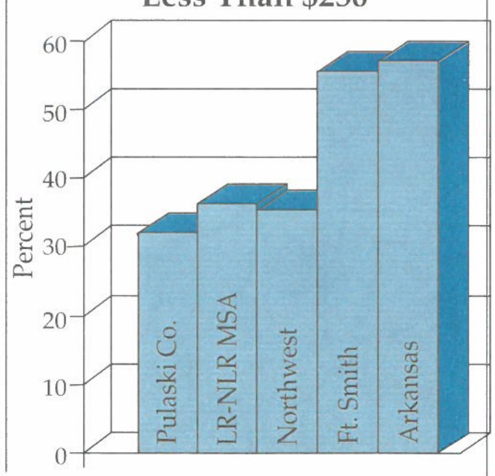
Throughout the state, Arkansas' minority population increased by 9,868 persons, a 2.7% increase. Pulaski County became increasingly nonwhite during the 1980s, as it recorded a 13.3% increase in its minority population.

As a region, the LR-NLR MSA witnessed a 12.7% increase in the number of nonwhites, while Northwest Arkansas had a 52.0% increase and the Fort Smith region had a 36.4% increase. Despite the increases witnessed by Northwest Arkansas and the Fort Smith region, minorities still make up a relatively small share of their populations. Minorities constitute only 3.4% of Northwest Arkansas' population, and less than 9% in the Fort Smith region. For the state as a whole, minorities make up 17.3% of the total population. In contrast, minorities make up 27.8% of Pulaski County's population, up from 25.2% in 1980. In the LR-NLR MSA, minorities make up 21.3% of the region's total population, up from 20.3% in 1980. Of special note is the relatively high concentration of Asians in the Fort Smith region. Asians and Pacific Islanders constitute 2.6% of the region's total population and nearly 30% of the region's minority population.

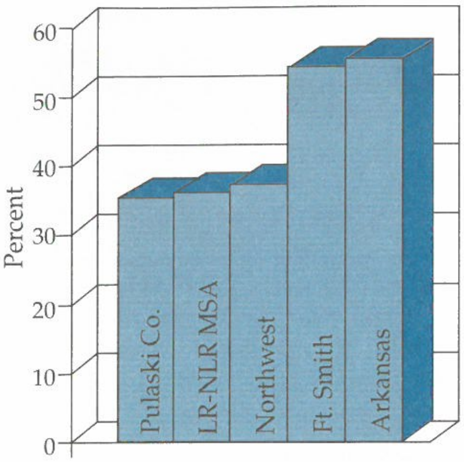
HOUSING

Housing growth during the 1980s also varied significantly by region. Northwest Arkansas experienced the largest growth in total housing units (25.6%), followed by the LR-NLR MSA (18.6%) and the Fort Smith region (14.1%). Hous-

Percent of Rental Units With Monthly Rents Less Than $250



Percent of Housing Valued Under $50,000



ing growth was slower in other areas of Arkansas, as indicated by a statewide increase of only 11.4%.

Rental Units

As expected, rental properties and multi-family units continue to play a greater role in the LR-NLR MSA than in the other two regions. Rental units make up 35.2% of the LR-NLR MSA's occupied units, 33.1% of the units in Northwest Arkansas, 31.7% in the Fort Smith region, and 30.4% of all occupied units in Arkansas. Multi-family units, which consist of 2 or more units in a structure and tend to be rental units, constitute 20.4% of the LR-NLR MSA's housing stock, 17.7% of the stock in Northwest Arkansas, 19.2% in Fort Smith, and only 13.3% of the total housing stock in Arkansas.

Mobile Homes

The number of mobile homes and trailers, often thought of as "America's affordable housing", increased greatly throughout Arkansas and the LR-NLR MSA. Since 1980 the number of mobile homes has increased by 74.7% in the LR-NLR MSA, 56.2% in Pulaski County, 70.0% in Northwest Arkansas, 107.9% in the Fort Smith region, and 91.4% throughout Arkansas. Mobile homes and trailers now make up 11.9% of the total housing stock in the LR-NLR MSA, 10.8% of the stock in Northwest Arkansas, 7.9% in the Fort Smith region, and 14.1% of the state's total housing supply.

