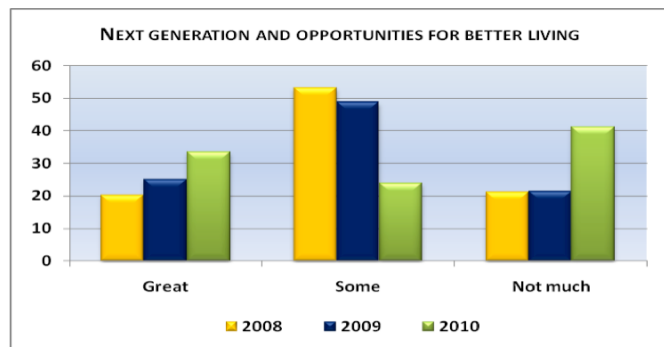


The Economic Situation: Views from South Carolinians

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Empirical evidence supports perception over reality as a strong factor in socio-economic and environmental wellbeing survey responses (Bognar, 2005)¹. South Carolinians who have responded to the *Self Portrait* surveys appear to be no exception. In the *Self Portrait* survey, respondents have been asked to evaluate the extent of opportunity that South Carolina's next generation has to live better than their parents. Evaluation of well-being according to Myers (1987)² is a subjective judgment based on local experience mostly in households and also in single communities because people are deemed to be the best judges of their own lives (Ferris, 2006).³ Generally, the responses have mimicked the national economic situation. Since the mid-2008 survey when the least optimistic responses were recorded, there has been a steady increase in the size of the respondents who think the next generation will have 'great' opportunity to live better than their parents. The respondents have consistently gauged their individual well-being in the context of local, state and national community situations.



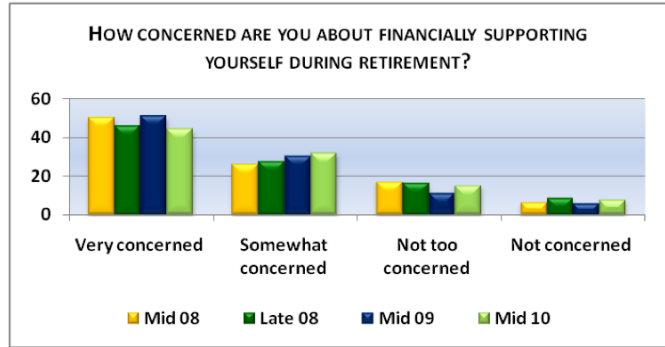
The *Self Portrait: How Are We Doing in South Carolina?* surveys have been conducted twice every year (one in late spring and another in late fall) since the fall of 2006. The surveys ask South Carolina residents to assess their own and the state's current and future socio-economic and community outlook. The surveys are a collaborative effort between the University of South Carolina's Survey Research Laboratory and the Jim Self Center on the Future at Clemson University's Strom Thurmond Institute.

1 Bognar, G. (2005). "The Concept of Quality of Life." *Social Theory and Practice*, 31(4): 561-580.

2 Myers, D. (1987). "Community-Relevant Measurement of Quality of Life: A Focus on Local Trends." *Urban Affairs Quarterly*, 23(1): 108-125.

3 Ferris, A. L. (2006). "A Theory of Social Structure and the Quality of Life." *Applied Research in Quality of Life*, 1:117-123.

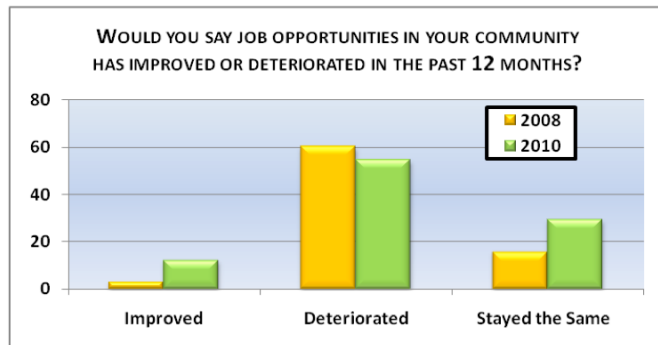
In a subjective manner, the *Self Portrait* surveys enable individuals, households and communities to evaluate their own well-being with regard to the prevailing socio-economic and environmental conditions in their communities. The last four *Self Portrait* surveys asked participants to indicate their level of concern about their expected financial status during retirement.



