

ECONOMY

Maryland's economy has been influenced recently by structural changes in the economy of the nation: less national defense spending and defense subcontract work; reductions in federal employment; and corporate acquisition. Major Maryland employment sectors, such as finance, insurance, and professional services, have restructured and downsized. Partly due to defense downsizing and international competition, realignments in manufacturing also have affected the State's economy. Despite these setbacks, Maryland corporations have streamlined operations and restructured debt to remain competitive. State government also has been fiscally responsible and retains its AAA bond rating.

Since 1994, Maryland's international markets have expanded through the North American Free Trade Agreement (NAFTA) and trade agreements administered by the World Trade Organization (formerly known as the General Agreement on Tariffs and Trade or GATT). The agreements and lowering of tariffs on Maryland goods help increase exports of instruments, electronics, chemicals, transportation equipment, and industrial machinery, as well as high technology.

Maryland became a part of a federally designated Consolidated Metropolitan Statistical Area (CMSA) in 1992. Using commuting patterns, development, and other criteria, the U.S. Office of Management and Budget merged the Baltimore and Washington areas, a region with 6.7 million people, into a single economic market creating the fourth largest economic market in the nation, after New York, Los Angeles, and Chicago. The Area stretches from the Eastern Shore to the Shenandoah Valley and from the Pennsylvania line to the suburbs of Richmond.

Scientific and technological research leading to product development plays an important role in the State's economy. Federal agencies located in Maryland such as the National Institutes of Health, National Institute of Standards and Technology, the National Aeronautics and Space Administration, Goddard Space Flight Center, and Department of Defense operations have been a catalyst for the State's technology base. Advanced technology enterprise is especially strong in telecommunications, computer sciences, and biotechnology. The combination of State support and a highly educated citizenry has made Maryland among the top four states housing biotechnology companies.

New research parks facilitate joint research among universities, State and federal government institutions, and private industry. These parks include: The Johns Hopkins Bayview Campus in Baltimore (life sciences research); and Shady Grove Life Sci-

ences Center in Montgomery County (biomedical and life sciences research) which holds the Center for Advanced Research in Biotechnology, part of the University of Maryland Biotechnology Institute. Other members of the Institute are the Center of Marine Biotechnology, the Medical Biotechnology Center, the Center for Agricultural Biotechnology, and the Maryland Sea Grant College. Also significant are the Applied Physics Laboratory in Laurel and the Space Telescope Science Institute in Baltimore, both affiliated with The Johns Hopkins University. University of Maryland Baltimore County Research Park (life sciences & high technology research) on the Catonsville campus is expected to complete the first phase of construction by 1997.

In 1994, the services sector, with 29.9% of the total, was the largest employer in Maryland, followed by retail trades (19.5%), government (19.1%), and manufacturing (8.5%). The services sector consists mainly of establishments, such as computer firms, hotels, auto repair shops, janitorial services, and hospitals. The largest concentration of service industries is found in Montgomery County, where, in 1994, some 36.8% of the work force was employed in services. The largest concentration of manufacturing is found in Dorchester County where it employs 36.3% of the workforce and constitutes 39.1% of the payroll.

Average Weekly Wage

	1988	1994
Maryland	\$432	\$546 (+26.4%)
U.S.	\$421	\$518 (+23.0%)

Per Capita Personal Income

	1988	1994
Maryland	\$19,607	\$24,847 (+26.7%)
U.S.	\$16,618	\$21,699 (+30.6%)

Maryland ranks fifth among the states in per capita income for 1994.

Per Capita Personal Income by County, 1992

Allegany	\$16,102	Harford	\$19,562
Anne Arundel	\$22,492	Howard	\$27,439
Baltimore City	\$19,682	Kent	\$20,216
Baltimore Co.	\$24,794	Montgomery	\$33,614
Calvert	\$20,289	Prince George's	\$21,373
Caroline	\$14,942	Queen Anne's	\$21,690
Carroll	\$21,228	St. Mary's	\$17,560
Cecil	\$17,910	Somerset	\$13,279
Charles	\$20,147	Talbot	\$26,779
Dorchester	\$16,945	Washington	\$16,846
Frederick	\$20,122	Wicomico	\$17,610
Garrett	\$14,183	Worcester	\$21,290