Per Capita Personal Income – a Wealth Indicator for the State, Region, and Counties

South Carolina & the Santee-Lynches Region Remain Well Behind the National Average.

Per Capita Personal Income (PCPI) is a valuable statistical measure of both state and local economies. This economic indicator's value extends from the use of the same data elements to calculate the PCPI within national, state, and county boundaries. Before proceeding, it is necessary to define per capita personal income and its components.

PER CAPITA PERSONAL INCOME: The total personal income of the residents of a geographic area divided by the population of that area.

PERSONAL INCOME: The total wages, interest income, federal payments, retirement income, and rent of the population of an area.

South Carolina's per capita personal income has languished well behind the national average since this economic measure was adopted. In 2004, South Carolina was ranked 44th out of the fifty states and the District of Columbia, with only 82% of the United States' average per capita income. This means that for every $100 of income for a U.S. citizen, a South Carolinian's income was $82.

In the Southeast, our State ranked tenth among the thirteen southern states in per capita personal income in 2004. In fact, South Carolina has lost ground over the last 30 years, when compared to four of its neighboring states.

Selected States PCPI & Percent of US Average

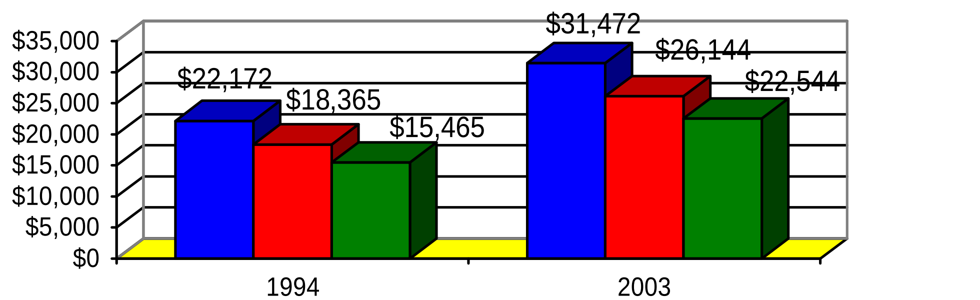
	1974 PCPI	Percent U.S. PCPI 1974	2004 PCPI	Percent U.S. PCPI 2004	Increase 1974 - 2004
Virginia	$5,484	96%	$35,477	108%	12%
Alabama	$4,332	76%	$27,795	84%	8%
Georgia	$4,852	85%	$30,051	91%	6%
North Carolina	$4,730	83%	$29,246	89%	6%
South Carolina	$4,450	78%	$27,172	82%	4%

Source: Bureau of Economic Analysis

Alabama, Georgia, South Carolina, North Carolina, and Virginia have all gained on the United States per capita personal income average over the last 30 years. Despite these gains, four out of these five states still fall well below the U.S. average, with South Carolina trailing the average by eighteen percent (18%).

A contributing factor to the relatively low per capita personal income for southern states in general and South Carolina in particular are the high levels of rural population. The rural impact on income affects the State's overall income figures and further limits the per capita personal income for the more rural areas of the State, such as the Santee-Lynches Region.

U.S., State, & Region PCPI (1994/2003)



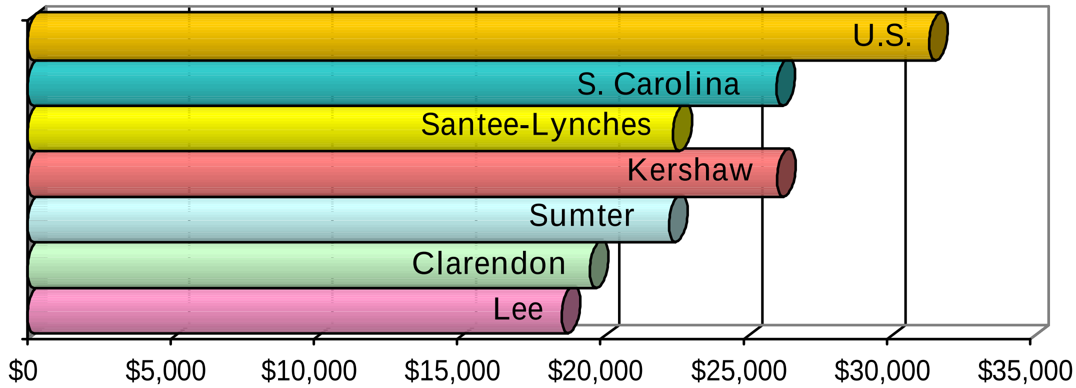
Source: Bureau of Economic Analysis

While South Carolina's per capita personal income increased by $7,779 between 1994 and 2003, the Santee-Lynches Region's PCPI increased by only $7,079 during the same period. In terms of income, all residents of our Region fell $700 further behind the South Carolina PCPI over this ten year timeframe. The Santee-Lynches Region's PCPI was only 71.6% of the U.S. average, a full 10% lower than the State average.

Since the Santee-Lynches Region is composed of a diverse mix of metropolitan, industrialized, and predominately rural counties, the individual counties of the Region face differing challenges in the realm of per capita income. As might be expected, the more industrialized counties fare much better than the rural counties in the Region. The rural counties lag well behind the nation, and even the State, in per capita personal income.

The Santee-Lynches Region's rural nature affects its actual personal income. Residents of rural areas usually have lower wages, less disposable income for investments, and fewer jobs that have benefits, especially retirement programs. The lower wages result in less Social Security income for those who reach qualifying age.

2003 PER CAPITA PERSONAL INCOME



Source US Bureau of Economic Analysis

Within the Santee-Lynches Region, Kershaw County has the highest PCPI and actually matches the South Carolina average. Sumter County, while a Metropolitan Statistical Area (MSA), has a PCPI that is approximately $9,000 per person below the United States average. The two most rural counties in the Region are significantly below the national average. Clarendon County's PCPI trailed the national average PCPI by $12,000 and was approximately sixty-two percent (62%) of the United Sates average. Lee County's per capita income is $13,000 below the nation's and only accounted for fifty-nine percent (59%) of the U.S. average PCPI. Lee County has not only the lowest per capita personal income in the Santee-Lynches Region, but is one of the five lowest ranked counties in the State. These figures mean that for every $100 of income for the average American, residents of Clarendon or Lee Counties have $62 to $59 of income.

WHY IS THIS IMPORTANT?

Lower per capita income results in a lower standard of living for the residents of our Region and individual counties.

Without extensive economic development, the counties of the Santee-Lynches Region will continue to fall further behind the average national individual income level.

Local county and municipality governments will be progressively limited in their ability to fund the services required by their citizens.