

EIRFeature

THE CASE OF BALTIMORE

Deindustrialization Creates ‘Death Zones’

by EIR Economics Staff

“We call it a death zone,” is the description by a long-time Baltimore resident and teacher, for one of several localities within the city, where the population today is in a state of medical collapse.

The process of deindustrialization and globalization unleashed in leading manufacturing cities in America over the past 40 years is producing a collapse of civilization. This collapse, now in its end-phase, manifests itself in a large increase in death rates from disease, and the potential for still greater death rates as new combinations of diseases interact with squalid living conditions, to spawn still more virulent killer diseases.

Baltimore, America’s sixth-largest city in the 1950s, imbued with the ethics of productive activity, today demonstrates that the political will must be found to put the people of all the “Baltimores” across the United States back to work, with massive Federal credit creation for jobs, building needed infrastructure, before what Baltimore’s own residents call “death zones” take over the nation (**Figure 1**).

The deindustrialization of Baltimore—which began in the 1960s, with the shrinkage of the steel, shipbuilding, auto, and other industrial producers, whose employment allowed workers to participate in progress and earn a living wage—has turned a center of innovation and industry since the American Revolution, into a decayed shell, whose population is living out a 21st-Century death spiral.

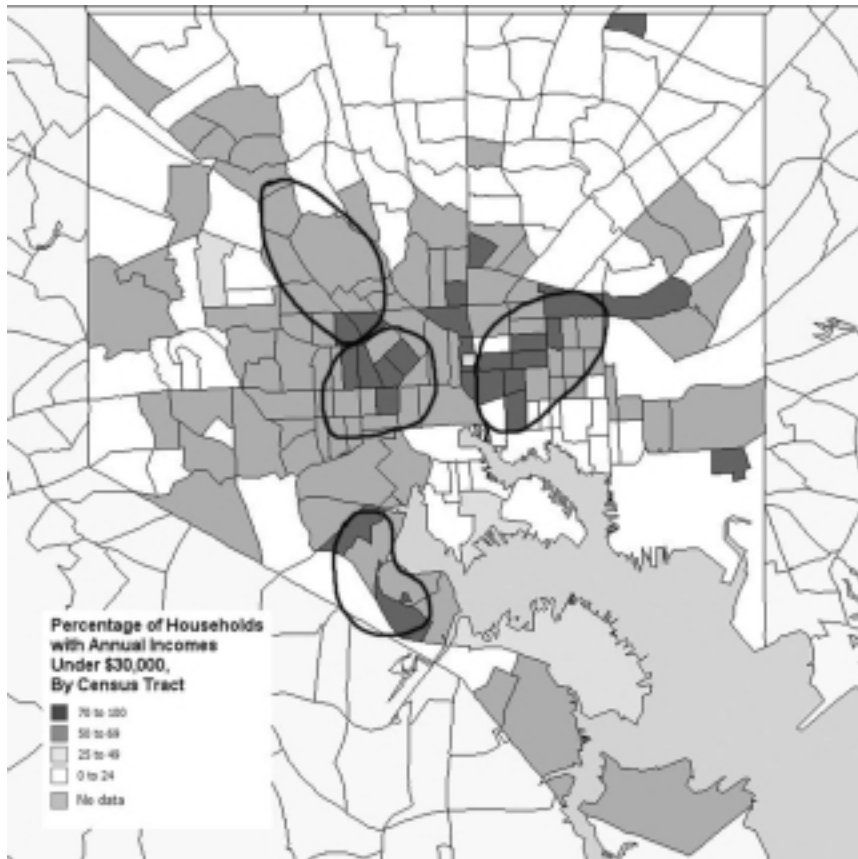
The City of Baltimore has been taken apart in the last 40 years, and re-assembled, with no high-paying manufacturing industry, and minus one-third of its population. Ninety percent of the city workforce works in the service industry, where most jobs pay \$10-11/hour in health care, and below \$8/hour in tourism. As a result, much of Baltimore’s population lives in “slave quarters,” while servicing the entertainment complexes as ticket takers, food service workers, and janitors. A full 25% of the city’s households are headed by single mothers, who live in a city full of boarded-up houses, like a war zone.

This poverty has been a petri dish for disease, drugs, crime—spread in part

FIGURE 1

Baltimore ‘Death Zones’—Areas (Circled) of High Disease, Poverty, and Death Rates, Inside the City Borders

(Base Map Shows Percentages of Households with Annual Incomes Under \$30,000, by Census Tract, 2000)



Sources: *EIR*; U.S. Bureau of the Census.

In the 24 darkest census tracts, 70% of the households had an annual income under \$30,000 as of 2000. These tracts are core sub-sections of communities characterized by economic collapse, high disease and mortality rates, even measurable statistically as “excess deaths” compared to the national standard for current, age-adjusted death rates.

through the medium of a very large, revolving prison population, which brings the hepatitis, HIV/AIDS, drug-resistant TB, resurgent syphilis, and high-risk pregnancies out of prison into the general population, through the highly volatile vectors of approximately six extremely impoverished neighborhoods.

The result is that Baltimore—the place where the first railroad in the nation was established—today specializes in needle tracks; has the second-highest HIV/AIDS infection rate in the nation; the highest intravenous heroin use, overlapping with strong cocaine use; the highest number of teenage pregnancies; the highest number of low-birthweight babies; and the highest murder rate in the United States.

It is not a question of categories of diseases, or health

problems which act as co-factors for a worsening of diseases. All these conditions *interacting* in a daily complex of conditions of poverty, produce non-linear, rapid shortening of the population’s capacity to live—despite the city’s famous medical institutions. Two of the city’s “death zones,” ironically, sit next to Johns Hopkins—the top-ranked hospital in the United States!

The interacting functions of poor housing, poverty, low rates of high-school graduation, households headed by single mothers, drugs, and crime, are measured in this report as “excess deaths”—deaths beyond the normal number expected for various age groups, according to the national rates.

In mid-2005, statesman and economist Lyndon LaRouche commissioned a study of Baltimore, after briefings by Maryland physician Ned Rosinsky, on the patterns, depth, and geography of the disease syndromes in the city. LaRouche directed that the “Case of Baltimore” be understood and shown, according to the dynamic, non-reductionist principles he set out in his “Vernadsky and Dirichlet’s Principle” article (*EIR*, June 3, 2005); that is, *living processes must be treated as Riemannian and dynamic*, rather than Cartesian and mechanistic.

