

Measuring our Progress

Targets for the Year 2010

A REPORT OF THE NORTH CAROLINA PROGRESS BOARD

AUGUST 1997

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To the General Assembly and the people of North Carolina:

This is the first report of the North Carolina Progress Board. It has a simple and powerful theme: We must build a better North Carolina in which prosperity is more widely shared.

The Progress Board seeks to advance two purposes in this report. First, to identify and encourage discussion of critical demographic, social, and economic trends that will bear upon North Carolina's future. Second, to issue the initial set of goals and targets to guide our decision-making over the next decade.

Our task is to respond to the 1995 legislation creating this board and to build upon the work of the Commission for a Competitive North Carolina. The commission's report contained 39 suggested goals and 200 possible measurements. We have chosen to focus on four of the commission's recommended topics and to issue 16 major targets for the year 2010: targets designed to drive us toward a more expansive vision of education and environmental protection, toward strengthening families and bringing more people into the economic mainstream.

With an array of charts and graphs, we have enumerated additional targets and indicators to help assess how well North Carolina is advancing toward its goals. There is more work to be done in expanding the topics under discussion and in developing benchmarks by which advancement can be tracked.

It is important to remember that the targets issued in this report are not just for state government, but for our entire state, for all of us. It is also important to recognize that, while these targets appear as individual items, they are interrelated. A quality education leads to a prosperous economy; healthy families and children support educational achievement; a sustainable environment contributes to a higher quality of life for families and children.

We know that some of our initial targets may seem, at first glance, out of reach. We know that North Carolina is not immune to national and global forces that may present barriers to our attaining our goals. But if we fail to be bold, we will not stretch ourselves to the ultimate. Perhaps we won't reach one target or another, but the greater failure will have been in not even striving.

This report is not an end in itself, but rather a stage in a longer process. By setting up the Progress Board, the legislative branch joined with the executive branch in a commitment to establishing a vision for the future, setting clear goals, and measuring performance.

By dedicating ourselves to these tasks, North Carolina will solidify itself as a national leader. More importantly, the prosperity that our state has so recently acquired through hard work and critical choices will be expanded and shared by more and more of its citizens.

SIXTEEN LEAD TARGETS

Goals	Targets
<i>A Prosperous Economy</i>	
1. A growing, dynamic economy	NC will reach the national level in real average wage per worker by 2010.
	NC will exceed the US average in the growth rate of real gross state product between now and 2010.
2. High quality jobs, distributed more widely	NC will eliminate disparities in unemployment rates among minority citizens.
	By the year 2010, NC will exceed the national average in per capita income.
<i>A Quality Education for All</i>	
1. Higher expectations for high school and beyond	NC will reach the national average in SAT scores by 2010.
2. Colleges and universities for a knowledge oriented economy and society	Ninety percent of North Carolinians between the ages of 25 and 35 will have at least two years of education beyond high school by 2010.
	NC will reach the national average in bachelor's degrees by 2010 -- and there will be no disparity between blacks and whites.
<i>A Sustainable Environment</i>	
1. To preserve air and water of the highest quality	Increase by 20 percent the number of good and moderate air quality days in Charlotte, Raleigh, and Winston-Salem by 2010, while maintaining good and moderate air quality days for the state as a whole.
	All assessed streams, lakes, and estuaries will be designated as unimpaired by 2010.
2. To ensure healthy and productive natural resources	Open 70 percent of saltwater - and 60 percent of brackish - shellfish beds, and increase the percentage of fish species rated "healthy" to 50 percent by 2010.
3. To reduce the amount of solid waste disposed of by North Carolinians	Decrease municipal solid waste burned or placed in landfills by 40 percent by 2001 and maintain that lower level through 2010.
4. To preserve and enhance the quality of metropolitan life	All NC urbanized counties and cities will integrate their transportation and land use decisions by 2010.
<i>Healthy children and families</i>	
1. All children will have a healthy start in life	The rate of births to young unmarried women will be cut to 15% by the year 2010.
	All children will be properly immunized by the age of two.
2. All children enter school ready to learn	All North Carolina children will enter school prepared for continuing academic success.
3. All families are able to provide a nurturing environment	The poverty rate for children will be cut in half - to 11% - by the year 2010.

COMPLETE LIST OF YEAR 2010 TARGETS PROPOSED BY THE PROGRESS BOARD

Targets for a Prosperous Economy

- ◆ North Carolina per capita income will exceed the US average and will improve its ranking among the states
- ◆ North Carolina will continue to exceed the US average in the growth rate of real gross state product, and will improve its ranking among the states
- ◆ North Carolina will continue to exceed the US average in merchandise export share of gross state product, and will improve its ranking among the states
- ◆ North Carolina average statewide unemployment rate will continue to be lower than the US average, and North Carolina will improve its ranking among the states
- ◆ North Carolina's male, female, white, black, and Hispanic unemployment rates will be equal to the statewide average
- ◆ North Carolina will reach the national level in real average wage per worker, and will improve its ranking among the states
- ◆ North Carolina total civilian payroll employment will continue to outpace the national average, and North Carolina will improve its rankings among the states
- ◆ North Carolina will equal the US average for real manufacturing value added per worker, and will improve its ranking among the states
- ◆ North Carolina's business start/fail ratio will continue to exceed the national average, and North Carolina will improve its ranking among the states
- ◆ North Carolina venture capital disbursements as a share of gross state product will improve relative to the national average, and North Carolina will improve its ranking among the states
- ◆ North Carolina total research and development expenditures as a share of gross state product will improve relative to the national average, and North Carolina will improve its ranking among the states

Targets for a Quality Education for All

- ◆ Seventy percent of eighth graders will score at or above the base proficiency level in both reading and mathematics
- ◆ Ninety percent of North Carolinians - of all races - between the ages of 25 and 35 will have at least two years of education beyond high school
- ◆ Forty-five percent of high school seniors will intend to enroll in a four year college, 40 percent will intend to enroll in a two year college, and 15 percent will intend to go immediately to work or the military
- ◆ The average (math and verbal) North Carolina SAT score will be equal to the national average
- ◆ Four percent of the North Carolina working age population will be enrolled in vocational/technical community college programs
- ◆ North Carolina will reach the national average in bachelor's degree attainment, with no disparity between blacks and whites

Targets for a Sustainable Environment

- ◆ Increase the number of good and moderate air quality days by 20 percent in Charlotte, Raleigh and Winston-Salem, while maintaining good and moderate air quality days for the state as a whole
- ◆ Designate all the assessed stream miles, lake acres, and estuarine square miles as unimpaired
- ◆ Decrease the concentrations of nitrogen and of total phosphorus in the Cape Fear, Neuse, and Tar-Pamlico river basins
- ◆ Open 70 percent of the acres of saltwater shellfish beds and 60 percent of the acres of brackish water shellfish beds for harvesting
- ◆ Increase the number of fish species evaluated by 50 percent, and increase to 50 percent the evaluated fish species rated “healthy”
- ◆ Increase the total acres of softwood and hardwood timberland
- ◆ Maintain the relative abundance of North Carolina's forest types and age classes - paying particular attention to mature forests and rare types
- ◆ Decrease the per capita municipal solid waste burned or placed in landfills by 40 percent by the year 2001, and then maintain that lower level through the year 2010
- ◆ Full implementation of the systems planning perspective - with the integration of environmental concerns - by the year 2000, and continuation of this effort
- ◆ All NC urbanized counties and cities will integrate their transportation and land use decisions by 2010
- ◆ Increase the total acres of protected land within the context of a statewide conservation plan for North Carolina

Targets for Healthy Children and Families

- ◆ Ninety-five percent of pregnant women in North Carolina will receive prenatal care in the first trimester
- ◆ The rate of low birth-weight babies born in North Carolina will drop to 7 percent
- ◆ All children will be properly immunized by the age of two
- ◆ The number of infant deaths in North Carolina will decrease to seven per 1,000 live births
- ◆ The number of reported pregnancies in North Carolina to females age 15 to 17 will decrease to 50 per 1,000 females
- ◆ Live births to young single women will decrease to 15 percent of all births in North Carolina
- ◆ The number of programs in North Carolina that have accreditation from the National Association for the Education of Young Children will reach 250
- ◆ Fifty percent of child care facilities and large homes will be AA licensed
- ◆ All children will successfully complete the first grade
- ◆ The rate of children living below the poverty level in North Carolina will drop to 11 percent
- ◆ The poverty rate for families in North Carolina will drop to 7 percent
- ◆ The percentage of overcrowded housing units in North Carolina will drop to 1.5
- ◆ The percentage of housing units lacking complete plumbing facilities will decline to 0.7
- ◆ The rate for victims of domestic violence will decline to 5 per 1,000 adult females
- ◆ The number of children who are the subject of a child abuse and neglect report will decline to 40 per 1,000 children under age 18
- ◆ The number of deaths among children ages 1 to 14 in North Carolina will decline to 20 per 100,000 children

- ◆ The number of deaths among adolescents ages 15 to 19 in North Carolina will decline to 80 per 100,000
- ◆ The suicide death rate in North Carolina will decline to 8 per 100,000 youth ages 15 to 19
- ◆ The total age-adjusted death rate per 100,000 population will decline to 450
- ◆ The percentage of high school students who have had five or more alcoholic drinks at least once during the last 30 days will decline to 15
- ◆ Frequent cigarette use among high school students will decline to 10 percent

Chapter One

The way we were, the way we are now

Powerful waves of change have washed over North Carolina throughout the 20th Century. Between the surging gray-green Atlantic Ocean to its east and the beautiful Blue Ridge to its west, North Carolina is a far different state than it was 90 years, 50 years, even 25 years ago. The state has advanced socially and economically by making critical choices to cope with change and to build for the future.

As the 21st Century approaches, North Carolina remains a changing state. Global competition and an explosion in information technology are contributing to an economic restructuring. North Carolina appears strong and well positioned to prosper in the new economy, but its future will not be secure unless it makes critical choices and investments.

The Progress Board has confidence that North Carolina will meet the challenges of the future. Our confidence stems from our state's tradition of forward-looking leadership in business, in the vital non-profit sector, in civic life and in education, as well as in government. Our confidence stems, too, from remembering how we were as a state not too long ago and how far we have come.

North Carolina then

For much of its history, even deep into this century, North Carolina was poor. It had, of course, a few wealthy landowners and industrialists, but most North Carolinians - including many women and children - worked hard for little, on the land or in small-town factories. In 1930, North Carolina's per capita income was a mere 47 percent of U.S. per capita income.

North Carolina is one of the few states long characterized as predominantly rural. Not only as a farming state but also as an industrial state, North Carolinians lived more in small towns and in the countryside than in cities. In 1940, Charlotte had barely more than 100,000 residents, and Raleigh had 30,000 fewer residents than Cary has now.

