

Focus on more jobs

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DEC. 28, 2008 – A frequent refrain among state lawmakers is that the tough times South Carolina is experiencing will lead to a tough budget year.

Yes, that's true. But this type of remark seems to show a misplaced priority of state legislators - - that the big issue of 2009 will be to get a constitutionally-mandated balanced budget in a time of greatly reduced revenues.

Crafting a budget that doesn't whack education, health care, environmental progress and other state functions will be a delicate, difficult task. But it seems there's something much more important that state officials should be concentrating on: Getting more jobs for South Carolinians.

Instead of defaulting into bureaucratic mode of dealing with the budget, legislators should develop new and innovative ways to grow jobs. They should work now to reverse 8.4 percent unemployment statewide. They should partner closely with local governments and counties, especially the 21 counties in the state that have double-digit unemployment.

Here are four things the state should do as soon as possible to get a jobs revolution in South Carolina now:

Take the money, part 1. Gov. Mark "Scrooge" Sanford seems hellbent on not applying for federal aid dollars that would allow thousands of jobless South Carolinians to continue to receive unemployment benefits checks. The state's unemployment fund is about to run dry because more people are drawing from it than expected. About \$150 million in benefit loans is available for the state to receive.

"Never have I seen a more heartless and cruel act by a governor," Senate Finance Chair Hugh Leatherman, R-Florence, told reporters just before Christmas. "I call upon him to end this reign of emotional trauma and request the loans."

Take the money, part 2. One of the golden rules of politics is when the federal government appropriates money, it's going to be spent somewhere. Refusing it won't make the spending go away.

So Sanford's national plea against using federal dollars as a jobs incentive package doesn't make practical sense. If the federal government, as expected, is going to spend billions of dollars on infrastructure projects to create local jobs to jumpstart the economy, South Carolina should grab its fair share.

State Sen. Phil Leventis, D-Sumter, says he's already preparing legislation for January that would make it impossible for the governor to keep South Carolina from getting stimulus money to build new roads, bridges, schools and more.

"Jobs are what give people the confidence to spend," Leventis said. "It's an interim solution, but it's

needed.”

Otis Rawl, head of the S.C. Chamber of Commerce, agrees that it's time to get money flowing back into the state's economy.

“These are uncertain times,” he said. “If you can start the money churning a little bit, that's bound to help everybody in the economy. It's going to create jobs where people need jobs. This is a way for us to put people back to work.”

Already, South Carolina has about \$850 million in highway projects ready to get started. Building Interstate 73 from Myrtle Beach to Rockingham, N.C., would cost an additional \$2.4 billion. All of that road-building would take a big dent out of the 300,000 people out of work right now.

Revisit budget forecasting. Rawl says state leaders seriously need to review the budget forecasting model used to predict future revenues. Instead of basing budget revenues on anticipated growth, he said a more conservative method would base any budget expansion on past growth. In other words, in the coming year, just use the numbers for the current year budget. Any growth would be available next year to spend.

It's a conservative approach that would keep the state's budget from a roller-coaster pendulum that swings in cycle from a few years of growth, followed by a couple of years of cuts. Instead of instability, such budgeting would create stability.

“Right now is the time to do it,” Rawl said, noting that lawmakers certainly will have to make do with a smaller budget next year than what was written last year. “Bite the bullet now.”

Help small businesses. On the campaign trail, politicians routinely crow about how small businesses are the backbone of jobs in the state. But when they get to Columbia, they seem to forget their stump speeches.

To show it is serious about helping small businesses, South Carolina only has to turn to Georgia, which four years ago started an initiative to help local governments coordinate state and federal programs to grow jobs for small businesses.

“It works with the communities and gives them some guidance of what's working in other places,” explained Frank Knapp, head of the S.C. Small Business Chamber. “We could pick up the Georgia model tomorrow, but we continue to believe small businesses need no help whatsoever. That's just crazy.”