LaRouche’s Forewarnings

LaRouche has stressed this in key interventions over the past 35 years. In 1975, he convened a task force to study the potential for a “biological holocaust” to result, if economic breakdown

were allowed to occur from the policy-implementation of globalization, so-called free trade, and deindustrialization. By the mid-1980s, aspects of just this danger became evident: HIV-AIDS outbreaks were identified, and spreading. During the same decade came the bovine spongiform encephalopathy/vCJD outbreak. Today’s potential impact of a virulent avian flu pandemic, is likewise part of the dynamics of economic breakdown.

This has been shown in many specific situations. For example, for HIV-AIDS, in 1985, in the town of Belle Glade, near the Florida Everglades, the work of Dr. Mark Whiteside showed the interaction disease threat from poverty, HIV infection, tuberculosis, and lack of public health measures to control mosquitoes, and other vectors.

Today's holocaust situation of Africa is the continent-wide example of the dynamics of poverty-induced collapse, lack of infrastructure, and disease. From the 1970s, LaRouche warned that conditions were being created for a deadly pandemic to arise—which stormed out of Africa as incurable HIV-AIDS.

Now, looking at conditions in Baltimore, LaRouche has issued a similar warning, noting, "That approach is not only relevant to special cases, such as tropical disease and comparable regions in Africa. It is a matter to be a case of threat whose spread is much to be feared under the conditions created by the influence of current HMO practice in the U.S.A. today. It is a deadly potential in any case in which a specific, simply defined disease, rather than a patient, is what is authorized, categorically, for treatment."

In an interactive complex of active disease and related conditions which occupies a well-defined, but mobile populated area, LaRouche insists, one cannot simply take co-factors into account, using a Cartesian method of interacting "hard balls"; rather, one must use a dynamic, Riemannian analysis. (See box.)

Baltimore is not an aberration, but highly typical of formerly industrial cities in the United States. Its process of disease, developing in a non-linear way through interacting vectors of poverty, is the same kind of process as is now causing a genocide in Africa.

This report will prove that there is no other path to the development of health and wealth for current and future generations except production, with the living standards, such as education, transportation, health, and other infrastructure, which sustain and improve it, and create the potential for future scientific and technological breakthroughs. Baltimore shows that the much-applied urban "re-invention model" of entertainment, sports and hotel complexes, not only does not provide jobs even at the poverty level, but in fact is looting even more revenue from America's bankrupt cities.

What follows is a history of the past 40 years of the Baltimore metropolitan region; snapshot profiles of the economic collapse and "death zones" of the city; and a summary, vital statistics-based report by Dr. Ned Rosinsky on the geography and medical-economic dynamics behind the zones of "excess death."

Baltimore as a Productive City

Baltimore has been a leading port and manufacturing complex since colonial times (Figure 2). In 1887, the Pennsylvania Steel Company brought the steel process—which allowed stronger rail tracks for more powerful locomotives—to a tidewater facility southeast of Baltimore, at Sparrows Point. There, in an advance over British steel production, the steelmaking process was integrated in a single facility—from the arrival of tankers with iron ore at the Sparrows Point docks, to the shipment of finished steel, which eventually produced more than 3,500 combinations and grades of steel.

FIGURE 2
Baltimore—Strategic Eastern Seaboard Location



From the 1600s, Baltimore served as a centrally located port for the original colonies, located 12 miles inland from the Chesapeake Bay. As the new nation grew, Baltimore grew continuously in importance in manufacturing, commerce, and shipping—with key rail links to the west (Baltimore & Ohio Railroad), north and south. Then, as of the mid-1960s, the city and its economic base began a drastic contraction under the national "post-industrial," free-trade policy shift.

In 1916, Bethlehem Steel bought the plant and expanded it, such that during World War II, it produced 17 million tons of steel at that one plant.

Under Roosevelt's transformation of the U.S. economy into the "Arsenal of Democracy" for World War II, Baltimore employed 260,000 workers in manufacturing activity. Three shipyards employed 77,000 workers; the aircraft industry (including a converted GM assembly plant) employed 50,000, and the gigantic Sparrows Point integrated steel complex em-



Dundalk-Patapsco Neck Historical Society

The Bethlehem Steel complex, at Sparrows Point, east of Baltimore, in 1954. This aerial view looks northward from the mouth of the Baltimore Harbor on the Chesapeake Bay. During the 1950s, the furnaces and mills produced more than 3,500 types and grades of steel. By 1959, it was the world's largest steel works, employing 35,000 workers.

The first steel plant was constructed in 1887 at Sparrows Point, by the Pennsylvania Steel Co.. In 1916, Bethlehem Steel bought the facility, and vastly expanded capacity, making good use of the strategic location as a tidewater port, to receive iron ore, coke, and limestone. Sparrows Point has four miles of waterfront.

During World War II, as part of the economic mobilization, the Bethlehem Steel Sparrows Point works produced 17 million tons of raw steel over the 1941-45 period, unprecedented for a single facility. The Bethlehem Steel shipyards were a key part of the complex. Between 1939 and 1946, they turned out 68 tankers, 26 general cargo ships, and 22 other types of vessels. Over 20,000 workers were employed in the shipyards.

ployed 29,000.

Baltimore was a magnet for workers. African-Americans from the Carolinas traveled there for these high-paying manufacturing jobs, joining Germans, Poles, Irish, Italians, and others migrating south from Pennsylvania coal country. Wages were high enough for all to purchase their own homes, raise a family on the wages of one person, and send their children to college: a first in many families, seen as a sure portent of a better future.

Dundalk, Turner Station (towns in Baltimore County, ad-

acent to Baltimore City and Sparrows Point), and West Baltimore saw thousands of homes bought by these skilled workers. By 1959, Sparrows Point employed 35,000 workers, making it the largest steel process plant in the world. After the war, Bethlehem Steel, the inventor of the H-beam, became the leading producer of steel I-beams, used to build skyscrapers.

In 1967, Bethlehem Steel ran a full-page ad in *The Baltimore Sun*, boasting of its production of "5.4 million tons of Basic Oxygen Furnace steel in 1966 . . . a new steelmaking



Dundalk, 1960s, showing the town center, churches, school (multi-story structure center left), and expanding housing (see photo, 1960s). Located in Baltimore County, between Baltimore City line on the west, and Sparrows Point to the east, Dundalk grew as one of the principal residential towns associated with the Bethlehem steel and its shipyards complex.



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Dundalk row houses, 1960s view, of houses constructed post-World War II. Typical steel worker family household dwellings.

Dundalk-Patapsco Neck Historical Society

record.” This cultural outlook of production was prevalent throughout the school and college systems, with training in metallurgy and other kinds of science and technology.

