Local economists say immediate future bright in South Carolina

BY GREG OLIVER
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CLEMSON — Two local economists say the state's economy is healthy and should remain that way for at least the next several years.

Rob Carey, director of the regional economic analysis laboratory at the Strom Thurmond Institute, and Bruce Yandle, professor emeritus, each presented the current state of the South Carolina economy as well as their predictions for the future at the Economic Summit. The summit was hosted by the Clemson Area Chamber of Commerce and held this week at The Madren Center.


Carey


Yandle

Carey provided a number of statistics to back up his belief, saying the Palmetto State ranks third in the nation by one national publication as being the best place to do business (with only Georgia and Texas ahead of them), is ranked No. 2 in the cost of doing business and 16th nationally in jobs supported by exports.

Carey said a number of businesses and industries are choosing South Carolina for a variety of reasons.

"The low cost of living and low cost of doing business, the incentive practices given, though I know that's controversial, the Department of Commerce working with them and for certified site and shovel readiness," Carey said. "Having the largest increase in exports is also important because we will sell things to people outside the state and country and that is bringing income back to the state and local economies."

GOOD TIMES

Clemson University economists say the economy in South Carolina is looking up these days, and here are just a few of the reasons why:

- South Carolina ranks third, behind Georgia and Texas, as being the best place to do business.
- The state ranks 16th nationally in jobs supported by exports, with the Port of Charleston experiencing 8-percent growth.
- The Upstate doubles Charleston when it comes to manufacturing.
- The state is the top exporter of completed passenger motor vehicles.

Manufacturing in the Upstate, according to Carey, "by far doubles Charleston."

"We have a huge manufacturing presence in the Upstate — in fact, it's quite staggering," he said.

Carey said leading economic indicators also show South Carolina on a par with neighboring states Georgia and North Carolina, although those states were slightly ahead. The state is right there with the nation as far as the official unemployment rate, with South Carolina's 6.4 percent slightly above the national percentage of 6.2 as well as in North Carolina, but ahead of Georgia's 7.2 percent.

While Carey said there has been an uptick in employment opportunities, the unemployment rate can still increase when more people seek to enter the labor force. He said more people getting jobs "is a good thing," and that while job opportunities have increased, so too has the population in South Carolina.

Carey said he expects an uptick in construction, adding that as the economy grows "you have to build things to go with it." But he said a number of challenges exist, including the state's infrastructure — adding that South Carolina has the most highway miles in the nation and "needs to catch up on deferred maintenance."

"That comes with a $42 billion price tag, so we've got to figure out a way to come up with that," Carey said.

Yandle, who also had a 15-year career in industrial machinery, agreed the economy has improved "as construction has begun to take hold, which it has."

"We had people in that field who are highly skilled, but do not have high school diplomas generally or college diplomas and are not equipped to work in a digital economy," Yandle said. "When the economy slowed down, it was tough on that particular segment, but now that we're back on our feet, it is being spread further and deeply."

Yandle said the Upstate lives in the middle of an economic region he dubbed as "Char-lanta" — where the major cities of Charlotte, N.C. and Atlanta, Ga. are on opposite ends of the I-85 corridor. The economist said Char-lanta is nearly identical to the economy of Southern Cal/Mexico and that Dallas and Miami "don't compare at all."

"Here we sit in the middle of the third largest economy in the U.S.," Yandle said. "One of the things that makes us so strong is our international linkage."

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