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County of Spartanburg

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In Spartanburg County, S.C, we build things.

For over 100 years, our mills were the heart of American textile manufacturing. In the 1990s, our once-bustling mills began to shutter and close. More than 25,000 workers found themselves unemployed and our county was changed forever.

If you visit Spartanburg County today – and I encourage you to do so – you'll see a community that is the economic envy of many states, and indeed, many other countries. The transformation began in 1992 when BMW decided to build its U.S. manufacturing facility in Spartanburg SC.

In the last 26 years, BMW has invested over \$9.3 billion in Plant Spartanburg, and has produced over 4 million vehicles, over 70 percent are shipped all over the world. BMW employs over 10,000 associates at Plant Spartanburg and they produce an astonishing 1,450 vehicles a day.

This has helped South Carolina become the nation's leader in the export sales of completed passenger vehicles, accounting for 16% of the total U.S. market share. In fact, the SC automotive footprint is so robust that automotive suppliers are in 37 of our 46 counties, employing more than 66,000 SC citizens in over 400 plants.

A 2017 study concluded that for every 10 jobs BMW directly creates at its Spartanburg plant, 90 more are created as a direct result elsewhere in the U.S. Just last year, the automaker announced plans to invest an additional \$600 million in Plant Spartanburg and create 1,000 more jobs. That decision is a testament to the quality of the company and their associates.

Through our success with BMW, Spartanburg County learned we could compete and win on the international stage. Our culture of craftsmanship, which once saw workers spinning and weaving, translated to the economy of innovation. Today, more than 200 foreign-owned companies from 25 countries operate in Spartanburg County, including Michelin, Alcoa Fujikura, Toray Industries and Kobelco. Less than 30 percent of those companies are automotive related.

Companies such as Volvo, Mercedes and Boeing now call the South Carolina home, employing thousands and building products used around the world. In 2017, South

Carolina won 157 economic development projects, representing \$5.24 billion in capital investment and creating nearly 18,500 jobs. More than half of that investment came from foreign countries.

Time and again, I hear a common refrain from these companies: South Carolina is a handshake state – a place where one's word still means something, and where fairness and partnerships are valued.

In a global economy, it's important to be fair. That's why I initially supported President Trump's efforts for equitable trade agreements with countries. However, such arrangements should not create less incentive for American companies to look for innovative ways to increase their productivity and make products more efficiently.

As evidence, look no further than U.S. steel manufacturing. Since March, the price of U.S. steel has increased around 23 percent on the heels of President Trump's tariffs. Instead of innovating, or even raising prices slightly, U.S. steel manufacturers simply have increased their prices to just shy of imported steel.

This marked rise in steel prices will cascade to consumers, whether they realize it or not. Large construction projects built with precast concrete and steel beams may suddenly seem too costly and be shelved. Infrastructure improvement projects, the roads and bridges, crucial to so many may be delayed or cancelled.

This is a perfect example of why governments should not use tariffs to pick winners and losers. We have over 100 years of history proving this does not work, from the sugar tariffs of the 1880's to the chicken tariffs of 1963, where in January 1964 the United States placed a 25 percent tariff on all imported passenger trucks and it is still in place to this day, 54 years later. Every truck owner in the United States is paying substantially more for their truck because of this tariff, including me.

The prices on everything from toothbrushes, groceries and cars will rise in 2019 if not sooner. These economic policy decisions do not exist in a vacuum. The impact will not only be felt in board rooms and in capitals but will be passed on to consumers across the country and this world.

I keep hearing "be patient, the president has a plan". Well our trading partners and citizens are running out of patients they have their lives and futures at stake. Our neighbors are asking themselves, can we afford to buy a new home or car with a trade war looming? Companies are asking, can we risk this new investment in a new or existing facility or do we put it elsewhere in the world?

In Spartanburg and South Carolina, we experienced firsthand the failures of a protectionist mentality. We must not repeat the mistakes of the past. As a community that was given the option to change or die, we have grown and thrived under a new economy, one built with a strong emphasis on education, innovation and collaboration.

In the years since the textile industry collapsed, companies have invested more than \$17 billion in Spartanburg County alone, creating over 55,000 jobs. We are poised for even brighter days to come provided these tariffs do not put their foot on the throat of growth.

A reporter recently asked what I might say to President Trump if given the opportunity. I would say Mr. President, come to Spartanburg and let me show you firsthand how we have opened our minds, hearts and ingenuity to the world for the benefit of everyone.

Politics is the art of getting things done through people, and in my 32 years of elected office it has never rung truer than now. In Spartanburg, we have learned that you can accomplish our objectives through trust and partnership – not a hammer.

Because in Spartanburg County, S.C., we build things – including relationships.

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