All along, as the steel, and general manufacturing base of the Baltimore metropolitan area thrived, the needs of the “physical market basket” of families were met. Housing makes the point. Early on in the 20th Century, the mill-worker company town located in Sparrows Point itself, became too small for Bethlehem Steel’s growing workforce, and in 1929, Bethlehem Steel bought 1,000 acres of land and established the Dundalk Company, to build a planned community for its burgeoning shipbuilding business.

Now an independent town in Baltimore County, Dundalk’s layout and housing style (see photo) was modelled on an appealing, well-to-do area in Baltimore City, and promoted as “the working man’s Roland Park.” Here, steelworkers bought houses, lived alongside workers from General Motors, Glenn L. Martin aerospace (later, Martin Marietta), and Black and Decker machine tools, and raised children to have greater

opportunities than they themselves had had. Schools, church, stores, libraries, parks, and workplaces were within walking distance, or a 10-15 minute ride on trolleys, or later, buses. Virtually no household needed two cars, or two jobs. Many had time to volunteer for community projects. In 1960, twenty-eight percent of Dundalk’s workforce was employed by Bethlehem Steel, and the town grew to 82,428.

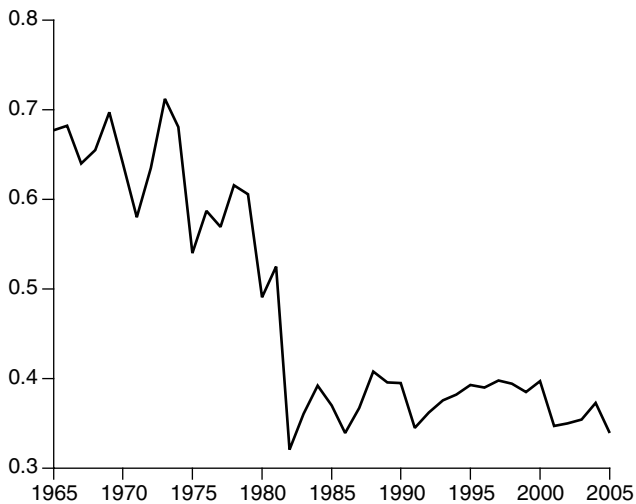
Turner Station, just south of Dundalk, an African-American community dating from the 1880s, has a similar history. It grew rapidly through migration from the South to well-paying jobs at Bethlehem Steel. By 1950, it had 10,000 residents, who bought homes, raised families, and were able to send their children to college.

In the 1970s, when the paradigm shift away from production was in full swing, augmented in the 1980s by Federal Reserve Board Chairman Paul Volcker’s 20% interest rates, industry in the United States could not produce and pay a skilled labor force. The population of Turner Station today has fallen to about 3,000, with many employed in low-paying

FIGURE 3

U.S. Steel Production, Per Capita, Falls, 1965–2005

(Short Tons Per Person)



Sources: American Iron & Steel Institute; *EIR*.

Steel output in the United States has declined by 50% over the past 40 years, in per-capita terms, from the range of 0.7 short tons per person in 1970, down to 0.35 tons today. This reflects every aspect of the “post-industrial” turn, including such shifts as the lack of steel consumption for capital infrastructure repairs and construction—bridges, rail, ports, locks and dams, levees; the lack of advanced power generation and distribution—nuclear plants, new transmission grids, etc; urban water and sewage treatment, and other vital systems; new high-speed rail and maglev routes. At the same time, steel imports increased.

Bethlehem Steel at Sparrows Point shrank each decade. During the bankruptcy and buy-out frenzy beginning in the late 1990s, Bethlehem was among those eventually taken over by the scavenger operator Wilbur Ross, who in 2002, set up the International Steel Group (ISG), and successively bought out LTV Steel, ACME Steel, Bethlehem, Weirton, and others. Along the way, Ross imposed huge job terminations, and cuts in pension and health benefits. He made a killing selling various ISG holdings, including former Bethlehem capacity, to Mittal Steel Co. NV, the Netherlands-based world steel conglomerate interlocked with synarchist financial cartels. As of December 2005, only 2,500 workers were still employed at the Sparrows Point steel site.

service jobs—if they are employed at all. Today, Dundalk’s population is at 75% of 1950 levels, at 62,306, and 59% of Dundalk’s rental housing is occupied by Section 8 recipients (those who receive vouchers for Federally subsidized housing for the poor).

In October 2001, Bethlehem Steel declared bankruptcy, and was taken over by “restructuring specialist” Wilbur Ross’s ISG Corp., looted, then quickly resold to Lakshmi Mittal, who is buying up steel plants around the world for pennies, to shut them down. Today, the Sparrows Point plant employs only 2,500 workers (Figure 3).



Dundalk-Patapsco Neck Historical Society

Charging a blast furnace, at Bethlehem Steel, Sparrows Point works, in 1966. As of 1967, Bethlehem was the world’s leading producer of steel made by the basic oxygen furnace (BOF) process, with five oxygen furnaces, and four more authorized, aiming to produce 10 million tons of basic oxygen steel yearly. The BOF method was 10 times faster than the predecessor open hearth steel process. A “heat” of steel that took 8 to 10 hours with open hearth, could be produced in 40 to 50 minutes in a basic-oxygen furnace.

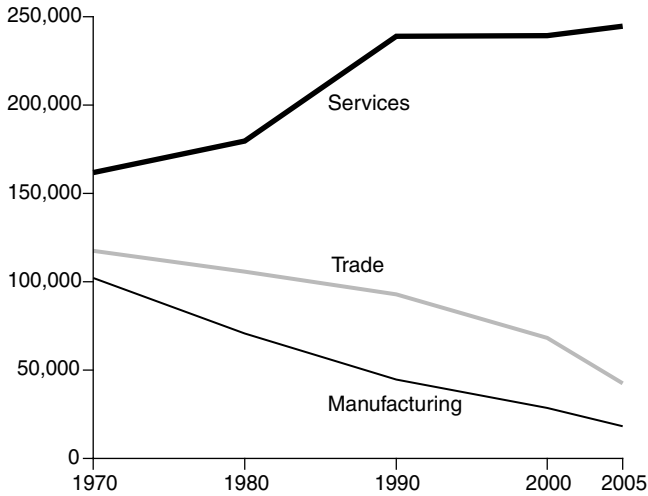
Drastic Deindustrialization Shift

In 1970, Baltimore employed 102,672 workers in manufacturing, out of a total 499,000 employed—20.5%. In 2005, only 17,800 (projected) are in manufacturing out of 365,900 employed—4.8%. This means that this former industrial powerhouse is more deindustrialized than any of the “Rust Belt” cities of the Upper Midwest, or the nation as a whole. Baltimore was downshifted into the “services” economy, and low-wage poverty. Today, 90% of all jobs in Baltimore city are service-providing jobs. Whereas, in 1982, for example, unionized steelworkers at Bethlehem Steel earned an average wage equivalent to \$22.83/hour, service job rates were well below \$10/hour (Figure 4).

