

SOUTH CAROLINA ECONOMY IMPROVING



University of South Carolina economic experts claim that the state's economy is stable for now but will still be fragile throughout the year 2012. Experts hope that employment will creep up by two percent in 2012, according to [Bloomberg Businessweek](#). The economic forecast was presented by researchers Joey Von Nessen and Douglas Woodward. Their information was presented at the University of South Carolina's Darla Moore School of Business. "Although we're on course for another positive year of growth and recovery, the economy is very delicate right now, and any increase in market uncertainty has the potential to knock us off course if it paralyzes business and prevents them from investing and hiring," Von Nessen said. The researchers from the University of South Carolina claim that there are some positive economic indicators present in the economy right now. Even though there are positives floating around, the experts are still worried about the debt crisis in Europe and the uncertain stock market. They feel that these two negatives combined can dampen the confidence levels of businesses and consumers alike. Woodward went on to say that despite these negatives, there are no poignant signs that the economy will return to a recession. For the second consecutive month, the unemployment rate fell for the state of South Carolina, dropping to 10.5 percent in October. In 2012, the industries of durable goods and manufacturing will see the largest jump in employment. Researchers also said that they expect to see employment gains in the industries of business and health services. The experts from the University of South Carolina also said that the housing and construction industries will help the recovery of the state. "Household formation is significantly below historical averages because unemployment is high," Von Nessen said. "As job growth rises, this will help spur demand in the housing industry, which is very important to the recovery because construction and housing services make up more than 15 percent of overall economic activity." Von Nessen claims that the construction industry will drop off to begin the year 2012 but then should see an increase as the remainder of the year wears on in South Carolina. Von Nessen also said that in 2012, the state's projected job growth will help in the reduction of the unemployment rate, which sits at number six in the country. Von Nessen also said that the rate will not fall quickly so be patient. "Job growth and economic recovery will attract people back into the work force who left because of a lack of employment opportunities," Von Nessen said. "This will keep the unemployment rate higher than might otherwise be expected." Economists predicted the state's one percent gain a year ago, which occurred in 2011, so the prediction for a two percent gain in 2012 falls right in line. For the majority of the state, the 2011 total employment growth was positive.

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