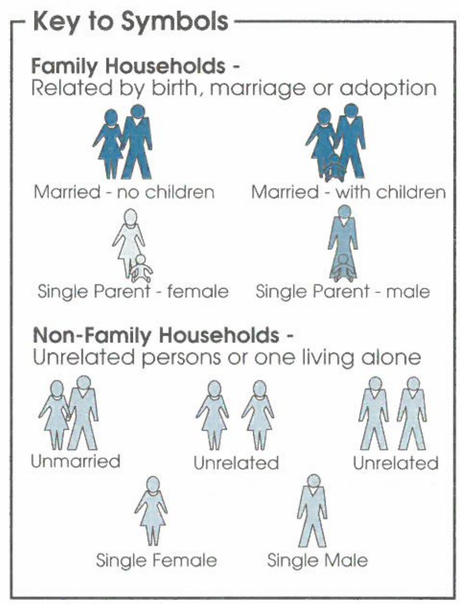
Housing Cost

Housing continues to be more expensive in the LR-NLR MSA than elsewhere in the state. Less than 37% of the LR-NLR MSA's housing is valued at under $50,000, compared to nearly 39% in Northwest Arkansas, 54.7% in the Fort Smith region, and 55.1% throughout Arkansas. Similarly, rental properties are also more expensive in the LR-NLR MSA. Thirty-two percent (32%) of the rental units in Pulaski County and 36.3% of the units in the LR-NLR MSA rent at less than $250 per month, while 35.4% of the units in Northwest Arkansas do so. In the Fort Smith region, over 55% of the rental units rent for less than $250, while statewide nearly 57% of all rental units fall under $250.

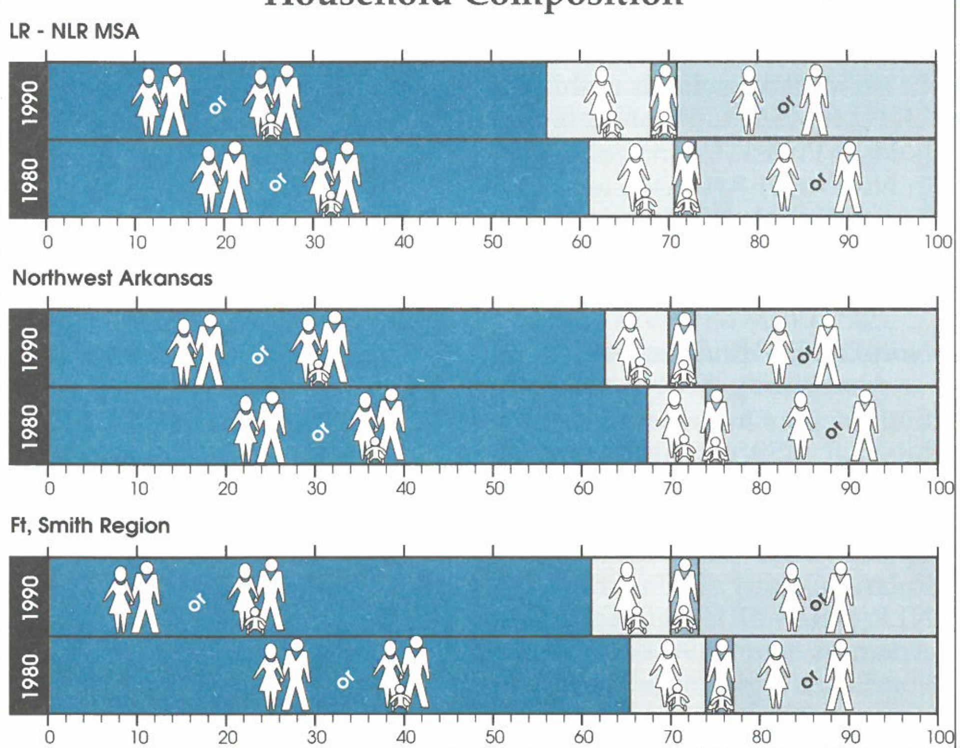
HOUSEHOLD DIFFERENCES

Households consist of two categories—family and nonfamily. "Family households" consist of two or more persons living together in the same household who are related by birth, marriage, or adoption. "Nonfamily households"" consist of either one person living alone or a group of two or more unrelated persons.