It wasn't until the mid-1980s that North Carolina crossed a key demographic line: The state is no longer predominantly rural; it now has more than half its people living in places defined as urban.

North Carolina has changed greatly, but through all the changes a century-long fundamental premise still stands at the center of our state's policy-making -- that is, the route to a better future runs through public education. After his election as governor in 1900, Charles B. Aycock initiated a crusade for universal education, special taxes were levied, and spending on public schools tripled within a decade. Between the World Wars, the University of North Carolina gained distinction for its leadership in the South and the nation. The General Assembly enacted a major reorganization by consolidating the campuses at Chapel Hill, Raleigh and Greensboro.

Until recently, however, most jobs in the state required few skills, and as a result North Carolinians remained relatively ill-educated. Public schools were racially segregated for more than half of this century -- as, of course, was much of North Carolina society. In 1950, only one out of five North Carolina adults had completed high school. It was in 1942 that the state added the 12th grade to high schools, and it was in 1973 that it initiated public kindergarten classes statewide.

Having bought into the "New South" creed of the late 1800s, North Carolina industrialized, so much so that it ranked in the top 10 in the nation in manufacturing employees by the 1970s. The state's economic base rested upon the "Big Three": tobacco, textiles and furniture. Low-slung brick factories dotted the countryside, but the North Carolina Fund warned in the mid-1960s that the state had shifted "from a poor agricultural state to a poor industrial state."

North Carolina now

Today's North Carolina is a product of both a God-given natural environment

and a series of important choices and investments made in the public and private sectors, especially since the end of World War II. Here are some of the things that North Carolinians did to foster a more prosperous future for themselves and their children:

- ◆ Through a public-private partnership, built upon the presence of strong universities within close proximity to create the Research Triangle Park.
- ◆ Converted the old industrial training centers into a statewide system of comprehensive Community Colleges.
- ◆ Constructed the largest highway network of any state, and developed airports to accommodate international flights.
- ◆ Made Charlotte the nation's third-ranking banking center.
- ◆ Focused on information technologies and biotechnology, and on recruiting an array of businesses that pay higher wages to higher skilled employees.
- ◆ Shunned massive resistance to racial desegregation and kept public schools open.

As a result of these and many other decisions, both public and private, North Carolina has found itself increasingly attractive. Its population has grown by more than 2 million in 25 years. Since 1990, the U.S. Census Bureau recently reported, North Carolina has had net im-migration of 368,000 people from other states and 37,000 from other countries.

While its cities have grown substantially, North Carolina has mostly avoided the dense population concentrations of the Northeast and Midwest. Instead, North Carolina has turned into a largely suburban society, with residents congregating in shopping malls and commuting to and from work.

North Carolina has made great strides in education, though concern over schooling remains uppermost in the minds of citizens. The state has moved ahead of

the U.S. norm in kindergarten attendance, and it has caught up in high school graduation rates. Both white and black students in North Carolina are graduating from high school at a rate comparable with the U.S. average. The state has three research universities – UNC-Chapel Hill, N.C. State and Duke – that combined have 37 doctoral programs that rank in the national top 20 -- more than any other Southern state.

And yet, too few North Carolinians attend college and attain bachelor's or advanced degrees. While young black North Carolinians no longer lag in high school graduation, especially distressing is their lag behind young white North Carolinians in college-going.

In part as a result of educational improvements, North Carolina has absorbed the shock of declines in its traditional "Big Three" industries, and it has built a wider, stronger economic base. Now, 20 percent of manufacturing employment is in high technology sectors. Unemployment is low, and per capita income has risen to above 90 percent of national per capita income.

North Carolina's tests

In assessing differences between North Carolina then and now, the Progress Board wishes to spotlight several matters that will test the state's citizens and its leadership over the next two decades. These are:

- ◆ With the state having grown more suburban, growth will increase pressures on fixed air, water, land and other natural resources.
- ◆ With the state having grown both more suburban and affluent, prosperity won't be widely shared unless attention is given to the economic development needs of the rural counties that remain most distressed.
- ◆ With the economy demanding education beyond high school to ensure a middle class standard of living, a new question emerges with regard to post-secondary education. The question is not simply how many people can the current university and community college systems accommodate; rather, it's how to get as many North Carolinians educated and trained to the extent necessary for a thriving, productive, competitive economy.
- ◆ With legal segregation having been dismantled years ago, it is crucial to raise educational expectations and expand economic opportunities in a more ethnically diverse society.

The Progress Board notes here that race relations in our state require persistent attention from our public and private-sector leaders, and from all our citizens. Not only our economy but also our civic health demands it. Our state, to be sure, has made great strides since the dark days of official discrimination based on skin color, and many North Carolinians took the lead in

building a more just and harmonious society, both in the South and in the nation.

Now, a distinguished North Carolinian - John Hope Franklin, a Duke University historian – chairs the advisory commission of the President's Initiative on Race. We urge our citizens to engage in the constructive process envisioned by that commission, as well in healing dialogue in their own communities.

Despite the improvement that is evident all around us, North Carolina must address the many, intricate issues that data point out to us. We have unacceptable disparities between whites and blacks in measurements of joblessness, births to unmarried women, per capita income and poverty rates. We know, too, that our state faces challenges in responding to the aspirations of our Native American population and of our growing population of Hispanics. The Progress Board calls upon North Carolinians to work across lines of race and ethnicity toward a prosperity that is more widely shared.

The following chapter examines in detail trends, challenges and opportunities identified by MDC Inc., a workforce and economic development research firm in Chapel Hill. MDC, which earlier produced a *State of the South* report, was commissioned by the Progress Board to offer its insights about demographic and economic changes.

Chapter Two

Keeping a good thing going

Prosperity, widely shared is the principal objective of the Progress Board. It is an objective that recognizes North Carolina's economic momentum and the gains the state has achieved as a result of choices and investments made two and three decades ago. It also recognizes that many people and many places have faltered amid sweeping economic changes.

keep its momentum going and to build upon it -- by pointing to trends and developments likely to influence its future course.

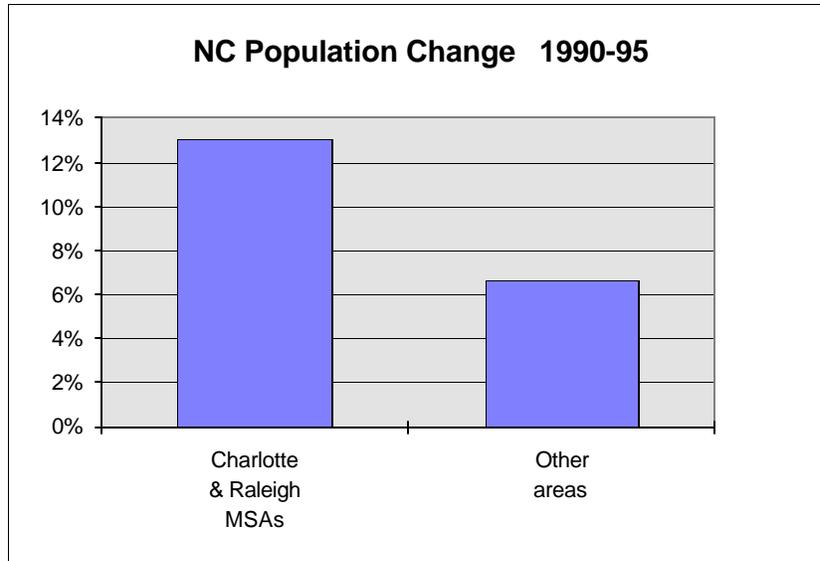
Growing older, getting crowded

Fairly rapid population growth is expected to persist for the next 15 years.

Equally significant are the patterns within that growth.

North Carolina's major urban areas are engines of growth. The population of the state's two largest metropolitan areas --the Research Triangle and the Charlotte region -- increased by more than 13 percent since 1990, roughly double the growth rate in the rest of the state.

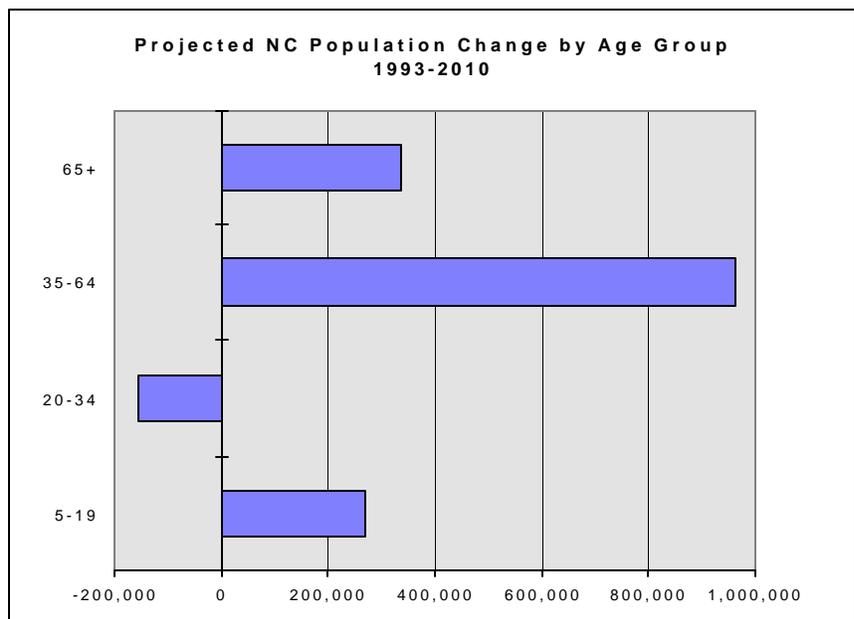
Rapid urbanization has brought with it traffic congestion and accompanying increases in pollution levels. In addition, our metropolitan areas have



become attractive not only to highly educated workers who want the high-paying jobs that are burgeoning, but also to relatively unskilled workers drawn by word-

The new global economy -- what has been called a second industrial revolution -- is creating winners and losers. As new jobs emerge and old jobs disappear, the new economy is creating vast new opportunities, but it also fosters uncertainties and anxieties. North Carolina may not be able to control global economic forces, but it must work toward creating more winners and fewer losers within its own borders. It can make critical choices to give more people and more communities the ability to prosper in a time of fast-paced change.