Accordingly, as of 2000, the median household income in Baltimore City was only \$30,078—far below the statewide median household income of \$52,868 that year, and the national median of \$42,500.

FIGURE 4

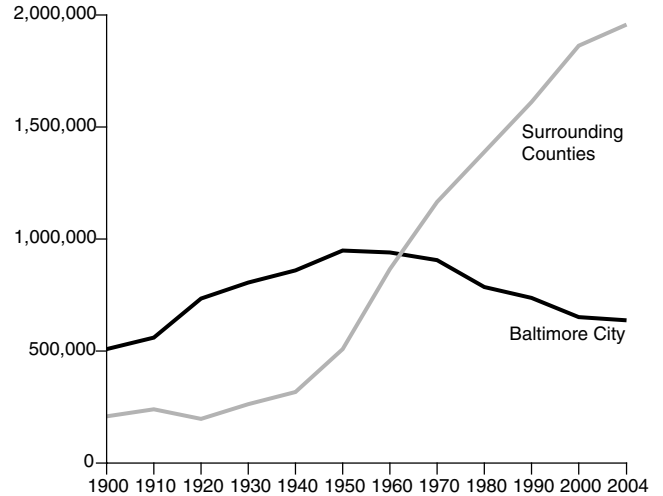
Baltimore's Employment in Manufacturing and Trade Declined, While Service Jobs Increased, 1970 to 2005



Source: U.S. Bureau of Labor Statistics.

FIGURE 5

Since 1950s, Baltimore City's Population Declined; Surrounding Five Counties' Population Rose



Source: Bureau of the Census.

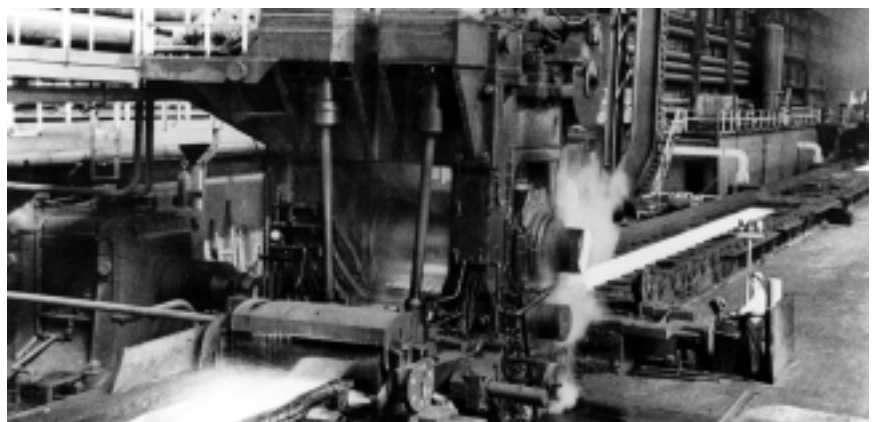
The official unemployment level in Baltimore City is about 8%, nearly double the statewide average. This does not include the approximately 9,000 residents released from jail and prison each year, the 2,000 students who drop out of school and are unemployed each year, and the thousands of people on public assistance. In some “death zones,” the real unemployment rate is 30-40%. Baltimore’s labor participation rate was 57% in 2000, ten percent below the state and national levels, and 20% below several suburban counties. Approximately 22% of Baltimore’s residents live below the poverty line.

As the manufacturing jobs disappeared, so did the city’s population: In 1950, the city had 950,000 residents; in the 2000 census, it has 651,000—a loss of about one-third (Figure 5). The 2004 census projects the city’s population to fall to 637,000. The white population moved to the five surrounding counties, with much higher living standards, leaving a city population that went from less than 25% African-American to more than 64% African-American.

Holders of the low-wage service work jobs in Baltimore are 71% African-American, according to a 1999 study by the Economic Policy Institute, which found women filling 83% of ad-

ministrative and personal service positions (e.g., hospitals, health-care workers, tourism). Of the women studied, 75% were the sole source of income for their households.

The characteristics of these jobs dynamically interact with each other, and the environment at large, to create a “black hole” with such gravitational force that escape is virtually impossible: Low wages force such workers to seek second jobs, and work up to 60 hours a week, which takes many



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The continuous hot rolling mill is shown in this photo from the 1960s. Associated with the technological innovations at Sparrows Point were ranks of engineers, mill-workers, and supporting personnel, including metallurgy training centers at area colleges. This all provided the base of skills and ingenuity for future waves of technological advances. However, this national asset was undermined after the 1970s, with the nationwide takedown of the steel sector, and radical downsizing of Sparrows Point.

TABLE 1

Baltimore Tourism Jobs—Wage Rates Put Families Under Poverty Level, 2001

Tourism Job	Average Wage Per Hour	Annual Salary for Average Hours Worked in Job	Percent of Poverty Line for Family of Four
Cashier	\$7.80	\$11,762	67%
Concierge	8.20	13,176	75
Counter Clerk	9.10	14,243	81
Dishwasher	7.40	10,120	57
Food Worker	7.70	11,892	67
Janitor, Cleaner	7.90	13,269	75
Maid	8.10	14,531	82
Parking Lot	7.40	12,352	70
Usher	6.80	6,506	37
Wait Staff	7.10	9,931	75

Only Three Tourism Jobs Pay Above Poverty Level

Security Guard	\$10.30	\$18,318	104%
Tour Guide	12.40	19,473	110
Restaurant Cook	10.40	18,171	103

Sources: Maryland Occupational Wages for Baltimore City (average wages), and National Compensation Survey (average hours) 2001: table of tourism jobs/wages from: "Subsidizing the Low Road: Economic Development in Baltimore," by Kate Davis and Chauna Brocht, with Phil Mattera and Greg Leroy, of Good Jobs First, September 2002.

single mothers away from the home, precluding supervision of their children's schooling and social life; no benefits, no job training or opportunities for advancement; many jobs are part-time, with staggered shifts; and jobs like health aides may require hours of bus travel into the suburbs and back for just a few hours work.

The jobs in tourism and entertainment are even worse. (Table 1) The cashiers, dishwashers, food workers, janitors, and waiters make less than \$8/hour, leaving these workers at only 80% of the poverty level. Only three tourism jobs pay the poverty level or 10% more: security guard, cook, and tour guide. In 2000, the Service Employees International Union estimated that the self-sufficient wage for a family of three in Baltimore was \$17.41/hour (Table 2).