The number of family households in Arkansas has increased only 4.2% since 1980. During the same time period, family households in the LR-NLR MSA increased



Household Composition



by 9.8%, while in Pulaski County the increase was only 3.2%. As expected, Northwest Arkansas experienced the largest increase (almost 20%), while Fort Smith had a gain of less than 8%.

The data also reveals that married-couple families, the "traditional family", are less prevalent in the LR-NLR MSA. Married-couple families now make up 56.1% of all households in the LR-NLR MSA, 51.8% of the households in Pulaski County, almost 63% in Northwest Arkansas, and 59.2% in the Fort Smith region.

Single Parent Househoulds

The increase in Arkansas' total family households was due primarily to an increase of 27,097 in the number of "other" family households (those headed by a single female or male parent). The LR-NLR MSA experienced a 6,656 increase in the number of "other" families, a gain of nearly 30% over the ten-year span.

The Fort Smith region also witness a gain of nearly 30%, while Northwest Arkansas recorded an increase of nearly 53% in the number of "other" families. Female-headed families now make up 12.1% of all households within the LR-NLR MSA, 13.5% of the households in Pulaski County, only 7.5% in Northwest Arkansas, and 9.8% in the Fort Smith region. Statewide, female-headed families make up 11.0% of all households.

Non-Family Households

Non-family households continue to play a greater role in the LR-NLR MSA's household structure than in the rest of the State. Non-family households now make up 31.8% of all households in Pulaski County, 29.0% in the LR-NLR MSA, 27.1% in Northwest Arkansas, and 26.9% for both the Fort Smith region and throughout the state. Of special note is an increase in one type of family household, those "householders living alone". Since 1980, the number of householders living alone in Arkansas has increased by 23.2% (40,325). In the LR-NLR MSA, this increase was nearly 53%, while Northwest Arkansas experienced an increase of almost 42% and the Fort Smith region a gain of over 23%.

ECONOMIC PERFORMANCE

Although a detailed comparison of the economic performance of the three regions is beyond the scope of this newsletter, some insight can be gained by examining basic economic indicators.[1]

Employment Growth

For example, from 1980 to 1990 total employment in Arkansas increased by 14.3%. Employment growth in the LR-NLR MSA was slightly higher, as it recorded an increase of 16.9% (36,525 jobs). In contrast, the Fort Smith region experienced an increase in total employment of 21.9% (12,575 jobs) over the ten-year span, while Northwest Arkansas witnessed the largest increase at 43.2% (34,350 jobs) during the same period.

The LR-NLR MSA's share of the state's total employment in 1990 increased to 24.0%, up from 23.4% in 1980. The Fort Smith region's share also increased slightly to 6.6%, up from 6.2% in 1980. Northwest Arkansas recorded the largest gain, as its share rose to 10.8%, up from only 8.6% in 1980.

Manufacturing Employment

Manufacturing employment, which increased by almost 10% statewide in the years from 1980 to 1989, declined by nearly 11.3% in the LR-NLR MSA. During the same period, manufacturing employment in the other two regions increased, as the Fort Smith region witnessed a total increase of nearly 24%, while Northwest Arkansas recorded a gain of 48.4%. As a result of these changes, the LR-NLR MSA's share of total manufacturing employment in 1989 declined to 14.5%, down from 18.0% in 1980. Northwest Arkansas' share of total manufacturing employment jumped from 9.0% in 1980 to 12.2% in 1989.