A chief purpose of the Progress Board is to help North Carolina spread prosperity more widely -- to



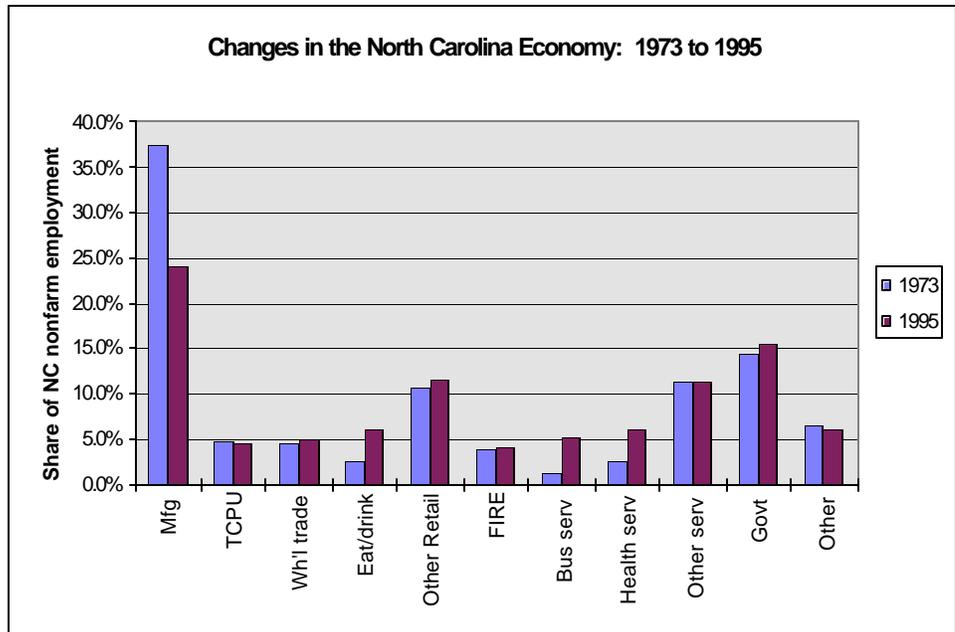
of-mouth that work is available. How North Carolina responds to such pressures is critical because the vitality of our cities and suburbs will increasingly play a central role in the state's overall economy.

What's more, North Carolina is experiencing an aging of its workforce. In the year 2010, the state is projected to have about

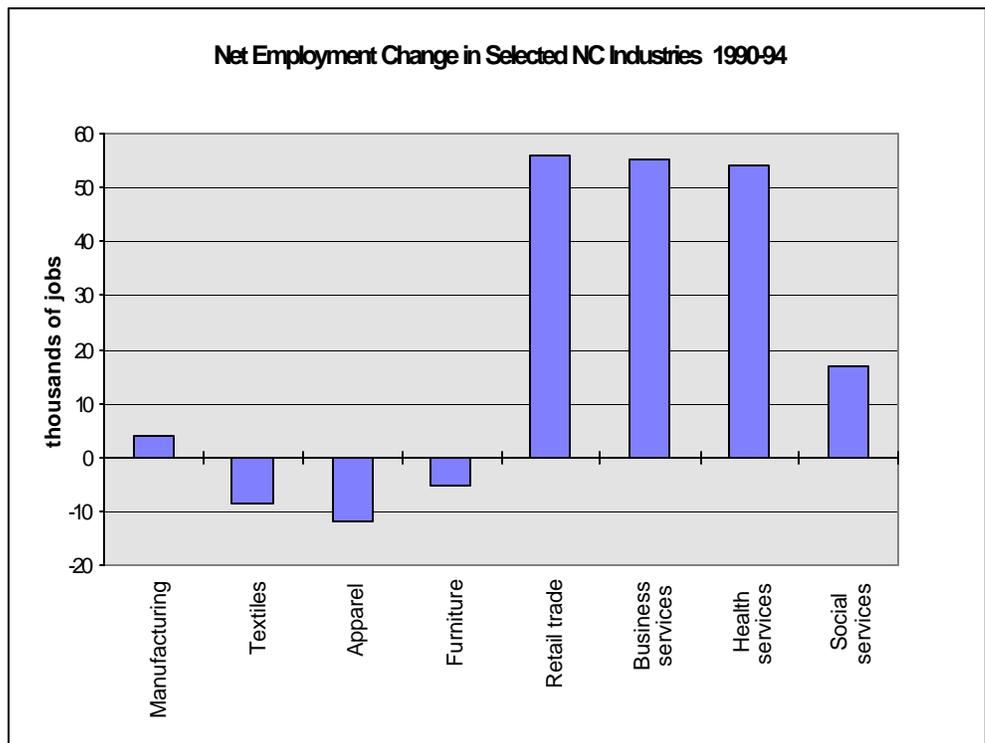
900,000 more people age 35-64 than it has now. At that same time, it will have fewer people in the 20-to-34 age bracket.

What this shift means is that North Carolina will have to rely increasingly on older workers, many of whom have outdated education and skills, to carry its economy into the next century.

The state will continue, no doubt, to attract highly skilled people. However, if more people already residing in North Carolina are to escape the ravages of poverty and to prosper in the near future, the state must respond to the challenge of educating and retraining older workers.

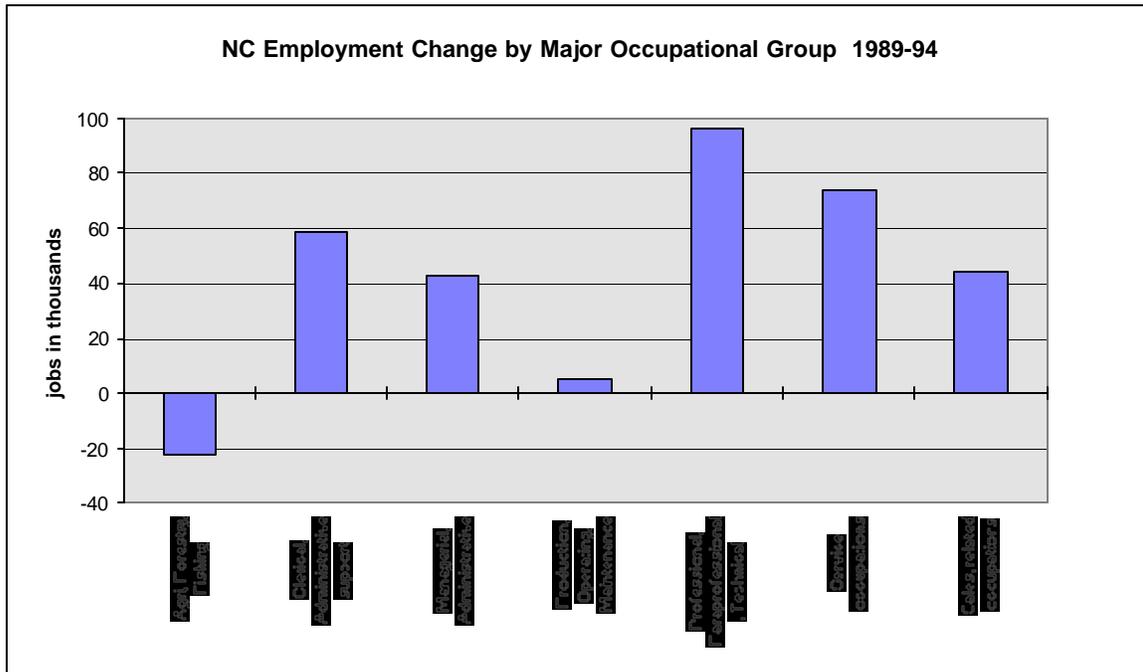


More jobs, shifting jobs



North Carolina's economy has become more like the national economy, with a larger share of jobs in non-manufacturing enterprises and manufacturing shifting more toward capital-intensive industries. Since the early 1970s, the state's economy has been transformed

Still, some vulnerability appears in the North Carolina industrial structure. North Carolina remains overly reliant on industries that are likely to shed jobs in the future. Because our economy has become more like the nation's, our state feels national trends directly – and increasingly



through a restructuring that has captured attention across the nation.

North Carolina provides more jobs for its workforce than the nation as a whole – 4.5 more jobs per 100 people age 18-64 than the U.S. average. Between 1980 and 1993, more than 1 million jobs were created in the state. Much of that job growth is attributable to the business cycle, meaning that North Carolina shared in national growth. But it is also clear that “local forces” – that is, conditions under the state’s control – also contributed substantially to job growth. Nearly half a million jobs created since 1980 can be attributed to these forces that include factors such as the supply of trainable labor, highways and airports, the favorable business climate, and the overall high quality of life.

citizens with no more than a high school diploma cannot find better-paying jobs, in factories or in offices.

Thoughts that count

Fewer and fewer North Carolinians can count on jobs that require muscle power to earn them a decent standard of living. The better-paying jobs of the future will require North Carolinians who are prepared to think, to create, to seek solutions, and to relate well to other people.

Accordingly, many of the newly created jobs in North Carolina demand higher education. Employment growth has been sluggish among goods-producing occupations such as manufacturing and agriculture. Growth has been faster in occupations requiring higher educational

attainment – including professional, technical and service occupations.

The labor force participation rate in North Carolina remains higher than the national average for women, though it has begun to level off. Among men, meanwhile, the North Carolina rate has dropped below the national average. Worrisome, too, is that both the average real wage and average productivity in North Carolina remain substantially below the national average.

North Carolina has a mix of job-quality and worker-productivity challenges. Both of those challenges are linked to its overall goal of expanding educational opportunities and achievement more broadly across its population.

Gaps between people and places

If North Carolina is to see prosperity widely shared, the state must attend to evidence of widening disparities – disparities in family incomes, disparities between fast-growing metropolitan areas and slow- or no-growth rural counties.

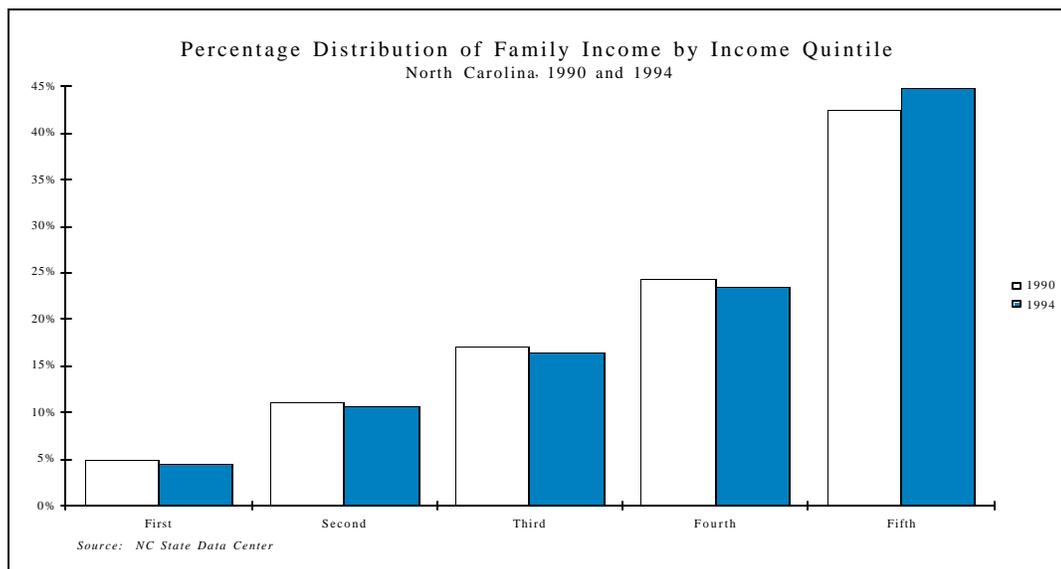
The chart on this page illustrates that North Carolina families may be growing apart economically, rather than upward together toward greater prosperity. The

chart shows the distribution of family income grouped according to fifths – from the poorest fifth of families on the left, to the most affluent fifth on the right. In 1994, the poorest fifth of the population garnered 5 percent of total family income, while the wealthiest fifth took home 45 percent of family income.