Household Physical Market Basket Lacking

Under these conditions, the physical market basket necessary for families, is lacking in all respects—housing, transportation, education, food and nutrition, sanitation, health care, science, and culture. Thousands of citizens have been forced into below-subsistence conditions.

The housing base is a wreck in the Baltimore "slave quarter" zones of collapse. City-wide, there were more than 55,000 unoccupied housing units out of 300,477 total units in 2000. The unoccupied units were concentrated in east and

TABLE 2

Baltimore Hospital Worker Job—Pays \$10 per Hour, But \$17.41 Per Hour Is Required To Live

Expense	Monthly Expenditures	Hourly Equivalent
Food	\$396	\$2.25
Housing	722	4.10
Transportation	287	1.63
Health Care	248	1.41
Child Care	749	4.26
Miscellaneous	240	1.36
Taxes	421	2.39
Total	\$3,064	\$17.41

Source: Putting Baltimore's People First, 2004, SEIU 1199E-DC, based on "The Self-Sufficiency Standard for Maryland," by Diana Pearce, prepared for Advocates for Children and Youth, and the Center for Poverty Solutions, December 2001.

The Service Employees International Union (SEIU) District 1199E-DC reports that the average wage rate is \$10 an hour, for a Johns Hopkins Hospital services worker, with many years on the job. Yet this worker needs \$17.41 an hour for a "self-sufficient wage" to support a typical family of three—one single parent, one pre-schooler, and one school-age child. (For a pay period post-2001).

west Baltimore, near the inner city "death zones," with fingers extending north on York Road, and northwest along Reisters-town Road. In 18 census tracts, 11 in east Baltimore, and 7 in west Baltimore, there are more than 200 abandoned housing units per census tract.

The infrastructure base of the city—utilities, transportation, power, parks, as well as soft infrastructure and health care—is aging, inadequate, and even collapsing. For example, water treatment and distribution: Baltimore was home to the invention of mass water filtration by Dr. Abel Wolman in 1918; twelve years later, the application of Wolman's formula had eliminated 92% of the typhoid in America. Yet, today, upkeep of the basic facilities and piping systems in the city is woefully inadequate.

Mass transit is minimal. Baltimore has a small subway system which opened in the 1970s, but has had no significant development since. Instead, the highway grid has been expanded, with interstates and clover-leaves, to serve in-flow and out-flow for the select sports, tourism, and national health-care complexes. Baltimore metropolitan area residents are forced to spend hours on multiple bus rides, or sitting in their cars in traffic.

Railway service has atrophied, with the exception of the fact that Baltimore remains on the Boston to Washington, D.C. interstate Amtrak passenger service route.

One dramatic marker for the condition of all of Baltimore's decaying infrastructure, is the rail tunnel fire in July 2001. Only heroic action by Baltimore firemen contained the

days-long blaze.

The fire broke out when part of a 60-car freight train carrying hydrochloric acid and other hazardous materials, derailed in a tunnel under the center of the city. In chain-reaction effects, a water main broke, whose flow created a 1.2-foot-high pool of water in the vicinity; telecommunications wires were burned, cutting off phones and Internet; and other breakdowns ensued, while persisting clouds of black smoke covered a wide part of the city.

The tunnel is 1.7 miles long, and 106 years old. It was a wonder of construction at the time it was started, in the 1880s, using over 30 million bricks, and requiring engineering innovations to deal with a 1.35-degree gradient. It was completed in May 1895, and allowed efficient, modern transportation services right into the City center to serve the port, and also the north-south, and western rail corridors, by its connection to Camden Yards. Passenger transit went through the tunnel until 1958. But the tunnel was never upgraded nor maintained.

Being 27 feet wide, the tube was originally built for two trains to pass at the same time. So in recent decades, when wider widths for freight trains were approved, only one train could pass through at a time. Meanwhile, under deregulation, rail company mergers meant that more and more freight trains were consolidated to run along the few remaining routes—such as that cutting through Baltimore—while other routes were shut down. ConRail cargo was carried on CSX lines through the city.

At the same time, Camden Yards was converted from rail, to the home of sports arenas (ironically, one briefly named for the now-bankrupt PSINet Stadium).

In 1985, a Federal study stated explicitly that running flammable and toxic cargo on the Baltimore tunnel route should be stopped, because of fire danger, entrapment of crews, and the dense population of the city site. On July 18, fire broke out, with pressure and flames like a bazooka—just as the experts had predicted. Under post-industrialism and deregulation, the warnings had been ignored.

Impoverished Schools

The schooling crisis is stark. More than 30% of Baltimore's adult population lacks a high school diploma. In the City of Baltimore, a whopping 84% of public schools have 50% or more of their students on free or reduced-price meal programs, which means that these students are either at 130% of the poverty level (free meals) or 185% of the poverty level (subsidized meals). In fact, 60% of the public schools have 75% of their students on the free or subsidized meal program—a standard measure of poverty in the education field.

It has long been known that an individual student's poverty level affects academic achievement, but the level of poverty schoolwide also has an effect on an individual student's achievement *whether or not that student is in poverty*. The U.S. Department of Education's *Prospects* report in 1993

showed that even though non-poor students perform consistently better than their low-income classmates, the performance of non-poor students declines as the proportion of their classmates below the poverty line increases. The report found that “students in low-poverty schools score from 50-75% higher in reading and math than students in high-poverty schools.”

Furthermore, the report finds a kind of “tipping point,” where school poverty depresses scores of *all* students, in schools where at least half the students are eligible for subsidized lunches, and seriously depresses the scores when more than 75% of students live in low-income households. In 1999, Baltimore City had three times as many students in poverty as the next closest county in the metropolitan area, and, while

LaRouche on Epidemiology In the City of Baltimore

On Oct. 12, 2005, at an international LaRouche PAC webcast in Washington, D.C., Lyndon LaRouche spoke of the situation in Baltimore, in his discussion of the necessity of ending genocide in Africa, Asia, and elsewhere, by returning to the “characteristic features” of the concepts of the General Welfare and the Common Good, as understood in modern European society.

Let's take one case, we have a case right here, in nearby Baltimore. You have an area which we call “the Blob.” It's called the “Blob,” because it's a case in which the principles of Dirichlet's Principle of Riemann applies to epidemiology. You have a section of a city—remember, Baltimore once had a certain degree of prosperity during World War II: It was an industrial city; you had the Bethlehem Steel works, and shipping and so forth, were all centered there. And you had an indigenous population of largely African descent, which was becoming prosperous, developing homes, normal lives.