Retail Sales

Northwest Arkansas also outperformed the Little Rock-North

Total Employment by Region
1980 and 1990

Region	1980	1990	%Change
LR-NLR MSA	216,400	252,925	16.9
Northwest	79,575	113,925	43.2
Ft. Smith	57,450	70,025	21.9
Arkansas	924,000	1,056,000	14.3

Average Covered Manufacturing Employment
By Region, 1980 and 1989

Region	1980	1989	%Change
LR-NLR MSA	37,598	33,345	1.3
Northwest	18,892	28,041	48.4
Ft. Smith	20,017	24,787	3.8
Arkansas	209,374	230,192	9.9

Retail Sales By Region 1982 and 1989

(in thousands and constant 1980 dollars)

Region	1982	1989	% Change
LR-NLR MSA	$2,014,061	$2,518,611	5.1
Northwest	688,422	967,864	40.6
Ft. Smith	568,705	704,191	23.8
Arkansas	7,855,839	9,195,440	17.1

Total Personal Income By Region 1980 and 1989

(in thousands and constant 1980 dollars)

Region	1980	1989	% Change
LR-NLR MSA	$4,333,190	$5,172,369	19.4
Northwest	1,366,926	1,918,244	40.3
Ft. Smith	1,074,088	1,272,346	18.5
Arkansas	17,096,574	19,960,862	16.8

Little Rock MSA in retail sales growth during the 1980s. From 1982 to 1989, retail sales increased by 40.6% in Northwest Arkansas, compared to 25.6% in the LR-NLR MSA and 23.8% in the Fort Smith region. However, the LR-NLR MSA's share of statewide retail sales did increase to 27.4% in 1989, up from 25.6% in 1982. Similarly, Northwest Arkansas increased its share to 10.5%, up from 8.8% in 1982.

Personal Income

Total personal income also increased at a rate that was significantly higher in Northwest Arkansas than in the LR-NLR MSA. From 1980 to 1989, Northwest Arkansas increased its total personal income by over 40%, while the increase was 19.4% in the LR-NLR MSA and 18.5% in the Fort Smith region. During the same period, Northwest Arkansas's share of the state's total personal income rose to 9.6%, up from only 8.0% in 1980, while the LR-NLR MSA's share remained constant at around 25.9%.

[1] Adapted from data contained in Arkansas Institute for Economic Advancement, UALR, *Arkansas State and County Economic Data*, 1991.

IMPLICATIONS

Census data from the 1980's suggest that the three regions examined here underwent significant changes during the past decade. The number of senior citizens and families headed by single-female parents — segments of the population that typically have lower incomes and greater needs for social services and affordable housing — increased substantially in each during the 1980's. This will pose difficult challenges for the three regions as they attempt to meet the basic human capital needs of their populations in the 1990's and beyond.

Economic data from the 1980's also reveals significant challenges in the years to come. The Little Rock-North Little Rock MSA slowly declined in its role as the state's dominant population and economic activity center. The challenge for the LR-NLR MSA in the 1990's will be to restructure its economic base toward more growth-oriented sectors. In, contrast, Northwest Arkansas underwent a period of relatively high growth during the past decade. The challenge for Northwest Arkansas will be to provide the necessary infrastructure to support its economic growth in an environmentally fragile part of the state.

Did You Know?

1990 Census Information

- The size of the average household declined in Arkansas during the 1980's from 2.74 to 2.57. Average household size in Pulaski County was 2.49; in the LR/NLR MSA, it was 2.56.
- Everyone is growing older! The median age for Arkansas has risen to 33.8 in 1990, up from 32.2 in 1980; and the median age for Pulaski County has risen to 32.4 for 1990, up from 28.6 in 1980.
- The number of vacant housing units in Arkansas increased by 50.7 %; in Pulaski County by 75.5%; and in the MSA by 64.7%.
- Housing overcrowding in Arkansas and the MSA decreased over the last decade, as you might expect.
- From 1989 to 1990, households within United States metropolitan areas saw median household income decline 3% in real terms (Arkansas data are not yet available.)
- In 1990, Arkansas' statewide poverty rate was 19.8%. Only Louisianna (23.2%) and Mississippi (25%) have more families in poverty. The U.S. average was 13.1%.