Responses generally reflected the national economic situation. The first quarter of 2009 when the Gallup Well-Being Index score⁴ was at its lowest since the beginning of 2008, preceded the mid 2009 *Self Portrait* survey when the highest responses were recorded from respondents who were either ‘very’ concerned or ‘somewhat’ concerned about their ability to financially support themselves during retirement (81.6%).

In two of the eight surveys administered to date, South Carolinians were asked to assess whether job opportunity and job security in their communities has improved or worsened. In both the mid 2008 and the mid 2010 surveys, about four times as many respondents indicated that job security had worsened which likely was fueled by the doubling of the unemployment rate over the same time period. In the mid 2010 survey, 52 percent of all respondents to the question indicated that job security has ‘deteriorated’ in their communities. This 2010 figure is slightly higher than the 49.4% recorded in the mid 2008 survey.

In contrast, 54.7% of the 2010 respondents said that job opportunity over the past 12 months has worsened, down from the 60.3% of respondents who said it worsened in mid 2008. While the percentage of respondents who say that job opportunity has improved is minimal in both surveys, there was about a 288% increase in the number of respondents who said that job opportunity increased between the mid 2008 and the mid 2010 surveys. One observation here is that the



period when the mid 2010 *Self Portrait* survey was conducted coincided with the period of the U.S. decennial census, when a number of temporary census taker jobs were created. Additionally, the mid 2010 survey was conducted around the time when tax returns are received and along with the temporary census job opportunities, some temporary income relief was experienced.

⁴ The Gallup-Healthways Well-Being Index measures the daily pulse of U.S. well-being and provides best-in-class solutions for healthier world.

It is important to note that the Gallup Well-Being Index score for August 2010 (66.9%) was the third month that the score for the nation has seen a drop since reaching a high of 67.4% in May. Over the same period, national unemployment remained unchanged at 9.6%, according to the Bureau of Labor Statistics. The high unemployment situation at the national level is also reflected in Gallup's Economic Confidence Index, which measures the economic conditions and economic outlook of the nation to determine well-being and quality of life. The issue of jobs is a major indicator of well-being nationally and also in South Carolina's *Self Portrait* surveys. Respondents to the question about the most important issue have consistently indicated that the Economy, which incorporates jobs, job opportunity and taxes, is the most important issue that the state faces.

Jobs and employment issues seem to drive the rest of the domestic and national economy. This past summer, America Speaks⁵ organized a National Town Meeting on the nation's fiscal future in order to give voice to citizens on important policy decisions. Around 3,500 Americans participated in forums at 57 sites to talk about economic recovery and ways to reduce the national deficit. Over all, about a third of the participants (34%) said that economic conditions have improved this year with 42% saying that conditions have worsened or somewhat worsened. Meanwhile, 61% of the participants said governments should do more to strengthen the economy and only 14% said that government should do less.

The picture painted here seems to corroborate views of South Carolinians reported in the *Self Portrait* surveys that job opportunity and job security need work. The *Self Portrait* provides state and local decision makers with the opportunity to understand the prevailing preferences, attitudes and priorities as well as the dominant issues of concern to citizens at a particular point in time. It is important that South Carolina officials at all levels of government should focus attention on the issues that bring about or increase job opportunities and job security for citizens. As a start, South Carolina officials should look for new job opportunities in the short-run while aggressively pursuing a sustainable base for better jobs, jobs that require higher skills, produce higher wages and that attract and keep talent in the state. In order to meet these needs, there is a need to upgrade education outcomes and educational opportunity for all citizens, especially young people who constitute a valuable asset for the future of the state.

⁵ *America Speaks* is a non-partisan, non-profit organization with the mission of providing Americans with a greater voice in the most important decisions that affect their lives. America Speaks has engaged more than 150,000 citizens across the country on topics about the budget and economy.