

reconnaissance plane collided, and when the SARS (severe acute respiratory syndrome) infection spread inside China, write Bates Gill and

Martin Kleiber of the Center for Strategic and International Studies. Diplomats now believe, they say, that the Chinese Ministry of Foreign

Affairs was simply not informed of the test, raising questions about China's reliability as a global partner in more fields than just space.

POLITICS & GOVERNMENT

A Low-Wage Dead End

THE SOURCE: "Economic Development and Globalization in South Carolina" by Lacy K. Ford Jr. and R. Phillip Stone, in *Southern Cultures*, Spring 2007.

FEW SOUTHERN STATES WERE more successful in the economic development derby of the 20th century than South Carolina. Its per capita income rose almost fivefold between 1950 and 1980. Its population increased by half. And its economy underwent the most remarkable growth since the cotton boom of the early 19th century, as officials pursued a low-wage, low-tax policy that lured heavy industry to the nonunion state. But now the jig may be up, write historians Lacy K. Ford Jr. of the University of South Carolina and R. Phillip Stone of Wofford College, Spartanburg, South Carolina. The state's "staggering" educational shortcomings leave it straining to compete in a knowledge-based world economy.

South Carolina's great leap forward ended more than 25 years ago, and relentless tax cutting, government shrinkage, and industry courting ever since have served only to stabilize its position as one of the 10 or 11 poorest states. The state dodged the dot-com economic meltdown only because it had never par-

ticipated in the dot-com boom. "Smokestack chasing" stopped working long ago. "Neither labor costs nor overall business expenses are lower in South Carolina than in Mexico or China," Ford and Stone write.

For a while many officials preached protectionism, but when foreign-owned BMW located its roadster assembly plant in the state in 1992, politicians could no longer easily rail about imports and the perils of foreign competition, according to the authors. The Palmetto State relies on foreign investment capital, and by 2004 China was the state's sixth-largest foreign customer.

Two recent studies have fingered education as the weak link in South Carolina's development. The state has the largest share of urban adults without a high school diploma and ranks near the bottom nationally in the percentage of all adults who have finished high school. Only about one in five adults has a bachelor's degree or higher. Per pupil spending for public elementary and secondary education in the 2004–05 academic year was \$7,555, compared with a national average of \$8,701—and \$14,119 in New York. The state lacks skilled workers and has no top-tier research university. It also lags in two other

areas thought critical to economic growth: patents and venture capital funding. South Carolina companies, universities, and individuals were granted only 3.6 patents per 10,000 workers in 2001, half the national rate. Available venture capital stood at \$3 per worker in 2002, compared with \$155 per worker nationally.

South Carolina, the authors conclude, must abandon the "easy political posturing of seeing the answer to all problems in irresponsible tax cuts and the savaging of a public sector that creates the bulk of the state's human capital." It must invest "heavily and patiently" in education so that, instead of slipping into a new era of stagnation and decline, its residents can attain "an American standard of living."

POLITICS & GOVERNMENT

Presidential Paralysis

THE SOURCE: "Personal Tragedy and Presidential Performance: Calvin Coolidge as Legislative Leader" by Robert E. Gilbert, in *Congress and the Presidency*, Autumn 2006.

SCHOLARS NOW KNOW THAT King George III, the monarch who lost America, was profoundly impaired toward the end of his reign by a disease that caused progressive insanity. Robert E. Gilbert, a political scientist at Northeastern University, argues that more than a century later America was led by a president