The gulf between rich and poor is an enduring Southern story, but the chart shows another element that North Carolina must pay attention to. Notice that the wealthiest fifth gained in its total share of family income from 1990 to 1994, while all other fifths – significantly including the heart of the middle class – declined.

The poorest fifth consists largely of people with little formal education, single parent, female-headed households and people with disabilities. Unlike most other states, poverty in North Carolina is more a rural than an urban problem.

Rural North Carolina confronts a complex set of issues – poverty, to be sure, but also slower growth, lower wages, and shifts in the economy and federal policies. For example, North Carolina has diversified to such an extent that the state as a whole can probably weather the storm over tobacco, but several tobacco-dependent counties are also especially vulnerable counties economically. Among the



achievements in diversification is the emergence of a major pork-producing industry, but that development has led to environmental issues for which the state is now seeking answers.

A number of rural counties have experienced an economic uplift in recent years. Coastal counties have grown, as have counties within easy commuting range of major cities. Many rural counties, though, remain distressed. Thus, there is not only an urban-rural gap in the North Carolina economy, but also a gap between different rural counties.

To secure a more prosperous future – and to bring more people into that prosperity – North Carolina must make crucial decisions. The state must understand the demands of a dynamic economy and equip its people to succeed. Over the last quarter of a century and more, North Carolinians have faced the future with confidence and with creativity. We are in an even stronger position today to face the future. The Progress Board now asks the state to set its sights higher by considering goals and targets for the year 2010.

Chapter Three

Raising our sights, broadening our vision

Now that we have recalled how we were, examined how we have changed and described the trends that bear down on us, we must turn to defining where we should be headed.

The Progress Board has the duty to issue goals for North Carolina's future and to recommend targets by which the goals might be achieved. Our goals are necessarily broad statements of vision; our targets, meanwhile, establish specific – and challenging – statistical mileposts that we want North Carolina to reach in the year 2010.

We have not chosen budgetary or other government-centered targets. Rather, we have decided on a limited number of targets that, pursued together, would result in spreading both prosperity and a higher quality of life more widely among the people of our state.

A prosperous economy in a global marketplace

Over the past 25 years, the North Carolina economy has emerged as a veritable jobs-producing machine. With future-oriented leadership in both the public and private sectors, our state responded to the insistent cry, diversify! diversify!

As a result, North Carolina has outpaced the nation in jobs created in relation to its working-age population. It has at the same time significantly narrowed the gap in personal income with the national average. All in all, North Carolinians have written an astounding economic success story, a story known around the nation and around the world.

And yet, success has not touched all North Carolinians. Many thousands of our citizens do not have the high skills required in the new economy, and thus remain mired in low-wage, low-hope jobs. Hundreds of thousands are still gripped by poverty. In developing its goals to underpin a long-term state economic strategy, the Progress Board has identified two overarching needs: 1) to ensure a prosperous future for the next

generation of North Carolinians and 2) to bring more people into the economic mainstream by expanding opportunities for people who live in pockets of poverty, both rural and urban.

The Progress Board, therefore, urges the state's policymakers and citizens to be guided by two priority goals for our state's economic strategy.

GOAL 1 – A growing, dynamic economy

North Carolinians need an economy that continues to grow, that continues to diversify, and that competes not only with other states but also with other countries. The state should maintain a climate that fosters innovation, entrepreneurship and flexibility, that welcomes advanced, cutting-edge companies, and that supports public investments that lead to private prosperity.

GOAL 2 – High-quality jobs, distributed more widely

North Carolinians need not just more jobs, but better jobs. We need jobs that pay higher wages, and we must prepare ourselves with the skills demanded by such jobs. We need jobs not only in the mushrooming suburbs but also in the center of cities and within reach of small towns. Our state must pursue strategies that promote ever-widening prosperity and that overcome lingering inequality of prospects by race, gender and region of residence. If our economy is to be internationally competitive, our workforce must be internationally competitive in terms of education and productivity.

The chart on the next page, *Summary Table of Economic Measures*, provides a comprehensive overview of how well North Carolina is doing in comparison to other states and the national average. We want to see North Carolina consistently rising in national rankings among the states. We trust that our recommended targets will move the state upward. Moreover, the closer our state comes to the following

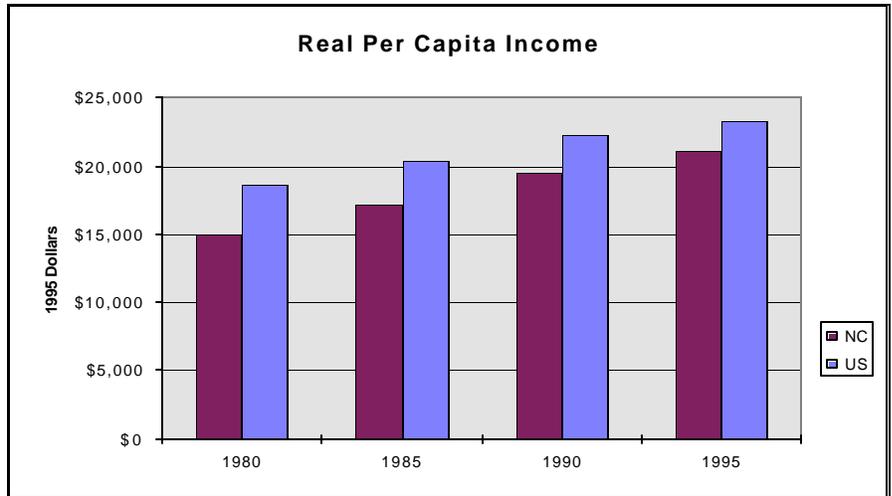
targets in the year 2010, the closer North Carolinians will come to enjoying the fruits

of widely shared prosperity in a dynamic economy.

Summary of Progress Board Economic Measures				
Measure	NC	US	NC relative to US	NC State Rank (1 is best performance)
Per capita income, 1995	\$21,103	\$23,208	91% of US income	31
Average annual real gross state product (GSP) growth, 1990-95	3.9%	2.4%	1.5 percentage points above US growth	15
Export share of GSP, 1995	8.7%	8.2%	0.5 percentage points above US	10
Unemployment rate, 1996	4.3%	5.4%	1.1 percentage points below the US rate	12
Unemployment rate by demographic group, 1995	Male 3.6% Female 5.2% White 3.3% Black 8.4% Hispanic 5.0%	Male 5.6% Female 5.6% White 4.9% Black 10.4% Hispanic 9.3%	Rates for all demographic groups are below the US rate.	
Average wage, 1995	\$24,305	\$27,621	88% of US wage	30
Average annual net job creation, 1990-95	2.2%	1.4%	0.8 percentage points above US growth	19
Manufacturing labor productivity (value added/employment), 1994	\$81,819	\$87,139	6% below the US average	31
Net business starts (business starts/business failures), 1995	16.6	10.8	154% of the US average	12
Venture capital disbursements divided by GSP, 1995	0.057%	0.054%	0.003 percentage points above US	9
R&D spending divided by GSP, 1993	1.62%	2.69%	1.07 percentage points below US	26

TARGET #1 – By the year 2010, North Carolina will exceed the national per capita income.

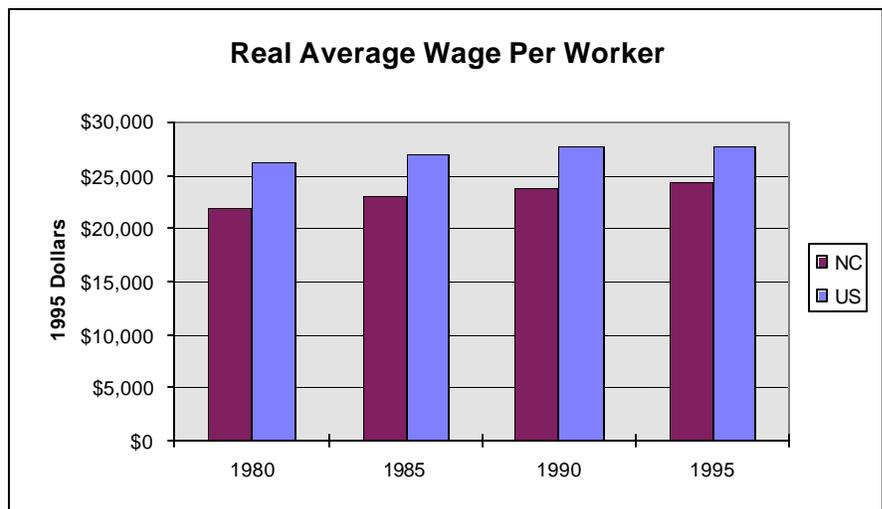
Historically, North Carolina has trailed the nation in per capita income. But its recent economic vitality has narrowed the gap significantly. According to the most recent calculations, North Carolina has reached 91 percent of U.S. per capita income. The Progress Board wants North Carolina's per capita income to rise to 102 percent of U.S. per capita income by 2010.



TARGET #2 – North Carolina will reach the national level in real average wage per worker by 2010, and will improve its ranking among the states.