In the course of the past period, especially the 1970s, this characteristic of Baltimore was destroyed. Baltimore has been transformed. It's been transformed in two ways. In one sense, it's been gentrified—which is really a horrible thing to do to anybody—at high prices, along the waterfront. What used to be a prosperous waterfront is now an area of gentrification, of useless people thinking they're important. But then, to maintain this population in Baltimore, you also require a slave quarter: a population which services the menial work of maintaining the gentrified part of the population.

68.4% of the students received subsidized meals, only 17% had “satisfactory” performance on the MSPAP competency tests. Only 11% of schools in the five counties surrounding Baltimore have 50% or more students eligible for subsidized meals; in Baltimore City, 84% are eligible.

Poverty also generates many more remedial special education requirements. Baltimore City schools spent one-third of their unrestricted education funds on the 18% of the students in special education in 1997. As a result, the city ranked *last* in spending per pupil in regular education. The State of Maryland has fought against subsidizing Baltimore’s school system, with its poor property tax base, adopting an attitude like that of genocidalist William Paddock, who said of Mexico’s poor: “Lock the borders and let them scream.” A 1998

report by the Government Accounting Office ranked Maryland last in efforts to equalize funding to all schools. Currently, the Baltimore School System is under intense pressure from the state to close a dozen or more schools, to cut 2.7 million square feet of operating space, for a student enrollment that has dropped from 126,000 to 86,300.

Cycling Through Prisons, Jails

Without the expectation that school will lead to a high-paying job in the mainstream economy, large numbers of students, and even a *majority* in certain neighborhoods, will end up in the revolving door to prison or jail called “Corrections Department supervision.” Fully 56% of all young Baltimore City African-American males, are currently in the Cor-

Now, such a population is not one which, on the average, is raised on a certain level of productivity—no! It is a process population, which is dying at the same time it’s used! It’s just like what you saw on the beaches when the tsunami hit on the coasts in Asia, in last year’s tsunami. People who were considered useless, were running the errands and providing the sexual entertainment, for European and American visitors who are there as tourists, in tourist and entertainment centers. So therefore, in order to be convenient to these crazy Americans and Europeans, who want to have sex on the beaches, or by the beaches, you have a population of very poor people who live in shacks in this area, and in very poor conditions; and high rate of disease!

And when we look through some of the things in this area, and you look at things like HIV and you start to make the dots of the co-factors, in some of these areas, you find that instead of having an area, where you have many dots of co-factors, you’ve got the whole thing is almost solidly black co-factors: which is the kind of cesspool, in which AIDS spreads fantastically. Because everybody transmits everything to everybody out of this kind of area.

And usually, the center of this thing, is something like a prison system. You go into the prison system, you’ll find the concentration of disease of the populations coming in and out of the prison, in a *dynamic model*—not your normal statistical model, but a dynamic analysis of this, will show you a process, where you have an area in a city, which has this function. Of people who are in the process of dying, who are all black in terms of dots of disease-sharing, and who often spread AIDS, tuberculosis, and everything else at a high rate, because everybody who kisses everybody, spreads all the diseases.

Some people are looking for a specific agent: They’re not looking at the totality of the problem. They’re looking at the *disease of poverty! The disease of filth! The disease*

of terrible conditions! And every other disease imaginable. And it’s all this area.

And then, you can find an area, you can demark precisely: *It’s where the people who are part of this operation live.*

Now, you want to find out, a part of the world where you find this commonly. It’s called Africa.

A Crime Against Humanity

This is genocide: *To condone this kind of condition of humanity*, where you create a dynamic condition—not one disease!—a dynamic condition: nutrition, sanitation, diseases, infectious agents, all these things together, this brew! You’re committing genocide! And that’s what we have to deal with in Africa.

So therefore, we, because we are human, as a human race, if we get our act together with a conception of Eurasian development, Eurasian culture as an emergent development—we, combined, *must deal with this great crime against humanity, in Sub-Saharan Africa.* We have to go into an area where disease is of this character; conditions of life of this character; where the death rates are such that you don’t have family structure; all these kinds of conditions. That is what a Eurasian policy means to me.

First of all, we’ve got to take this world and *come back out* of what we’ve known before, and finally begin to consider, as nation-states, cooperating nation-states, the condition of the planet as a whole. We have to therefore develop a concept of Eurasian culture, as a process of extending the benefits of European experience, including technologies, into this kind of development in Eurasia generally. We then, jointly, through Eurasian culture, we must attack this great sin, this *great evil*, that’s been done in Sub-Saharan Africa: And we must say, that is a mission to make this planet self-respecting, once again.



Baltimore City Fire Department

On July 18, 2001, fire broke out in the railroad tunnel serving the main CSX freight line through Baltimore, spewing smoke into the air, and lasting for days. The tunnel was long overdue for replacement, like many aging structures in the city, from water systems, to bridges. The fire closed Route 395, Camden Yards Oriole Park, and the Inner Harbor.

recreational System at some point—in jail, prison, on bail, out on probation or parole. At any point in time, over 20% of those between 20-30 years old are behind bars.

In 2001, fifty-nine percent of all Maryland state prisoners released returned to Baltimore—because that is their home, despite the fact that Baltimore now has only 12% of the state’s population. Not only has Baltimore City become the state’s warehouse for criminals, but, within Baltimore, there are 6 of the city’s 55 communities (encompassing 260 smaller neighborhoods) which are home to the highest number of returning prisoners: Southwest Baltimore, Greater Rosemont, Sandtown-Winchester/Harlem Park, Greenmount East, Clifton-Berea, and Southern Park Heights. Two of these communities are profiled in an accompanying article as “death zones.”

Several of these communities received more than 200 released prisoners in 2001, despite their small area. Another 5,000 inmates are returned to Baltimore City from jail each year, having served sentences of less than one year.

The statewide profile of prisoners released in 2001 was 91% male, 76% black, and 75% between 20 and 40 years old; the median age was 34. Of the 4,411 who returned to Baltimore City, where the population is 64% African-American, we may assume an even greater percentage were black.

Drugs and Disease

Approximately 38% of the prisoners were convicted of drug offenses. The Maryland Alcohol and Drug Abuse Administration estimated that more than 58,000 Baltimore residents need treatment for alcohol and/or drug abuse—9% of

the city’s population. Nearly 73% of city residents treated for drug abuse in 2001 reported heroin use. The National Institute of Justice found that Baltimore’s arrestees had the highest opiate-positive rate of all U.S. cities (38% of males, 49% of females). Of these, 70% of males and 86% of females also tested positive for cocaine. These figures do not include the drug use of prisoners not arrested on that charge. More than 90% of the drug addicts in Baltimore are infected with Hepatitis C. Increasing drug use led to a *six-fold* increase in the number of paroled prisoners who returned to prison in the 1990s, up to 3,500, from a steady 500 during the 1980s.

