

# Economist points to SC, Oconee growth

**'Oconee has hit some home runs in the last two years with economic development, and tie-in to the I-85 corridor is important there.'**

**Bruce Yandle**  
Clemson economist

**BY GREG OLIVER**  
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CLEMSON — The economic outlook in South Carolina — and Oconee County in particular — looks good for the near future, according to Clemson economist Bruce Yandle.

Yandle, a professor emeritus of economics at Clemson University and a distinguished adjunct fellow in economics at the Mercatus Center at George Mason University, said the state's leading economic indicators are produced by the Federal Reserve Bank of Phil-

adelphia. In its report on the states, released Wednesday,

Yandle said South Carolina "ranks in the 'top tier' as far as growth six months from now."

"They are produced looking at housing permits issued, employment and those vari-

ables," Yandle said. "Housing permit data, when you look at housing permits issued in the metropolitan areas of South Carolina, show those numbers are strong. Permit growth is

up, both in the Lowcountry and Upstate, and flat, but at a good level, in the central area and midlands. With construction activity, signals look good in the metropolitan area."

Locally, Yandle said Oconee County has fared particularly well with economic development in the past couple of years, while Pickens County has not done "quite as well."

"Pickens has become more of a bedroom community for Greenville, rather than Oconee, due to distance,"

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Yandle

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Yandle said. "Oconee has hit some home runs in the last two years with economic development, and tie-in to the I-85 corridor is important there."

Yandle said any long-term economic success in the Golden Corner "depends on leadership, and leadership comes and goes."

"I guess that's sort of the mystery factor that goes on there, and there's no way to make a forecast," he said. "But the phenomenon we're talking about is sort of like young professionals — the more you have going on, the more you're going to get."

Manufacturing and the ability to attract more manufacturers is key. Yandle said there is less effect of bringing suppliers to the warehouse because "you don't have suppliers like you do with manufacturing."

Yandle feels the future is particularly bright in Oconee County.

"The opening of the Tri-County Tech campus is a positive, because it brings a good record of expansion in industrial development and support that comes from the technical college — particularly in that advanced manufacturing category," Yandle said.

When looking at states east of the Mississippi River, Yandle said only four stand out with strong growth in employment — South Carolina, North Carolina, Florida and Maine. He said all have experienced "strong growth in investment, manufacturing and services."

"One of the strong drivers in our state is the Port of Charleston," Yandle said. "We are a coastal state, we have one of the largest and strongest ports on the Atlantic Coast, a strong system of transportation tied to that port — for example, the Inland Port of Greer. The use of that port has far outstripped the expectations that were being planned."

"Firms who were shipping out of Port of Mobile, when the Inland Port opened, they diverted their shipments to South Carolina and using the Port of Charleston with it, has come warehousing and distribution. South Carolina is now in a strong position as far as export and import activity. Whether those goods are coming in or going out, they are supplemented by a strong port in Charleston."

Another factor in South Carolina's favor is it is a right-to-work state.

"That is a positive factor in manufacturing activity around here," he said.

"It's definitely a positive factor with growing investment with manufacturing and services."

South Carolina has also become an attractive destination for millennials entering the workforce.

"If you don't attract them, your state is not going to be strong with economic growth," Yandle said. "We have two metropolitan places — Greenville and Charleston

— that are very attractive with respect to young professionals."

Yandle said South Carolina is ranked No. 5 when it comes to being the destination for household moves and ranked No. 2 in 2016, behind Oregon. Data on household moves is published annually by North American Van Lines.

"South Carolina is one of the stronger states when it comes to more coming in than moving out," he said.

In his statistical model, Yandle said two or three variables stand out about South Carolina — low taxes, cities such as Greenville and Spartanburg that are ranked as "cool" among young professionals and an openness and acceptance of people regardless of race, sexual orientation or religion, with Greenville and Charleston ranking high in that area. "The more you have, the more you're going to get, and it sort of builds on itself

somewhat," Yandle said.

Yandle said the lone negative he saw statewide involved some shrinkage in the state's labor force, pointing out that it "kind of rises and falls on a monthly basis."

"Last month, according to the Bureau of Labor Statistics, we saw kind of a decline — both in people working and people wanting to work," he said.

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