

Proposed I-73 can't bridge economic differences between four S.C. counties

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When the possible economic effects of Interstate 73 are presented, a picture of two economies materializes in the counties the super-highway will touch in South Carolina. The proposed interstate, from Michigan to Myrtle Beach, will run through four of the state's counties, Marlboro, Dillon, Marion and Horry.

While the counties will be connected if the \$2 billion interstate is constructed, there are distinct differences that concrete and steel cannot bridge.

Myrtle Beach and the rest of the Grand Strand in Horry County is the central cog in South Carolina's top industry: tourism.

The area pumps about \$15 billion a year into the state's economy. About 63 percent of Horry County's employment is tourism-related, according to the Myrtle Beach Regional Economic Development Corp.

While an ever-increasing number of multi-floor resorts rise from the sand of the Grand Strand, the same number of manufacturing jobs appear to be leaving the inland counties of Marlboro, Dillon and Marion.

Regardless of the decline in manufacturing, 44 percent of all jobs in Marlboro, 30 percent of all jobs in Dillon and 28 percent of all jobs in Marion are in manufacturing, said Dr. Donald Schunk, research economist at Coastal Carolina University, during the recent Growth Summit at the school earlier this month.

Thirty years ago, 33 percent of jobs in the state were in manufacturing, Schunk said, but now only 10 percent are in manufacturing.

"Ongoing job losses in manufacturing is the trend," Schunk said.

According to an S.C. Employment Security Commission report in June, the state has lost 10,000 manufacturing jobs from June 2006 to June.

"So we need to focus on what we can do to diversify," Schunk said.

He said I-73 could bring large distribution centers to the area, such as the QVC Distribution Center that opened in June in Florence.

Schunk said distribution centers owned by such companies as Dollar General, Walgreens and Adidas have moved into other areas of the state because of proximity to an interstate.

"Companies will take notice of an interstate," he said.

Still, the interstate isn't a panacea. Schunk said interstate access is the fourth-highest factor businesses identify when choosing a location.

The other three, in order, are available labor, pro-business government and corporate tax structure. Regardless of the expected benefits of I-73, all agree help is needed.

"We just need a jump start, something to get us off the ground," Rep. Jim Battle of Nichols, a town located in Marion County, said during the Growth Summit.

While the more rural counties look to I-73 as an economic tool to draw business and industry, the Grand Strand can expect to expound on its product of tourism if the interstate is built.

Schunk said I-73 would allow for 100,000 or more visitors a year to Horry County's beaches.

He said it's estimated the additional visitors would spend \$60 million annually. If that were to happen, the result would be 950 new jobs in Horry County.

While more jobs would be positive, higher-paying jobs also are needed, Schunk said. In Marlboro, Dillon and Marion counties, the per capita income is about 60 percent of the U.S. average. In Horry County, the per capita income is close to 80 percent of the U.S. average.

In the three inland counties, the poverty rate is more than 20 percent.

In Horry County, the poverty rate is about 14 percent, said Schunk, who used 2005 figures from the U.S. Census Bureau to come up with those figures.

In addition to income deficiencies, the unemployment rates in Marlboro, Dillon and Marion counties range from 10 percent to 12 percent, and those counties consistently have some of the highest unemployment rates in the state.

Horry County's unemployment rate is less than 5 percent during most months of the year, and the county had the lowest unemployment rate in the state in July.