

POLICY BRIEF

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What's Wrong with Pittsburgh's Resume?

Without question Pittsburgh has some of the finest elements of a quality urban setting in the United States. The list is familiar and has been used for years to promote the City and region. A partial listing of these contributors to the quality of life will illustrate the point; great universities with leading research centers, pioneering medical institutions, high quality performing arts and performing arts venues, three major league sports franchises, two new stadiums, terrific museums, a zoo, the National aviary, a horticultural conservatory, a wonderful skyline, majestic and historic rivers, beautiful vistas, a world class airport with non-stop flights to 125 cities, ample fresh water and so much more.

This is a fabulous resume. No comparably sized metro area can offer more.

So, what gives? The City's population continues to slide, job growth is anemic compared to other areas, and business activity indicators lag well behind the nation. How can it be that with all the wonderful contributors to a superior quality of life that the economy is doing so poorly? Shouldn't the City and region be attracting people and businesses in large numbers? But the fact is that even after years of marketing the economic doldrums persist.

Obviously, there must be something about this area that keeps it from matching the growth of other metros. Unfortunately, it is not hard to identify the obstacles that have prevented the kind of growth this area should be experiencing. A short list would include; 1) extremely high taxes in the City and Allegheny County, 2) poorly performing and expensive schools in many districts, 3) inadequate highways, 4) a business climate that is not encouraging to new investment or growth, and 5) an economic development strategy that focuses on using tax dollars to build glitzy attractions as opposed to building real infrastructure or leaving the money with the taxpayers.

Others could add to the list but this will serve to demonstrate the point. Pittsburgh is not doing the things it needs to be doing but instead clings to strategies that involve heavy government participation. Sadly, those strategies reflect a mindset that does not give due importance or weight to the role of competition and free enterprise. Indeed, there is an implicit and too often explicit denigration of free enterprise by some political officials.

As far as our list is concerned, with a few exceptions little has been done in the past 20 years to make progress in any of these problem areas. Consider highway development. Yes, there is the Parkway North and the new Southern Expressway around the airport. But downtown to the airport requires traveling a road built in the 1950s for 1960s traffic levels. Travel between suburbs is slow and tedious. Getting into and out of downtown becomes more difficult each year. And that has serious consequences. A downtown firm just recently announced it was selling its building and moving out of the City. The reason? The firm's employees are tired of fighting traffic to get into and out of the City and then struggling to find parking once they are in town. Clearly, the question must be asked, how can a new Plan C retail district that would need to bring in thousands more people each day hope to succeed in light of the already incredibly tight parking situation?

Meanwhile, school costs and taxes keep escalating with little or no improvement in academic achievement. In the case of Pittsburgh's schools, expenditures per student have risen to astronomical levels without a meaningful improvement in academic achievement. Then too, union influence on policy in the City and County is pervasive, precluding any initiative aimed at reducing the size and cost of government or increasing accountability in schools.

And as matters now stand, these features of the landscape that hinder economic performance are unlikely to change much in the near term. As a result, any progress will almost certainly be slow and incremental. That is the sad political reality. For the foreseeable future, the City and region will continue to fall behind.

While it would be a great boon to the region if efforts and resources were redirected toward eliminating the deficiencies in the City's and region's resume, we are more likely to see more wheel spinning as decision makers attempt to get traction with the same old failed policies.

Jake Haulk, Ph.D. President

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