	Pulaski		MSA		Northwest		Ft. Smith		State	
	1990	1980	1990	1980	1990	1980	1990	1980	1990	1980
Total Population	**349,660**	**340,597**	**513,117**	**474,468**	**210,908**	**178,609**	**142,083**	**132,064**	**2,350,725**	**2,286,435**
SEX										
Male	166,481	162,475	246,512	228,116	103,591	88,341	68,919	63,716	1,133,076	1,104,688
Female	183,179	178,138	266,605	246,368	107,317	90,268	73,164	68,348	1,217,649	1,181,747
AGE										
Under 5 years	26,386	28,291	37,664	38,031	14,525	12,374	10,436	10,362	164,667	175,592
5 to 17 years	65,357	71,813	98,518	102,658	37,699	34,812	27,854	28,455	456,464	495,782
18 to 24 years	35,460	45,126	54,428	63,474	25,945	28,470	13,301	15,404	237,056	278,165
25 to 44 years	119,536	101,600	170,673	138,569	63,146	46,307	44,031	36,011	685,748	582,752
45 to 59 years	49,277	47,195	73,708	65,986	30,034	24,981	21,508	19,258	349,148	331,336
60 to 74 years	36,657	33,404	53,543	47,447	27,141	23,190	16,602	16,039	303,545	302,778
75 to 84 years	12,929	10,240	18,800	14,240	9,720	6,616	6,339	5,032	118,881	93,676
85 years and over	4,058	2,944	5,783	4,079	2,698	1,859	2,012	1,503	35,216	26,354
Median Age	32.4	28.5	NA	NA	NA	NA	NA	NA	33.8	30.6
Under 18 years	91,743	100,104	136,182	140,689	52,224	47,186	38,290	38,817	621,131	671,374
Percent of Total Population	26.2	29.4	26.5	29.7	24.8	264	26.9	29.4	26.4	29.4
65 years and over	40,228	33,215	58,322	46,983	30,223	23,208	19,069	16,460	350,058	312,477
Percent of Total Population	11.5	9.8	11.4	9.9	14.3	13.0	13.4	12.5	14.9	13.7
HOUSEHOLDS BY TYPE										
Total Households	137,209	124,516	195,437	168,943	80,927	64,694	54,549	48,369	891,179	816,065
Family Households (families)	93,512	90,436	138,788	126,365	58,962	49,270	39,862	36,949	651,555	625,390
Married-couple families	71,115	72,107	109,699	103,932	50,747	43,889	32,943	31,614	527,358	528,290
Other family, male hshld.	3,894	2,944	5,435	3,700	2,113	1,180	1,539	899	25,273	18,301
Other family, female hshld.	18,503	15,385	23,654	18,733	6,102	4,201	5,380	4,436	98,924	78,799
Nonfamily households	43,697	34,080	56,649	42,488	21,965	15,424	14,687	11,420	239,624	190,675
Householder living alone	37,670	29,308	48,643	31,892	18,100	12,756	13,204	10,531	213,778	173,453
Householder 65 years and over	12,802	10,244	17,763	11,400	7,493	5,535	5,790	4,629	103,386	NA
Persons living in households	342,290	333,646	500,487	461,891	205,032	171,551	139,929	130,156	2,292,393	2,234,921
Persons per household	2.49	2.68	2.56	2.73	2.53	2.65	2.57	2.69	2.57	2.74
GROUP QUARTERS										
Persons living in group quarters	7,370	6,967	12,630	11,593	5,876	7,058	2,154	1,908	58,332	51,514
Institutionalized persons	4,676	4,200	7,179	7,193	1,655	1,255	1,613	1,342	34,223	27,171
Other persons in group quarters	2,694	2,767	5,451	5,400	4,221	5,803	541	566	24,109	24,343
RACE AND HISPANIC ORIGIN										
White	252,554	254,697	404,808	378,355	203,711	173,873	129,693	122,979	1,944,744	1,890,322
Black	92,200	81,407	101,862	90,783	1,800	1,525	6,040	5,376	373,912	373,768
Percent of Total Population	26.4	23.9	19.9	19.1	0.9	0.9	4.3	4.1	15.9	16.3
Amer. Indian, Eskimo, or Aleut	1,163	1,064	1,870	1,490	2,921	1,739	2,054	1,781	12,773	9,428
Percent of Total Population	0.3	0.3	0.4	0.3	1.4	1.0	1.4	1.3	0.5	0.4
Asian or Pacific Islander	2,762	1,731	3,347	1,918	1,498	736	3,680	1,291	12,530	6,740
Percent of Total Population	0.8	0.5	0.7	0.4	0.7	0.4	2.6	1.0	0.5	0.3
Other race	981	1,714	1,230	1,938	978	736	616	637	6,766	6,177
Hispanic origin (of any race)	3,199	3,325	4,164	4,072	2,885	1,484	1,821	1,158	19,876	17,904
Percent of Total Population	0.9	1.0	0.8	0.9	1.4	0.8	1.3	0.9	0.8	0.8
TOTAL HOUSING UNITS	**151,538**	**132810**	**214,546**	**180,920**	**88,793**	**70,716**	**60,332**	**52,893**	**1,000,667**	**898,593**
OCCUPANCY AND TENURE										
Occupied Housing Units	137,209	124,516	195,437	168,985	80,927	64,694	54,549	48,369	891,179	816,065
Owner occupied	82,772	77,678	126,681	111,706	54,160	45,427	37,280	33,369	619,938	575,478
Percent owner occupied	60.3	62.4	64.8	66.1	66.9	70.2	68.3	69.0	69.6	70.5
Renter occupied	54,437	46,838	68,756	57,279	26,767	19,267	17,269	15,000	271,241	240,587
Vacant Housing Units	14,329	8,163	19,109	11,605	7,866	5,556	5,783	4,452	109,488	72,675
For seasonal, recreational, or occasional use	275	377	947	853	1,114	466	256	72	18,224	9,853
Homeowner vac. rate (percent)	2.7	1.9	2.4	1.7	2.1	2	3.0	1.8	2.4	1.6
Rental vacancy rate (percent)	11.9	8.0	11.3	7.6	9.7	9.5	12.8	10.5	10.4	8.8
Persons per owner—occupied	2.64	2.87	2.69	2.90	2.61	2.75	2.67	2.82	2.61	2.80
Persons per renter—occupied	2.27	2.36	2.33	2.41	2.38	2.42	2.34	2.41	2.48	2.58
Units with over 1 person per room	4,314	4,992	6,221	6,997	2,568	2,508	1,941	2,044	33,197	42,650