The dynamic relationship between drug use and violent criminal activity, in a city with high unemployment, low-wage jobs, and ubiquitous drugs, is obvious. In addition, no parolee convicted of a violent crime can receive welfare or food stamps for one year after conviction,

nor can anyone convicted of drug-related or violent crimes live in subsidized housing.

Thus, Baltimore has the highest intravenous drug use, and the highest murder and violent crime rate in the nation.



Brochures advertising Baltimore tourist spots—featuring real estate scheme sites of Camden Yards, the former rail hub, and the Inner Harbor.

‘Greater Baltimore City’ Swindles

How did this deliberate destruction come to pass? Being a superb, mid-Atlantic Seaboard site, 12 miles inland from the Chesapeake Bay, Baltimore was ideally situated to remain a national rail and water transportation hub for coastal and ocean freight into the Midwest industrial heartland. But, under various urban “re-invention” swindles, the shift out of industry and shipping and into services was enforced in Baltimore, right in line with the national “post-industrial” downgrade of the economy.

During the 1950s, then-Mayor William Donald Schaefer and the Wall Street financial crowd spoke of the “Greater Baltimore City” vision, referring to the tourism and entertainment projects projected for the City, intended for maximum real estate looting, and *subsidized by city tax funds*. There was the the Charles Center, the Inner Harbor, the Convention Center, Camden Yards, and the Ravens Stadium—all subsidized.

Politely termed “investor projects,” these have never made the city a penny, but rather *cost* the city revenues—even in purely financial terms, while grinding up its citizenry into \$7-8/hour jobs.

The Baltimore City government has spent \$2 billion in building and maintaining Baltimore’s tourist facilities since the 1970s, and hundreds of millions more in subsidies to tourism-related businesses. These cost demands continue and will always remain high, because to maintain itself as a tourist destination, Baltimore must constantly add something new. For example, in December 2005, the city announced an expansion to the famous Aquarium featured at its Inner Harbor tourist center.

The sequence of real estate/tourist schemes began in the 1950s (Figure 6). In 1954, Mayor Schaefer and financial interests launched the Greater Baltimore Committee (now Greater Baltimore Corporation). Its first project was the 33-acre Charles Center, which included offices, apartments, and retail business at a cost of \$180 million, \$40 million of which came from public funds.

Baltimore’s famous Inner Harbor, a plan for 240 acres of tourist attractions, offices, and retail shops, was the next project, constructed 1968-81. Public money funded 90% of its initial phase of development, much from Federal Housing and Urban Development (HUD) grants. The city acquired and demolished more than 400 structures to provide land. HUD estimates that between 1975 and 1981, Baltimore spent 35% of its HUD money on the Inner Harbor. These projects included public

facilities such as Baltimore’s World Trade Center, Science Museum, Aquarium, and privately owned investments such as the Hyatt Regency Hotel, which was funded mainly through a \$10 million HUD grant, while its owners invested a mere \$500,000.

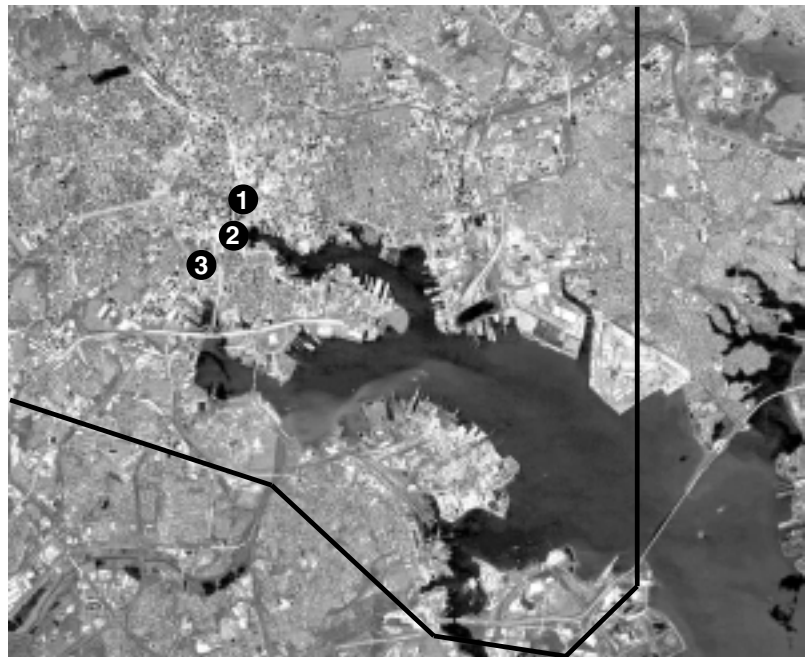
The service industry jobs created by these schemes are below poverty level (Table 1). This means that the city and state might owe any worker with two children at least another \$13,500 annually in public assistance programs! This is the hidden government cost of the low-wage jobs. Baltimore gave away the store to the developers, and still has no laws requiring subsidized companies to pay certain wage levels, nor to provide health care.

During the 1990s, public funds again flowed to Inner Harbor development. In 1992, Oriole Park at Camden Yards was built with more than \$200 million in public funds. Ravens Stadium was built in 1998 with more than \$200 million in public funds.

The Convention Center was expanded in the mid-1990s

FIGURE 6

Satellite View of Baltimore, Showing Major Inner City Real Estate Schemes



visibleearth.nasa.gov



- 1 Charles Center—1954, 33 acres of retail, offices, apartments.
- 2 Inner Harbor—1968-81, 240 acres of tourist attractions, hotels, restaurants.
- 3 Camden Yards, Oriole Park (1992), Ravens Stadium (1998)

Abandoned houses (right) in Druid Hill. This decaying neighborhood is in the “death zone” aligned with Park Heights in northwest inner Baltimore.



EIRNS/Stuart Lewis



EIRNS/Stuart Lewis

Newly built townhouses near Camden Yards baseball stadium. At hyper-inflated prices, these homes are in contrast to the extreme poverty areas in West Baltimore, only blocks away.

at a cost of \$151 million. In 1995, \$147 million in public money was spent to build Columbus Center, a tourist attraction/marine biology center.

In 1999, Baltimore City also put up more than \$40 million in loans, grants, and tax abatements for the construction of the Marriott Waterfront Hotel, adjacent to Camden Yards. This continued the practice of the city providing an average 30% subsidy to every downtown hotel built since the late 1970s.