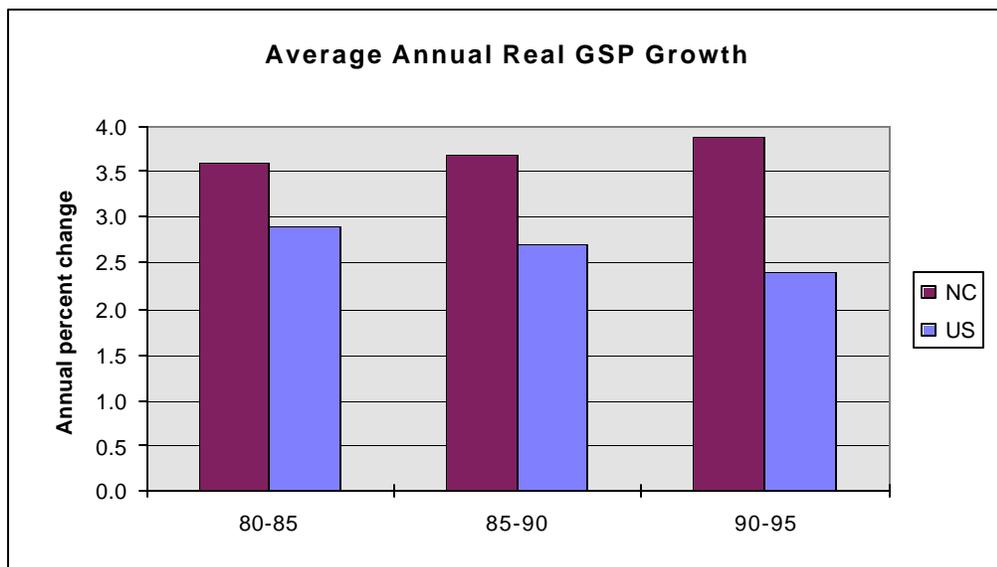
Our state's economic expansion has contributed to its real (adjusted for inflation) average wage rising faster than the national average for the last 15 years. But still in the shadow of its low-wage past, North Carolina continues to trail the nation. If current trends continue, North Carolina will not reach the U.S. average at the end of the next decade.

We cannot be satisfied with current trends. Our state must increase job quality and worker productivity. To spur the state onward, the Progress Board proposes that North Carolina's real average wage per worker rise to 100 percent of the U.S. average in 2010.



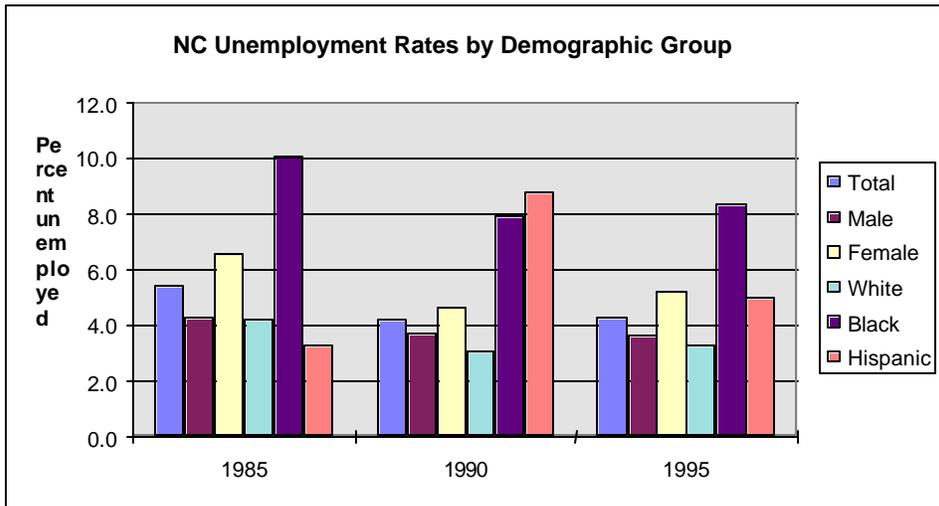
TARGET #3 – North Carolina will eliminate disparities in unemployment rates among its minority citizens. By 2010, there should be no significant differences in joblessness between whites and blacks.

Joblessness among blacks remains twice the state average, and sometimes the black unemployment rate goes even higher. The persistence of high unemployment rates within certain segments of our society detracts from our goals of shared prosperity and overall economic well-being. We are confident that we can reduce unemployment among African-Americans, and in doing so go a long way toward mitigating the disparity between urban and rural areas in unemployment.



TARGET #4 – North Carolina will exceed the U.S. average in the growth rate of real gross state product between now and 2010 and will improve its ranking among the states.

North Carolina will not provide prosperity for more and more of its people unless its economy continues to grow, to diversify, to remain dynamic. The Progress Board wants to keep the state's eye focused not only on its problem areas but also on its general economic direction. For that reason the Board chose measurement of gross state product, a summary of the total economic production, as a target. North Carolina's GSP growth rate has exceeded the national average for 15 years, and we should strive for it to continue to do so for another 15 years.



The Progress Board has identified additional indicators by which North Carolina can track its economic advancement. We urge policymakers to pay attention to: a) our international activity as measured by the merchandise exports' share of total production, b) real labor productivity in manufacturing, and c) the unemployment rate.

Success factors

The Progress Board has also identified success factors, defined as the conditions necessary for a thriving state economy. While not specifying particular targets at this time, we cite these success factors to call attention to their roles in facilitating the state's march toward its priority goals.

Business vitality – The entrepreneurial spirit is alive and well in North Carolina, and we must nourish that spirit. In terms of net business starts, North Carolina has outperformed the nation since 1985. While North Carolina exceeded the national rate in venture capital disbursements as a percentage of production in 1995, our state trailed the nation in the previous five years. Even though results may fluctuate from year to year, it is important that policymakers keep focused on improving the state's performance in net business starts and in capital availability.

Business investments – The Progress Board urges special attention to research and development, the source of new products and improved technology. Over the past 20 years, North Carolina has lagged in R&D spending as a share of gross state product. Our best and boldest companies, of course, know the importance of exploring new products and technologies, but it must be reemphasized that North Carolina should expect to compete – and succeed – in the global marketplace.

Productivity and worker preparedness – Increasingly, economic vitality is linked to the education of the young and the retraining of adults for the jobs of the future. Increasingly, North Carolina must see that sophisticated worker training and re-education is a crucial, and perhaps the critical, facet of the state's further economic development. Historically, North Carolinians have been a hard-working people, but we still have too many people underemployed. Now we must prepare our people to become more productive. The Progress Board addresses this need for education and training more fully in the chapter on educational quality. We have listed productivity and worker preparedness among the success factors in order to emphasize the importance of raising the skill level of our people as a prerequisite to a more productive economy and a higher standard of living.

Business environment – North Carolina's prosperity has resulted, in large part, from a tradition of public-private partnership. On balance, our state has sought to adopt tax and regulatory policies that keep North Carolina competitive with its neighboring states, but it has also refrained from the excesses of inter-state competition. As the process of measuring the state's progress continues, we urge attention to the cost of doing business in the state, along with the collection of more comprehensive data on net relocations – data on plant closures and relocations, in-migrating businesses, and employment and payroll consequences.

Supportive infrastructure – Without necessary transportation networks, utilities and other physical needs, North Carolina cannot maintain a growing economy. Especially in our

fastest growing metropolitan areas, traffic gridlock would threaten not only the environment and the quality of individual lives but also their economic futures. That's why the state faces crucial choices in designing a transportation system that balances road-building with creative approaches to mass transit. In the coming years, the Progress Board must not look simply at government effort in terms of infrastructure spending but must try to measure infrastructure "outcomes" – that is, assess the overall consequences in quality of life from public capital investments.

Reduction in poverty -- By far, North Carolina is not as poor as it used to be. Indeed, the state poverty rate has fallen below the national poverty rate. Unfortunately, this decline does not mean that the number of poor people has dropped. What it means is that the economy has enlarged that proportion of the population living above poverty.

North Carolina cannot control all the factors that contribute to its poverty-population. A national economic slowdown, though no fault of North Carolina, may drive more people into poverty. What's more, North Carolina's burgeoning reputation as a place with jobs has attracted more people of modest means and weak skills. The Progress Board sets a target with regard to poverty in a subsequent chapter on families and children, but we note here that reducing poverty ought to be among the factors determining the success of our economy.

Schools, colleges and universities second to none

At the outset, let's be clear about two things: 1) for most young people in North Carolina, our public schools are succeeding, not failing, and 2) for two decades or more, our schools have been improving, not declining.

Consider, for example, the much-debated Scholastic Aptitude Test scores. It is widely known among North Carolinians that our state ranks 48th among the states in SAT average. What has received less attention – but is of signal importance – is that North Carolina's SAT scores have been on a decade-long rise, going from 92 percent of the U.S. average in 1986 to 96 percent in 1996. The national average has risen 5 points since 1987; the North Carolina average has gone up 31 points.

Should North Carolina be satisfied with that level of improvement? Of course not. The economy is demanding even more of our education system, and our schools must respond. Modern society is demanding not only a higher level of workplace competence but also of reasoning and judgment. Our educational institutions must respond to the need for preparing students for civic and cultural life, and for succeeding in life amid societal stresses and rapid change. Our economy needs people of higher skills; our democracy demands citizens who can make informed decisions.

In setting goals and targets for our schools, the Progress Board is mindful that even if many North Carolinians do not fully appreciate the rising quality of public education, all citizens agree on the importance of enhanced education to our state's future. Again and again, in the public forums that we conducted, citizens impressed upon us their desire for high-quality schools, for improved school performance, and for ease of entry to post-secondary education.

The Progress Board is also mindful that public opinion has registered in the State Capitol, the Legislative Building and courthouses across our state. Numerous efforts are underway to develop improved performance standards and to hold schools accountable.

The National Board for Professional Teaching Standards, chaired by Governor Hunt, has recommended teacher knowledge and performance standards – and North Carolina has moved aggressively to encourage its educators to become board-certified teachers. The State Board of Education and the Department of Public Instruction have developed performance standards by which it can assess school systems.

Clearly, North Carolina is attempting to enhance performance and assess it more thoroughly. We chose the goals and targets enumerated in this chapter not to duplicate or conflict with the work of other boards and agencies. Rather, the Progress Board has chosen to spotlight two goals and three targets with the aim of supporting and spurring the state's education improvement policies.