	Pulaski 1990	Pulaski 1980	MSA 1990	MSA 1980	Northwest 1990	Northwest 1980	Ft. Smith 1990	Ft. Smith 1980	State 1990	State 1980
UNITS IN STRUCTURE										
1-unit, detached & attached	101,594	94,764	145,163	132,249	63,491	54,286	43,977	40,061	726,926	700,727
2 to 4 units	11,806	10,337	14,900	12,250	7,219	4,435	4,519	3,649	60,820	50,523
5 to 9 units	8,923	4,394	9,666	4,790	3,040	1,944	1,740	1,217	27,024	19,694
10 to more units	17,759	15,870	19,256	16,722	5,476	3,957	5,350	5,628	44,454	44,351
Mobile home, trailer, other	11,456	7,333	25,561	14,630	9,567	5,626	4,746	2,283	141,443	73,898
VALUE										
Specified owner—occupied units*	70,126	NA	98,289	5,702	38,215	NA	29,210	NA	427,676	
Less than $50,000	24,341	NA	35,854	NA	14,817	NA	15,969	NA	235,586	NA
$50,000 to $99,999	34,645	NA	48,555	NA	18,690	NA	10,906	NA	156,865	NA
$100,000 to $149,999	6,817	NA	8,741	NA	3,136	NA	1,519	NA	23,328	NA
$150,000 to $199,999	2,264	NA	2,812	NA	951	NA	444	NA	6,810	NA
$200,000 to $299,999	1,288	NA	1,507	NA	482	NA	233	NA	3,519	NA
$300,000 or more	771	NA	820	NA	139	NA	139	NA	1,568	NA
Median (dollars)	$61,300	NA	NA	NA	NA	NA	NA	NA	$46,300	NA
* Specified owner-occupied units include only one- family houses on less than 10 acres without a business/office on property.										
CONTRACT RENT										
Specified renter—occupied units**	50,555	NA	62,614	NA	23,849	NA	15,725	NA	227,643	NA
Less than $250	16,178	NA	22,717	NA	8,438	NA	8,687	NA	129,535	NA
$250 to $499	30,384	NA	35,561	NA	14,220	NA	6,593	NA	90,452	NA
$500 to $749	3,235	NA	3,515	NA	971	NA	389	NA	6,204	NA
$750 to $999	459	NA	514	NA	136	NA	48	NA	895	NA
$1,000 or more	299	NA	307	NA	84	NA	8	NA	557	NA
Median (dollars)	$303	NA	NA	NA	NA	NA	NA	NA	$230	NA
** Specified renter-occupied units include all renter-occupied units paying cash rent except for one-family houses on ten or more acres.										
RACE AND HISPANIC ORIGIN OF HOUSEHOLDER										
Occupied Housing Units	137,209	124,516	195,437	168,985	80,927	64,694	54,549	48,369	891,179	816,065
White	105,475	98,348	160,275	140,046	78,631	63,322	50,620	45,408	760,287	697,379
Percent White	76.9	79.0	82.0	82.3	97.2	97.9	92.8	93.9	85.3	85.5
Black	30,245	24,871	33,222	27,402	602	421	2,167	1,869	121,338	112,131
Percent of Occupied Units	22.0	20.0	17.0	16.2	0.7	0.7	4.0	3.9	13.6	13.7
American Indian, Eskimo or Aleut	453	396	720	NA	976	550	691	587	4,539	3,18
Percent of Occupied Units	0.3	0.3	0.4	NA	1.2	0.9	1.3	1.2	0.5	0.4
Asian or Pacific Islander	744	429	856	NA	471	210	894	333	3,228	1,723
Percent of Occupied Units	0.5	0.3	0.4	NA	0.6	0.3	1.6	0.7	0.4	0.2
Other race	292	472	364	NA	247	191	177	172	1,787	1,651
Hispanic Origin (of any race)	998	978	1,248	1,167	761	401	516	333	5,350	5,157
Percent Hispanic	0.7	0.8	0.6	0.7	0.9	0.6	0.9	0.7	0.6	0.6

The *Real* Competition

*After reading this issue of **METROTRENDS**, it's perhaps too easy to think of northwest Arkansas as the "competition". "They" seem to have had an amazing run of prosperity during the decade just past, while "we" in central Arkansas have been in the economic doldrums for much of the 1980's. But a we/they dichotomy between northwest and central Arkansas misses the point completely.*

In the 1950's the business leadership of Little Rock considered our competition to be Shreveport, LA; Jackson, MS; Memphis, TN; St. Louis, Kansas City, and Springfield, MO; Tulsa and Oklahoma City, OK; and Dallas, TX. And they were correct.

Today local companies such as Systematics, Acxiom, Orbit Value, TCBY, Arkansas Aerospace and Falcon Jet among many others are competing internationally. Our competition is not just Fayetteville or Ft. Smith, but also Osaka and Bonn, Taipei and Buenos Aires, Toronto and Mexico City.

Indeed, central Arkansas should be celebrating the growth of northwest Arkansas into a prosperous urban area. Contrary to the opinions of some, city economies generate the vast majority of state tax revenues that subsidize services in the rural areas of the state. For too long, the central Arkansas economy has borne the brunt of the load; it is good to have help.

Perhaps, as the northwest begins to experience the urban problems that local governments in the center of the state face (and they will), we might make common cause to change some of the archaic provisions of the state constitution that inhibit the ability of cities to solve their own problems.

The real challenge for central Arkansas is to reverse the growth trends of the 80's and to start growing aggressively again. And we are ideally positioned to do so. As we do, it is important to keep our sights set on the real competition — its the world. What an incredible opportunity!

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Executive Director of Metroplan

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