The corporate center and tourist development thrust has brought an increase in tax revenue to the city—but it has always lost money. Real estate tax revenue in the central business district more than tripled between 1967 and 1987, in inflation-adjusted dollars. However, Baltimore spent \$17 million more each year on maintaining the Inner Harbor and the downtown area than it generated in property tax revenue from these districts.

The best example of the continuous outflow is the Oriole Park at Camden Yards, the renowned “success” (Table 3). According to a 1997 Brookings Institution study, Camden Yards generates approximately \$3 million a year for Maryland, in jobs created and spending by out-of-state residents—but the cost to taxpayers is \$14 million a year in inflation-adjusted interest and depreciation! The Ravens Stadium does worse: The annual economic benefit of \$1.4 million costs Maryland taxpayers \$18 million!

A 1992 study found that \$60 million in redevelopment loans distributed by the city for 50 projects since the 1970s remains unpaid. One-third of the loans in default were for hotels, including the Omni, the Belvedere, the Lord Balti-

more, and Harrison’s Pier 5. Other debtors have gone bankrupt; some, like the Omni, have never generated enough revenue to trigger repayment of the loans. Contrary to the city’s claims, not all funds from tourism are re-invested in “the community.” A portion of the tax revenue from some down-

TABLE 3
Oriole Park Subsidies*

50% of Land Acquisition and Site Preparation	\$44.5 million
Construction Costs	97.0 million
Train infrastructure	18.6 million
Roads	48.2 million
Light Rail Station	0.3 million
Total Subsidies	\$208.6 million

Ravens Stadium Subsidies*

50% of Land Acquisition and Site Preparation	\$44.5 million
Construction of Costs	217.0 million
Light Rail	5.0 million
Personal Seat Licenses	75.0 million
Naming Rights	69.5 million
Lease Savings on Training Facility	1.0 million
Memorial Stadium Upgrade	2.0 million
Total	\$414.0 million

*Figures adjusted for team contributions.

Source: *Subsidizing the Low Road: Economic Development in Baltimore*, by Good Jobs First, K. Davis, et al., September 2002.

Features of Decline in Baltimore's 55 Neighborhoods

FIGURE 7a

Percentage of Households Earning Less than \$25,000/Year

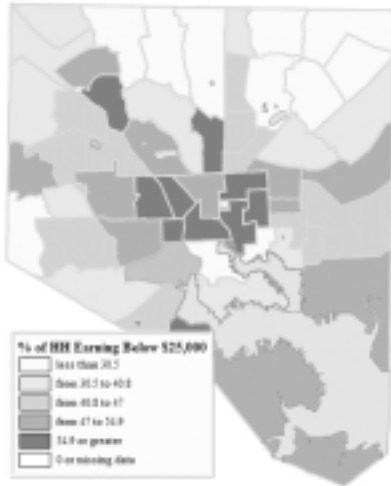


FIGURE 7b

Percentage of Vacant Residential Property, by Neighborhood

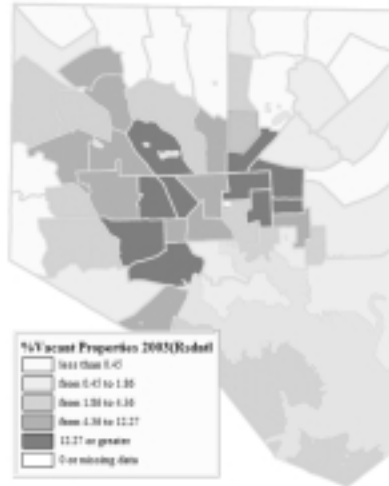


FIGURE 7c

Official Unemployment Rate, by Neighborhood

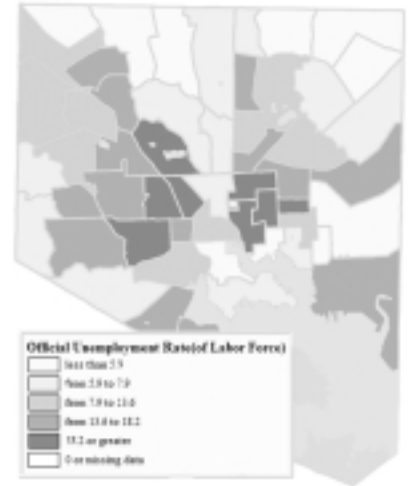


FIGURE 7d

Violent Crime, by Neighborhood

(Incidents per 1,000 Population)

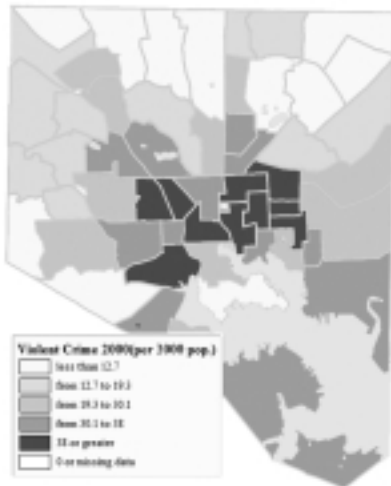
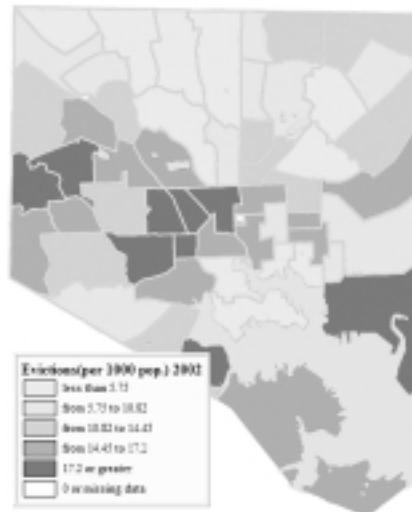


FIGURE 7e

Evictions, by Neighborhood

(Incidents, per 1,000 Population)



Source: Baltimore Neighborhood Indicators Alliance.

The BNIA is an organization of diverse groups, which aims to help people make better decisions by using accurate data, to improve the quality of life in Baltimore City neighborhoods. www.bnia.org

town hotels is earmarked to pay for the Convention Center. While under the Schaefer Administration, Baltimore increased “economic development” spending by 400%, it cut spending on education and social welfare by 25%.

‘Slave Quarter’ Communities

The cumulative effects of the decades of take-down of

Baltimore’s economic base are indicated in the map series in **Figure 7**, showing a few of the basic aspects of decline—low income, unemployment, decaying housing, eviction, and violent crime, for the major 55 communities of the city in 2000-03. What comes through clearly, are the geographic patterns of suffering and collapse. Baltimore residents call these, the “death zones.”