GOAL 1 – Higher expectations for high school and beyond

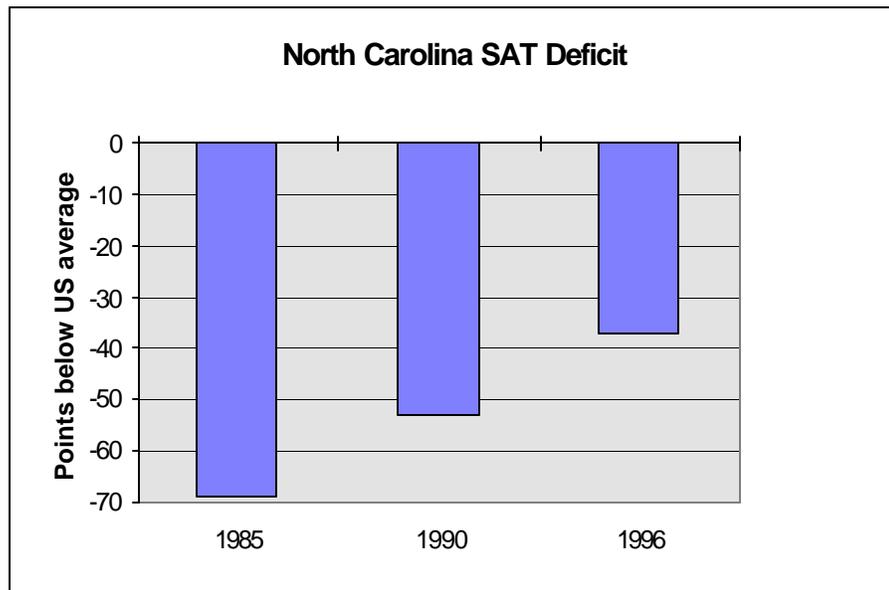
When they emerge from the 12th grade, North Carolina's young people must demonstrate the competence necessary for further achievement in post-secondary institutions and, beyond that, in high-performance work places. In addition to narrowing the gap in SAT scores, North Carolina has caught up with the nation in high school graduation rates. But demographic shifts and economic forces require even higher achievement in grades K through 12 and increasingly require education beyond high school.

GOAL 2 – Colleges and universities for a knowledge-oriented economy and society

North Carolina has benefited immensely from its high-quality public and private colleges and universities, as well as from its extensive system of community colleges. Indeed, much of our state's reputation rests upon its systems of higher education. And yet, our college-going and degree-attainment rates lag behind the nation.

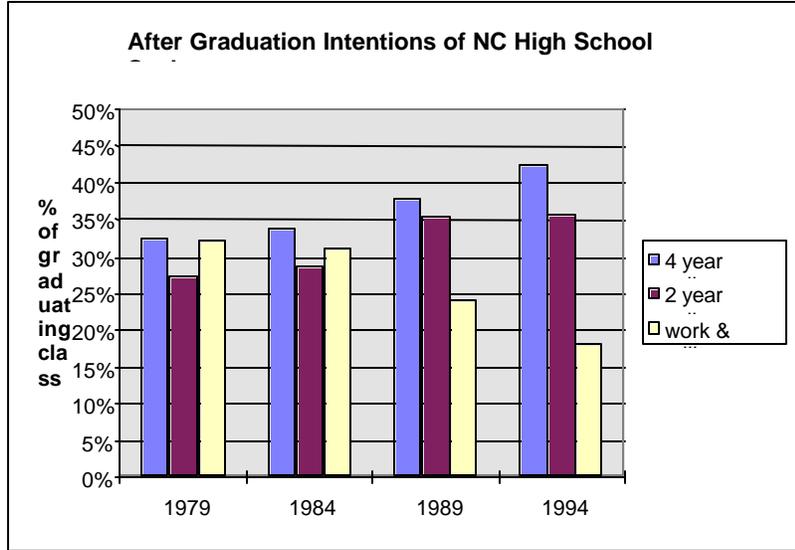
It is crucial that North Carolinians see in their colleges and universities not a benefit to be subsidized but rather an investment in their state's economic and civic life. In an era of expansion of scientific and technical knowledge, in an era in which the transfer of information has begun to out-rival goods-production in value, North Carolina would suffer if its colleges and universities were allowed to erode.

The Progress Board establishes three main targets in education, with the conviction that they can point North Carolina toward public schools, colleges and universities that are second to none – second to



none in the United States, and second to none in the world.

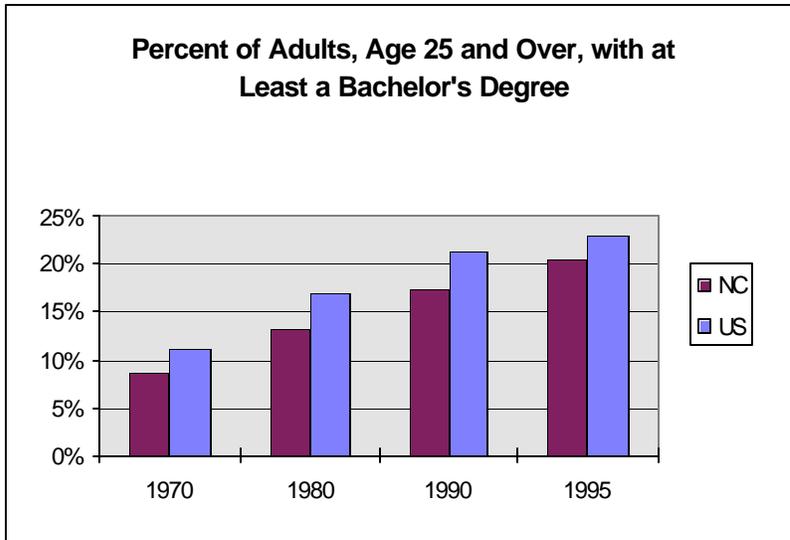
TARGET #1 – North Carolina high school students will reach the national average in SAT scores. By 2010, if not sooner, no gap will exist between North Carolina and the nation on the SAT.



The SAT score is an indicator of the intellectual skills necessary for success in pursuit of a university degree. It is an important, though not an all-inclusive measurement. Because the SAT is so widely watched, North Carolina should commit itself to reaching the national average as a way to build and maintain public confidence in public schools. While the SAT measures how well the state is doing in preparing young people bound for a four-year college, North Carolina should bolster the preparation of its citizens who are not university-bound but who must still meet the demands of the new economy in order to share in the state's prosperity.

TARGET #2 – Ninety percent of North Carolinians between the ages of 25 and 35 will have at least two years of education beyond high school by 2010.

It's been 55 years since the 12th grade was added to the education expected of every student -- and the economy has undergone immense changes in that period. The Progress Board is confident that North Carolina will make substantial improvements in public education over the next decade and a half. We are just as sure that a dynamic economy will increasingly produce jobs that require more than the diploma issued after completion of the 12th grade. The word must go out, not only to 18-year-olds but also to adults in mid-career: To assure yourself at least a middle-class standard of living, you must get at least two years of education and training after high school.



NOTE: Valid data that measure the share of people 25 to 35 with at least 2 years of education beyond high school are not currently available. The after graduation intentions survey used in this graph is for illustrative purposes

TARGET #3 – North Carolina will reach the national average in bachelor’s degrees by 2010 – and there will be no disparity between blacks and whites.

Even in a state with one of the nation's best university systems, North Carolina has fewer young people as a percentage of its population going to college than the nation as a whole. What's more, since 1970 North Carolina has remained about three percentage points behind the U.S. rate in adults with at least a bachelor's degree. Of special urgency is the need to close the gap between blacks and whites. In 1995, 21.7 percent of white adults, but only 10.7 percent of black adults, held bachelor's degrees. Closing that gap, while striving for an even higher level of degree-completion, will go a long way toward ameliorating racial frictions and toward providing the state with more talent for the knowledge-oriented economy.

In setting these targets, the Progress Board recognizes that it is still relying largely on comparisons of North Carolina to the nation. Increasingly, however, our state must compare itself to other developed nations. In higher education, the state may well compare splendidly; in high schools, perhaps less well. The Progress Board is unable at this time to suggest the appropriate international educational yardsticks, but it urges the state to prepare to measure itself on a global scale.

Keeping the sky blue, the water clear and the ground green

North Carolina's natural environment is a precious resource and a public trust. The natural environment is important not only because it is so beautiful and because it affords us recreational refreshment, but also because it affects our health and well-being, provides nourishment, and serves as a foundation of a prosperous economy.

As a state growing in population and in economic activity, North Carolina faces an array of environmental pressures. It may be difficult in the near term to improve environmental conditions. Just as a physician is enjoined to first do no harm, the Progress Board sees the state's first obligation as at least maintaining North Carolina's environmental quality, while moving us toward improvement.

Already, caution flags have arisen. Commuters in the Research Triangle, Charlotte, and the Triad see the signs during morning and evening rush hours. The Department of Transportation has downgraded segments of I-40 between Chapel Hill and Raleigh to an "F." The Transit 2001 Commission recently reported that statewide

growth in vehicle miles traveled exceeds population growth. Extra-large lots, an abundance of cul-de-sacs and a paucity of neighborhood-scale development impose costs on local governments – and on the citizenry as well.

And, of course, silt, pesticides and other by-products of human and animal existence flow downstream or are carried aloft by the winds. Industrial and agricultural diversification has led to a more resilient economy, while at times putting more pressure on our water and air quality. Still, North Carolinians are increasingly understanding that the economy and the environment aren't natural enemies; rather, a degraded environment actually retards economic development.

GOAL 1 – Preserve air and water of the highest quality

All in all, North Carolina's air quality is now superior to many other regions of the United States. It will be challenging to maintain this relatively high level, especially in our growing metropolitan areas, where dependence on automobile travel threatens to intensify the prospect of more "bad air" days. High quality water is essential for a healthy population. Raising the capacity of streams, lakes, and estuaries to provide opportunities for recreation, fishing, drinking water, and other beneficial uses must be high on our agenda.

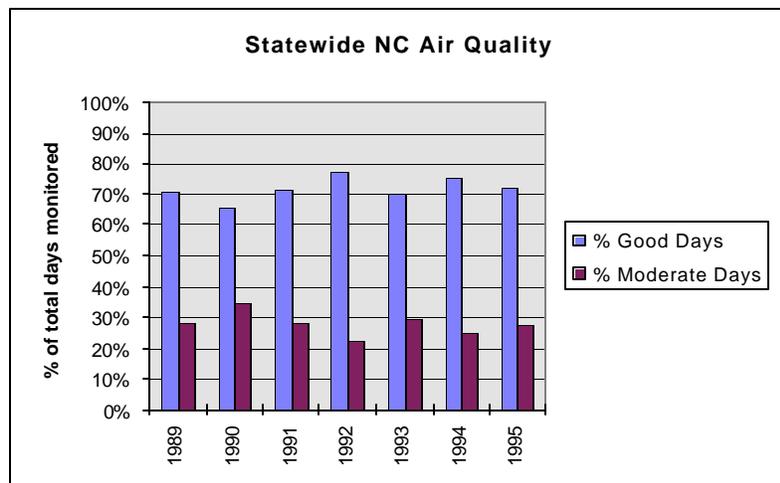
GOAL 2 – Ensure healthy and productive natural resources

Clear, clean water is necessary for sustainable natural resources and biological diversity. Forests, meanwhile, serve a multitude of purposes: providing beauty and grace; holding the soil together; acting as "lungs" that help cleanse the air; offering recreational opportunities to both residents and visitors; affording habitat for many species of plants and animals; and providing a renewable resource for wood and paper industries. It is important that our waters and forests remain both healthy and productive.

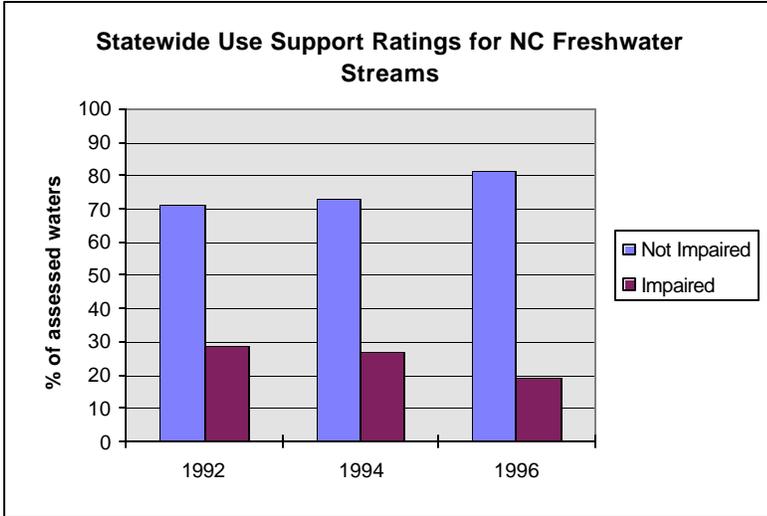
By adopting a target of making the waters under our control better for aquatic life, we are seeking to reverse trends that have put our water quality in jeopardy. Our ultimate goal is to preserve food sources and promote a high-quality environment for our people.

GOAL 3 – Reduce the amount of solid waste disposed by North Carolinians

For thousands of North Carolinians, putting garbage in one receptacle and glass and plastics in a recycling box has become a daily habit. The state has made substantial progress in public understanding of the costs



of overloading and expanding landfills. But anticipated population growth will make it necessary to cut solid waste disposed per capita.



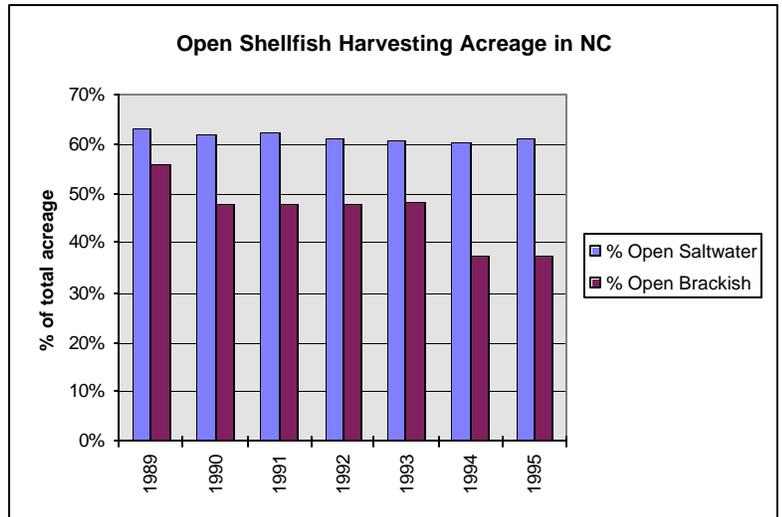
GOAL 4 – Preserve - and enhance - the quality of metropolitan life

With more and more people expected to settle in our cities and suburbs, the quality of North Carolina life will increasingly be determined by the quality of our metropolitan life. Average daily traffic volume increased significantly between 1985 and 1995 in several regions. Maintaining a high quality of life in our metro areas will depend, in large part, upon innovative approaches to

highways, expansion of alternative modes of transportation and new technology.

TARGET #1 – Increase the number of good and moderate air quality days by 20 percent in Charlotte, Raleigh, and Winston-Salem by 2010, while maintaining good and moderate air quality days for the state as a whole.

Because conditions vary from locale to locale, a clean-air target must go beyond a statewide measurement to include an assessment of problem areas. For this reason we have decided to call for improvements in three cities threatened with degradation in air quality. Graphs portraying air quality for selected North Carolina urban areas are shown in chapter 6.



TARGET #2 – All of the state’s assessed streams, lakes and estuaries will be so clean as to support their designated beneficial uses by 2010.

More than 80 percent of North Carolina’s assessed streams and lakes, as well as more than 90 percent of assessed estuaries, now support the best-intended uses, such as fishing, drinking water and recreation. This is a significant accomplishment in light of the rapid population growth and development in recent years. We want to build on this accomplishment with the ultimate goal of 100 percent of our assessed water bodies meeting the standards required to support their designated beneficial uses. In Chapter 6 of this report you will find charts depicting support ratings for freshwater streams, lakes and estuaries.

TARGET #3 – Open 70 percent of the acres of saltwater shellfish beds and 60 percent of the acres of brackish water shellfish beds for harvesting by 2010 and increase the percentage of evaluated fish species rated "healthy" to 50 percent by 2010.

This target amounts to a call for a reversal of a recent trend. Saltwater shellfish acreage open for harvesting has declined slightly since 1989. Brackish harvesting acreage has declined more sharply. Development pressures and wastewater disposal are factors contributing to degradation of shellfish. Therefore, by adopting this target, we aim to influence environmentally sound policy making on related issues. Similarly, we want to see a continuation of the recent increase in healthy fish species as a means of influencing a wide range of related policies.

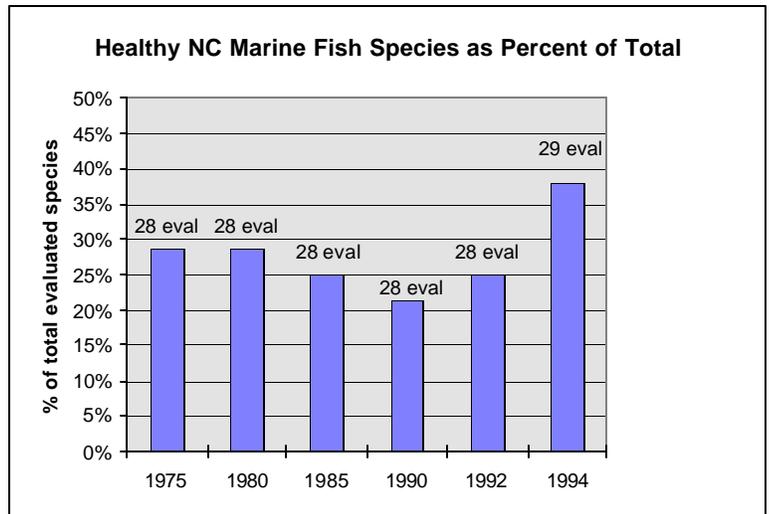
TARGET #4 – Decrease municipal solid waste burned or placed in landfills by 40 percent by the year 2001, and then maintain that lower level through the year 2010.

The amount of solid waste per capita that is either sent to municipal landfills or incinerated has held constant throughout the 1990s. Unfortunately, due to economic and population growth, total solid waste can still increase as waste per capita declines. We must have a target of decreasing disposed waste in the short term to offset anticipated metropolitan growth.

TARGET #5 – All of North Carolina's urbanized counties and cities will integrate their transportation and land use decisions by 2010.

North Carolinians, especially those who live in and around Charlotte and the Research Triangle, have begun experiencing the consequences of our state's rapid urbanization -- and suburbanization. It takes us longer to travel from here to there, and it's harder for many of us to breathe on days of hot, stagnant air. The good news is that the situation is not out of hand. Even in our major metropolitan areas, there is still time to do what needs to be done in terms of transportation and land-use planning. But growth is not an issue for government alone.

Our people, who enjoy the prosperity that growth brings, will have to adapt to the demands imposed by growth. For example, we will have to accept denser residential areas, and we will have to change our commuting habits, either by sharing rides or using a bus or rail system. Our cities and their suburbs will have to put the places where we live and shop closer together.



Thriving families, flourishing children

Two sweeping societal trends form the backdrop to the Progress Board's assessment of the condition of North Carolina's families and children. One is the recent proliferation of single-parent families. Another is that, while the United States has dramatically reduced poverty among the elderly, children now constitute one in three of the nation's poor.

Yet another factor lends a sense of urgency to the goals and targets set out below. A network of researchers, working over the past two decades with brain-scanning equipment, has brought us a profound message: Experiences between birth and 4 years of age powerfully influence a child's mental development. Windows of opportunity for learning open in early childhood, when a brain is wired for a lifetime.

On many yardsticks of child and family well-being, North Carolina has made substantial progress. The pregnancy rate for teenagers is declining. So, too, is the infant mortality rate. Immunization rates for young children have risen steadily, and the percentage of women receiving prenatal care in the first trimester of pregnancy has also risen over the past five years.

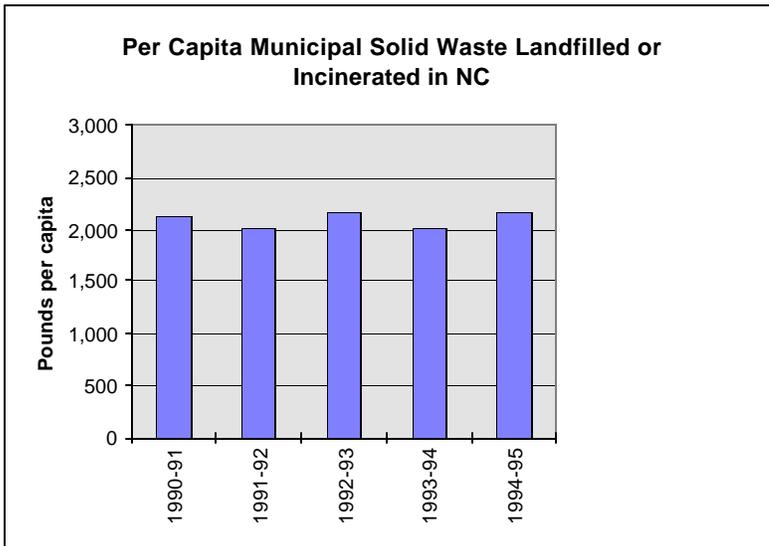
But North Carolina still has much to do to ensure a prosperous, secure future for its most vulnerable children and their families. About one million North Carolinians remain without health insurance. Nearly 340,000 children live in poverty. While the state's infant death rate has declined, it remains above the national average.

There will not be a government-only solution to the ills that afflict families and children in our state. Enhancing lives of those around us requires action by religious

congregations, civic groups, businesses and legions of volunteers; how we relate to one another as individuals matters a lot. Healthy children and families contribute to North Carolina's quality of life; healthy children and families also contribute to our prosperity, because they lead to a better trained, more productive citizenry.

In enumerating the following goals, the Progress Board has been guided by – and seeks to build upon – the 1995 report of the Commission for a Competitive North Carolina. As our predecessor commission pointed out, the health of our families and children sets the stage for how well we do in education, in economic performance, and in keeping communities safe and vital. Meeting the needs of children and families pays off both in terms of human fulfillment and of reducing future costs to society.

GOAL 1 – All children should have a healthy start in life



A healthy start requires attention to both the physical and the emotional. It means good nutrition, ready access to doctors and nurses, an understanding in the home and in child-care facilities of the windows of opportunity in brain development, and a family life that exudes love and caring for one another.

GOAL 2 – All children enter school ready to learn

We expect all our children to have adequate nourishment and health care, but we now must expect even more. Parents must hold children, talk to them, read to them, and do so regularly. Limited data exist upon which to measure readiness to learn when a child enters kindergarten or the first grade. However, even if it's difficult to measure, having all children prepared for academic achievement and personal development must remain high on the state's list of priorities.

GOAL 3 – All families are able to provide a nurturing environment

Families in overcrowded housing and in unsafe neighborhoods, families suffering from domestic violence and from alcohol and drug abuse, families unable to afford adequate health care – these are families under stress that saps their wherewithal to give children full opportunities. While recognizing that the stresses and changes in family life that modern society has wrought, North Carolina must pursue family-centered policies as foundation stones to prosperity more widely shared.

The state's high school graduates of the year 2010 are entering kindergarten this fall. That year's prospective college graduates are already in the second and third grades. The Progress Board establishes the following targets so that the North Carolina young people who have yet to enter school will have even greater chances for a successful life.

TARGET #1 – The rate of births to young unmarried women will be cut in half by the year 2010.

North Carolina experienced a dramatic increase in births to unmarried women over the past 15 years, rising from just below 20 percent in 1980 to above 30 percent in 1995; the rates are higher (48 percent in 1980 and 67 percent in 1995) among African-American families. The Progress Board sets this target - a rate of no more than 15 percent by 2010 - in the full knowledge that no government program alone will accomplish it; this target is one for all North Carolinians to work toward.

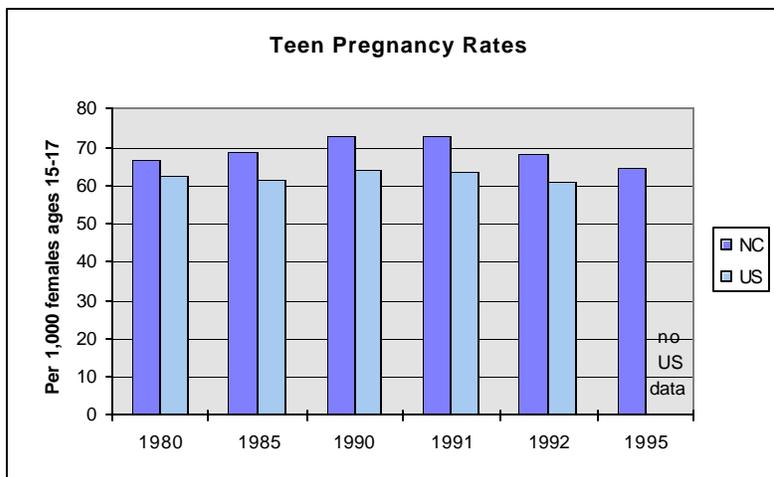
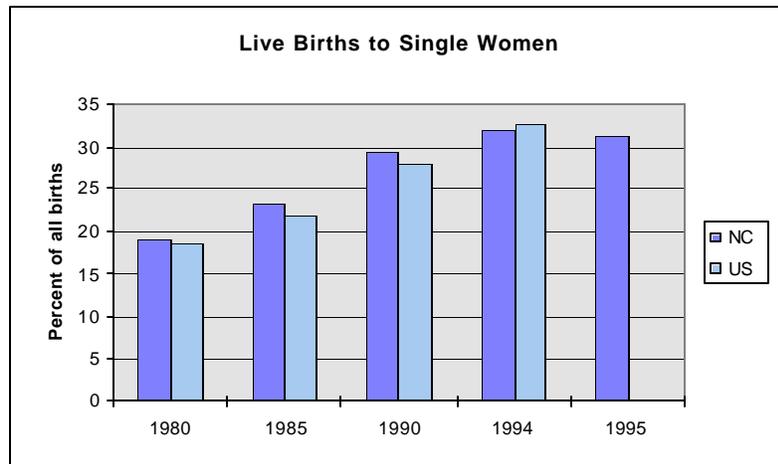
By way of emphasis, we present two charts with this target. One chart shows live births to single women. In fact, about two-thirds of births to single women are to unmarried adults. Our concern here is that many of these adult women in our state lack the education necessary to pull themselves and their children out of poverty.

The second chart shows pregnancy rates for teenage women, because their circumstance is especially worrisome. We view teenage pregnancies as a kind of “epidemic” in our state, and we know that

teenagers who give birth often have additional children as unmarried adults. Teenage motherhood makes it more difficult for young women to complete the education necessary for higher earnings over a lifetime.

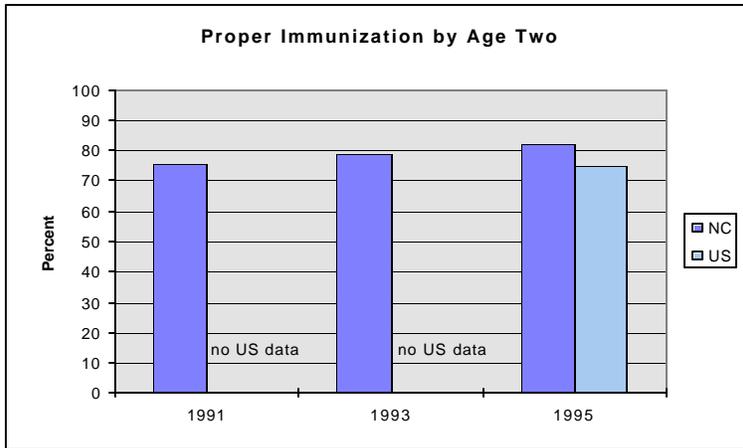
This issue is one that, when addressed effectively, can have a ripple effect in ameliorating other social

maladies. Reducing the rate of births to unmarried women - and especially continuing the decline among teenagers - below the 1980 level will surely pave the way for North Carolina to meet its goals for healthy families and children.



TARGET #2 – All children will be properly immunized by the age of two.

Since 1991, immunization rates have marched steadily upward. With 82 percent of its children immunized by age two, North Carolina is ahead of the national rate. It should not be out of reach for an aggressive



state to finish the job by 2010. No child should complete two years of life without the medications that lower the risk of life-threatening childhood maladies.

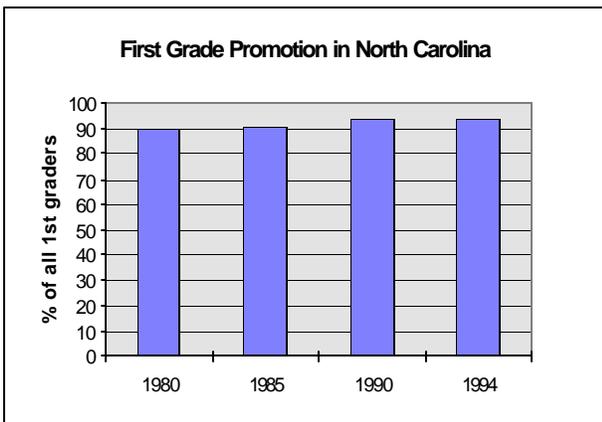
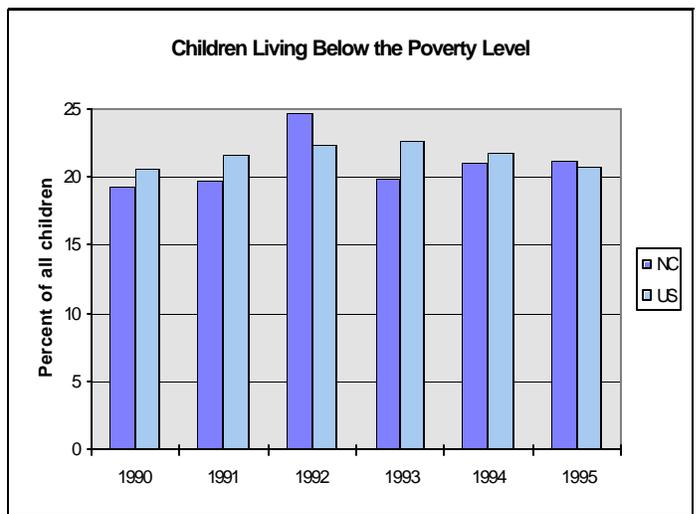
TARGET #3 -- All North Carolina children enter school prepared for continuing academic success (Interim measure: first grade promotion

rates)

Scientific evidence about early childhood brain development compels us to emphasize the necessity for all North Carolina children to have richly stimulating experiences in the first four years of life. Parents have the first responsibility. In today's world, however, we know many children will also spend several hours a day in a day-care or pre-school facility. The Progress Board lends its voice to the cry for a dramatic increase in accredited programs and in child-care facilities that meet the highest licensing standards. The following chart tracks the state's experience in first grade promotions. We begin with that rate as a measurement, but we also hope that university scholars and policymakers can develop even better measurements soon.

TARGET #4 – The poverty rate for children will be cut in half by the year 2010.

North Carolina has 980,000 poor people, about 333,000 of them children. Many poor children, with caring parents, teachers and role-models do indeed succeed, but children living above the



poverty line are more likely to remain healthy and be successful in school. As it seeks to reduce poverty, North Carolina should pay special heed to lifting children out of destitution and despair. Our target is to get the rate of children in poverty down to 11 percent by 2010. A challenging target, to be

sure, but a target that, if hit, would mean immense improvement to thousands of individual lives and to the state's well-being.

What are our next steps?

In this chapter, the Progress Board has spotlighted its major goals and targets for the year 2010. In the following chapters, we offer additional indicators by which to keep the state on course toward a more widely shared prosperity.

Where do we go from here?

First, we hope that legislators, policy makers in our state and local governments, and citizens across the state consider these recommended goals and targets. We hope that civic groups, business people, philanthropies, and leaders at all levels discuss and debate them and resolve to take action toward getting the state toward where we want it to be in the year 2010. The Progress Board itself assumes responsibility for stimulating such discussion and reaching out to include citizens in the dialogue.

Second, we know that the Progress Board has made a beginning; it has not reached an end point. These targets represent conversations with people across the state. With more conversation and debate, better goals, measures and targets might arise. The work ahead involves at least four tasks: