Interviewer:

Herbert J. Hartsook

Date:

September 12, 1997

Location:

Four Seasons Holiday Inn Lobby, Greensboro, N.C.

Synopsis:

Walter W. Harper was hired by Gov. Fritz Hollings in 1959 as Director of the South Carolina Development Board. Harper had been engaged in development work in North Carolina under its governor, Luther Hodges. Hollings had campaigned promising to devote himself to improving the economic climate of South Carolina. Soon after taking office, Hollings expanded the Board’s membership from five to fifteen and brought Harper in to plan, organize, and help lead an energetic development effort aimed at expanding current manufacturing enterprises, bringing new industry to South Carolina, and promoting tourism. Over the course of approximately three hours and forty-five minutes, Harper reflects on his leadership of the Development Board, 1959-1967. The transcript has been heavily edited by Mr. Harper to ensure the fullest and most accurate account possible.

Transcribers:

LaBarre Blackman and Brian Newsome

Citation:

Walter W. Harper Interview, South Carolina Political Collections, University Libraries, The University of South Carolina
Hartsook: I would like you to tell us a little about your background, where you were born, what your parents did, what life was like as you were growing up, and where you were educated.

Harper: I was born in eastern North Carolina in a small village of about two hundred fifty people called Leggett in Edgecombe County. My father was a merchant. He ran a general store that sold a little of everything. He ran that business until he was well into his nineties. My mother had been a school teacher, and she came to Leggett to work. Before Dad had his own business, he and my mother worked for the same large merchant, and that's how they met. My early education was at Leggett Elementary and Leggett High schools. I also went to Tarboro [but that was] primarily to play football [since I had already finished]. I was just before turning sixteen when I finished high school, so I had another year to spare. I was sort of a sports fanatic and just wanted to try my hand at football.

Next, I went to Davidson for a while. Things were pretty tough. These were the thirties. I wanted to make some money and I also wanted to get in shape to play football. So I started working for the highway department in the summer. I got interested in engineering and transferred to North Carolina State. It was almost like starting over because I didn't have the mathematics to go into engineering. So, even though I was an upperclassman, I had to pretty much start over to get my civil engineering [degree]. I got my engineering degree but was interrupted by the war for a little while.

Hartsook: You served in World War II?

Harper: I served at the tail end in the occupation forces. I was called up earlier while at State. The officer at the end of the inspection process said, "You are a senior in engineering?" I said "Yes, that's right." He said, "Hell, they are going to draft you in the army?" I said, "That's what it looks like." He said, "Let me see your feet." He looked at the bottom of my feet and said, "You have high arches, and you're in 4-F." So I got to stay in school for a while longer, got called into service a little later, then went back to State and finished. In the meantime, though, they hired me at State. I had worked for a newspaper in Raleigh, and they hired me at State in the Engineering Research Department while I was going to school to edit their publications and do things of that nature.
Hartsook: That's pretty good. So how did that end up? How do you go from that to development work?

Harper: I stayed at State after graduation and continued to work for the Engineering Research Department. The boss had to get contractual research or contracts of some sort in order to sustain the department. He had only a limited budget -- just enough for a small staff. So he made a deal with the State Department of Conservation and Development to use my services to find wet-process industrial sites throughout the state and catalogue them. And so that was my first introduction to industrial development. I spent that time working for the state but as a staff member at the college and on its payroll. I really got my feet wet pretty good and became the person who knew more about the sites in North Carolina than anybody else because I had catalogued practically all the wet-process sites in the state. Thus, I became of some value to the operation, and they wanted to keep me in the Conservation and Development Department. So they gave me a job and paid me a little more money.

Hartsook: A wet-process site is . . . ?

Harper: A wet-process is one which includes a river or large stream with ample water supply to dye cloth, make chemicals or for other industrial processing or cooling. It also usually requires a railroad siding to bring in raw materials, etc. A wet-process site not only requires, among other things, a large, steady water supply but a practical potential for waste disposal in order for it to be a viable site. That's how I got into development -- finding, analyzing and cataloguing good industrial sites throughout the state. After completing the site development assignment, I worked in practically every phase of the operation and was appointed head administrator of the Commerce and Industry Division after Hodges became governor [of North Carolina].

Hartsook: What was Luther Hodges like?

Harper: He was a very unusual person, big of stature, a trip-hammer mind, good salesman and had an enormous presence among people. He was chairman of our board. When he arrived at the board meetings, the board members would sit at attention because they had so much respect,
and he had such a commanding presence that they not only respected him but they looked up to him as a real leader. He was a good salesman, and was a great administrator.

When I was head of the division he would call me up maybe seven-thirty in the morning and say, "I'm headed to New York," and he would want to know all about the prospects that he might call on. I had felt up until that time that I was an administrator and that I needed other people worrying about the details of the prospects. But after he did that a time or two I became very much aware of the details of all the prospects I thought we might want him to visit. So I kept a card file in my briefcase all the time on the prospects—the blue chippers—that he would be working with. That's one of the things I remember about him. Also, he was a great joy to work with if you knew what you were doing and didn't give him any wish-washy answers. If you were precise and knowledgeable and up-to-date on what was going on, he was just beautiful to work with because he liked that kind of organizational approach. It appealed to a lot of us in the department to work with somebody like that.

**Hartsook:** Was that detail orientation good in the long term, to have that detail and knowledge about the sites?

**Harper:** Oh, about the sites? Indeed yes. I mean it was sort of like knowing the stock in a store or the basics of any business. It was just so fundamental to know the sites. Having an engineering background, the bosses tended, while I was on the staff, to use me with the wet-process prospects. Then, after I got to be an administrator, I knew enough about the sites, what would fit and what wouldn't, that it helped guide me in my assignments and understanding what a prospect might need.

**Hartsook:** How were you first approached about the South Carolina opportunity?

**Harper:** As I understood it, Governor Hollings had run on a platform that included a large plank about economic development. In other words, he wanted to upgrade the state's industrial development activities. Then I learned that South Carolina was going to appropriate some additional money for this department and that it was going to get more tools with which to work. This was generally of interest in an academic or in a competitive way at first. I was always interested in what was going on in our business, but it had no personal effect on me other than I figured that we were going to get a much stronger competitor.
Then, one day, a fellow named Ernie Wright called me. He said he was originally from Rocky Mount, which was just fifteen miles from where I grew up, and he wanted to come up for a visit. He was with Governor Hollings' staff, and he wanted to come up and see what we were doing with our program. So Ernie Wright came and interviewed my assistant and me for quite a while about our program. We enjoyed seeing him and exchanging ideas and found out a little more about what South Carolina was doing. There again, it was still just all a part of a day's work in economic development, talking to your competitors as well as your prospects.

Not long after that, Ernie called me up and asked me if I would be willing to come down for an interview. I later was given papers that he had kept during that period and I never saw such a detailed check as he had given me as well as some of the other people. I mean, he had talked to friends and enemies [laughter] and just checked the whole thing out. When I got there, Ernie knew a lot more, and they knew a lot more about me in South Carolina than I had any idea. Of course, Governor Hodges had a very high profile program and big reputation. He had been chairman of the Southern Governor's Conference and was the spokesman on some of the civil rights issues, integration and all that sort of thing. His economic development program had gained a lot of attention because we had a good run in development in North Carolina during his period as governor.

When I first visited South Carolina, they had set up a selection committee from the State Development Board. This included [Francis M.] Hipp and [James] Self and some of the other key members. Hipp was the chairman, and Self was on the committee. There were about five members. We met for quite a while, and they went into what we were doing with our program. I never saw Hollings nor was it his intent [to see me]. He had appointed a very strong board of top people in the state. Not all of them were heads of big corporations, but all of them were community leaders.

Mr. Hipp and Mr. Self kept me for a right long time. I missed my plane and they flew me back to Charlotte where I could catch another plane. So I got to know them pretty well. We talked in the broad sense at the meeting and then on the plane we had a chance to talk about some issues that later came up. They got a pretty good feel of where I was coming from and what I thought was the way you went about doing this kind of business. I went back to Raleigh, and that was it for a few days. Later on I got a call from Ernie Wright who asked me to come down and meet with the full board. So I went down and met with them but didn't have much interest in the job. In fact, I turned it down initially, after the board meeting. I told them that I had a good job, believed that I was doing all right, and wasn't interested in a change. We continued to talk at great
length. By the end of the day, they had done such a good job in presenting the challenges and opportunities that I agreed to come.

The next morning I was back in Raleigh and turned in my resignation. North Carolina offered to double my salary and give me a contract if I'd stay. But by that time it was too late. I had already given my word, and it appeared in the paper that I was going. I didn't think changing the decision at that point was anything that I could consider. But North Carolina officials did actually meet with me and offer to give me a good deal more than South Carolina was going to pay. South Carolina had offered me a little more than the governor was making at the time. Mr. Cooper said it was an accident that they had the salary at fifteen thousand, six hundred. He said the $600 was a typographical error that had gotten through, but anyway I benefited some from a typographical error. [laughter] I made fifteen-six and had a car and some other benefits. So that's how that came about.

Hartsook: What was your first impression of Governor Hollings?

Harper: I was totally impressed with him. He was dynamic and young and full of salesmanship. He wasn't just a PR type at all. In other words, he wouldn't tell you just what you wanted to hear. He was very decisive in what he said and I liked that. And he would tell you straight up. For example, he told me on the way over to have lunch at his mansion during our first meeting, "Now Harper," he said, "Everybody down here thinks you're a Yankee, so tell me what you think of integration." So I said something. He said, "Stop right there. Don't say any more. That will be a good answer." He said, "Everybody around here is a little suspicious of you. They think you're a Yankee coming from North Carolina." [laughter] He had a way of throwing some humor in almost anything no matter how serious the thing got, and I was just totally impressed. I said, "Well, I'm not only going to like him but I respect him, and it will be good working for him, and in a way I will even be working with him the way he presents things."

So my impression was totally good. As a matter of fact, I don't remember ever getting upset at him or anything. I did have a few differences. I went to him one time when he was running for election. I had learned it was awfully important to keep your figures on industrial growth very carefully and be able to back up everything that you said with documentation.

While he was running for office, he started receiving figures about new plant locations from various sources which we could not verify. I told him one day, "Governor, let me give you the figures." I said, "You let me keep these figures and I'll back them up. You let me give you the
figures and then you interpret them.” He was fine [with that proposal] and that was the only kind of problem I ever had with him. He was just enthusiastic and exuberant about everything and once in a while I would need to maybe clarify some technicalities for him.  

He would tell me about problems. He said, "Now. We’re going up to New York." He said that in the past "I would try to go on a sales trip, and they sent me to vacant buildings to call on prospects. You aren't going to send me to any vacant buildings are you?" [laughter] I said, "Oh no. Number one, I'm going with you. Number two, they'll know you're coming before you get there." [laughter] I had done that for Governor Hodges, and one thing we had learned before that: You can't work from directories and make calls without verifying the information. You could get appointments for governors in those days with most top industrial officials. We not only arranged the Governor's appointments well in advance but, before leaving, confirmed with the CEO's secretary the CEO's address and appointment with the Governor.  

Governor Hollings was absolutely forthright in what he'd tell you, and if he thought there was some sort of problem he would come and tell you. As a matter of fact, one time we were going to hire a fellow who was a friend of his from New York. We needed a topnotch advertising/PR man, and he had a friend who was a South Carolinian and wanted to come home. I had decided he was fine. I had met him and spent some time with him. Then I got a report about his character from one of the board members and didn't exactly believe it, but felt like I ought to have some facts for my board members. So I contacted the fellow who was then heading up the State Law Enforcement Division [SLED]. He got me a detective in New York. We checked the fellow out and found out he was fine. [laughter] Then this SLED director went and told Hollings about it, and Hollings just chewed my butt out [laughter] and I didn't blame him. He was somewhat insulted by the fact that we were checking out a fellow that he would recommend. I said, "Chief, I never expected to get you in this, but your friend and board member was calling my hand on it real hard and didn't think I ought to hire the fellow. The only thing I could do was to get some facts. If your SLED fellow didn't have such a big mouth there would have been nothing to it." So he laughed and went ahead, but he would always deal forthrightly with things like that. If they were unpleasant, he would hit you head on with that, and if they were nice, he would tell you about it. I liked that. You can't beat dealing with all your cards up on the table. He was a pleasure to deal with and I will never forget him. I never did forget him, and I never will.

Hartsook: He tells a great story, and I have heard it several times, that you would try to build on Luther Hodges' success and basically imply that Hollings was Hodges. Not you personally,
but when making the appointments. He'll tell the story, "And we would call up there and say 'this is Governor [cough sound] from [cough sound] Carolina.'" Is that just a good story or was that really done?

Harper: Hollings would say that?

Hartsook: Yes.

Harper: I think he was kidding, I have no recollections of that. I'm not saying it didn't happen but I have no recollection of it. [Upon further reflection between the time my remarks were recorded and edited, I do recall Ernie Wright, the Governor's industrial assistant, telling me soon after I arrived and laughing about some activities along these lines in which he had participated.] That reminds me of Bill Saunders (North Carolina Conservation and Development Director) saying that I was going to take all of the prospects from North Carolina to South Carolina. I felt that was like saying you are going to give up a girl and your friend was going to take her over. It's just like trying to transfer love or transfer convictions relating to business matters. It is fine to know prospects and their requirements; but they are interested in and very involved with a certain state, they generally have reasons that go far beyond liking a development director or governor. Not that those things aren't a part and parcel of the complete package, but I was confident that the thing North Carolina had provided me was economic development training, not prospects to take to South Carolina . . . not only had I learned something about economic development but I also had developed a philosophy that had become the basis of my operational approach. My feeling was that no small group of people in Columbia or anywhere else was going to industrialize the state alone. The ultimate success of economic development in South Carolina would depend to a large degree on the effective cooperation of the state Development Board, local promotion programs and the other development forces in the state. The key ingredient to reaching our goals would be teamwork.

Hartsook: What attracted you to the South Carolina opportunity?

Harper: There were several things. I was part of a big operation that had become successful in North Carolina. My role was chief executive officer of the Commerce and Industry Division--to design and oversee the execution of the programs we were undertaking. The big boss of the
Conservation and Development Department (which had about seven hundred fifty employees and included forestry, parks and recreation, etc.) had been president of a textile mill group and knew little about state economic development. Great fellow, but he and several board members were messing with and playing with the program all of the time. I saw something that looked most promising in South Carolina. It appeared that I would be the chief technician, and there was no indication that a lot of people wanted to tell you how to run the program. They were interested in all aspects but not in the techniques and details of the operation. I found that to be true when I got to South Carolina. No question that they wanted results. They didn't give a big hoot if you thought a study of a certain kind was important. If you thought this was the way to go about it, they could care less. They were results oriented. In North Carolina there had been a tendency for some of the board members, as well as the director, to want to mess with the program, play with the advertising, get involved in operations and handling of personnel.

I thought that the situation in South Carolina would be much better. To start with, the governor would be a major asset just as Governor Hodges had been in North Carolina. It was obvious to me that this was important to Governor Hollings and he was going to give it support. And, he was going to provide the leadership. I had met the board and knew that he had topnotch board members. There again, I could tell that they were willing to deal with policy and big issues. They didn't want to run the day-to-day show, at all -- not a Francis Hipp who had a big insurance company, Jim Self who owned all those mills, and the other, I liked that.

Then, I saw that South Carolina had the resources to grow. There are primarily four motivating factors for the location of manufacturing facilities. These factors and perceptions of some of the state's resources included manpower, and South Carolina had a steady supply of non-skilled labor even though it would have to be trained.

Markets. The state and its neighbors had a large textile industry that represented markets for such things as machinery, fibers, dyes, etc. A growing industrial base would provide markets for many local products and services for architects, engineers, building contractors, etc. The long ocean front and its beaches enhanced the State's markets for such things as food, clothing, construction, sports and fishing equipment.

Materials. Resources for industrial growth included timber and pulpwood, raw materials for the production of brick and cement, large water supplies for processing, competitive electric power, and agricultural products for food processing.

Money. Available capital for industrial finance was initially in short supply, but there were ways to get around this problem. For example, state banks were making accommodations with
large national organizations. Local leaders would offer to supply utilities for new plants and tax deferments. They were quick to recognize that they not only would gain the new jobs but recover their investments with a larger tax base within a few years. And South Carolina was ready to organize a business development corporation to assist in establishing and financing small new industry.

So here was a new governor who had run on economic development and was determined to have a good program. Here was the board that had the business acumen to reach this objective, and here were the people in the state who were willing, anxious and ready to get going. They reminded me of a football squad just getting organized. They were anxious to know what the playbook was going to be and where they would fit on the team. They were ready to go.

So my primary objective when I got there was to try to build a team and let these people know that they could play out front. We were not interested in the publicity. We'd get enough publicity if we did anything. If we got a plant in Anderson for example, we would send our PR person over there and help them -- the legislative delegation, the chamber of commerce or development board and other participants. They'd get the publicity, and of course we always came out fine. We were not in it for the publicity. We had to get something done and then the publicity would flow.

Now I could easily have come a cropper, coming as an outsider and not knowing the state intimately. I could have run very quickly into some crossed swords with somebody. But I had already decided that there were certain fundamental things that were going to be carried out and if they didn't work then I was going somewhere else. So I made up my mind at the outset -- if we were going to work together, we were going to do it on a fundamentally sound basis and not try to incur political favor or anything like that, not start a back scratching sort of thing. It tended to work.

Hartsook: I was struck very forcefully by the differences in tone in your annual reports and those of Mr. Cooper [Harper’s predecessor]. In fact, in one of his reports, he actually talks about the need to discourage some businesses that were interested in locating in South Carolina. I was just curious if you would like to characterize what you inherited?

Harper: Well, actually, I would be happy to do that. And it does come out in a nice way, even though there were some negatives. Mr. Cooper was put on my board.
Hartsook: Right, I'm surprised at that.

Harper: Well, he didn't want to retire, they told me. He was a fine looking human being and even at seventy-plus years old he was still handsome and a smart, nice person. He was an old-timer through and through and very intelligent. What he ran was a small department with a small budget and small board. I think there were five members or something like that on his board.

Hartsook: There were five.

Harper: They were a very small and very intimate group. I always characterized him as the only golfer and the staff were all caddies. I mean he was the only player, and he was a politician. He had been a senator and his whole background was [as a] politician. He had very limited resources. He didn't have a whole lot of staff in numbers, and he didn't have many that were trained specialists. I had several things to deal with when I got there. Number one, I had to build a staff. Number two, here I was an outsider and some people were uncertain as to what direction the program might take. As to Mr. Cooper, he definitely was a little suspicious of how things were going to go and didn't like a few things I did. For example, when we opened up our advertising, we got a New York agency which turned out to be the most prestigious one in the country and maybe the world. Anyway, they won our little account. These fellows didn't talk good southern [laughter], some of them said "youse guys" or things like that. They were absolutely magnificent in their profession. I could tell Mr. Cooper went along but he didn't like the idea; so it was a pain for him to take.

He followed our activities very closely for many months and then one day he called me in the office and said, "I always heard that an ounce of taffy is worth a pound of epitaphy. I want to let you know that I think you are doing a fine job here." I took that as an enormous compliment because I think that he was now totally comfortable with me being there. I had turned some things upside down that he had done, but I felt that my great respect for him as a person must have shown. He was dealing with a different world. I mean, here was a fellow little more than half his age with more money for the development, and he was trained in politics. And so I did have to overcome some things he left me. But he was a true gentleman and even became a supporter.

One of the first things I had to deal with was a problem relating to advertising. When I got to South Carolina, I had hardly sat down before I started getting calls from people [that] wanted to
have lunch with me. A large number of them were from advertising and PR agencies. They were all saying that the Board's account was a fixed deal, strictly a political deal. Well, it turned out that our new board was willing to open up our advertising account to all comers. There were two reasons. There wasn't but one agency in South Carolina big enough to have the know-how to compete on a national scale, so they always won. Second of all, I felt like there ought to be competition. The state should be able to get the most for its money out of everything. Mr. Cooper had said we should keep it in the state. I said, you can't spend your whole life going out and trying to get outside business and then not be willing to open up your own markets.

I had a call from the president of a company in Columbia the day that advertising decision was announced. He said, in effect, the same thing Mr. Cooper had said. I told him that I didn't make the decision. I mentioned Mr. Hipp, Mr. Self, and Mr. Pearce and named a few other board members who were well known, and said, "They made the decision." He said, "Oh," and I never heard any more about it.

Then the other thing that everybody -- and I mean everybody -- said was that when an inquiry would come to the State Development Board, it would go right to Charlie Daniel's office. I heard that ad infinitum. The governor and I were on one of our sales trips to New York. We had as our guest a fellow from Fantus, the biggest plant location firm in America at that time. This fellow sat there while we were having lunch and told Governor Hollings, "I can't deal with your development board." He said that everything that anybody brings there goes right to Charlie Daniel's office. I said, "Well, wait a minute now. This is why we are here. This is a new development board and I'm running the board. It's not the same old crowd. You bring us some prospects and you'll see."

Well, what had happened in the past was that they didn't have the resources at the Development Board to do much. And Mr. Cooper and Mr. Daniel were friends. It was bad public policy in many ways but to some degree I could understand the reason for going to the biggest developer in the state, the biggest available resource, and using him. However, it was not, to me, keeping the public trust. So I let our staff know that at the outset. I had already discussed this with my board. They said, "Now, we don't want you to cut Charlie out. We want you to be independent, but we want you to work with him too." So I told them, "No question. That was my expectation." I made it clear to the staff that our policy would be the same for all contractors, for all engineers, etc. I told them that some people won't believe it at first but it's going to be that way, and the staff loved it.

Even though there were a number of negative aspects to the Daniel relationship when I first arrived, I would like to pay respect to some contributions which Mr. Daniel made to the state's
development before I came to South Carolina. These were much more important in my opinion than any manufacturing plants which he might have located. More beneficial, I believe, was the great influence he had on good government, constructive industrial legislation, general acceptance of the free enterprise system, positive race relations and many other important factors affecting economic development and [the] overall welfare of the state. As my tour of duty progressed, I am pleased to report that the Daniel organization and the State Development Board were able to establish a very sound and productive relationship.

Right after I got to South Carolina we started building a staff, acquiring more expertise, and developing a massive marketing program. We initiated the marketing plan even before all of our tools -- such as resource data, market research, target industry studies etc. -- were ready. I wanted to demonstrate to the state what we meant by cooperation and team work. So we took a large group to New York with the governor on a big sales trip.

**Hartsook:** . . . and like a hundred and forty people or so, is that the . . . ?

**Harper:** . . . the number? That sounds a little high but there may have been that many. Everyone involved in South Carolina's economic development was invited to participate. The State Development Board provided the organizational work and made all of the arrangements. Business and industry leaders, state officials and staff, and executives of local development agencies made up the team.

The program involved three days of contacts with industrialists, plant location firms and other organizations that did site searches for industry. Receptions and luncheons were held each day in one of the top New York hotels for about one hundred industrial leaders and plant location people. Governor Hollings told them “the South Carolina story” and gave then a top notch sales pitch. Sponsors of these affairs were Duke Power Company, South Carolina Electric and Gas and South Carolina National Bank.

Hotel Roosevelt served as headquarters for the operation. I conducted a briefing at the beginning of the first day to lay out the plans and procedures for the three-day program and maintained an office at the Roosevelt to coordinate activities.

The governor made numerous calls on top industrial executives. Appointments were made for him in advance and confirmed shortly before the visits. He also had numerous interviews with the New York and South Carolina press and other media.
Members of the South Carolina delegation were divided into teams of two. The teams generally consisted of one development professional and one lay person. Cards with information on companies and their executives and maps with directions on how best to reach their headquarters were provided. The teams were asked to make their own appointments and file reports on each call. Some members of the group had their own prospects and contacts.

An estimated six hundred calls were made. The program stimulated a good deal of new interest in South Carolina. Governor Hollings, the press and local delegates reported favorably on the experience. One of the most beneficial results was that it set the stage for more cooperative efforts and additional sales trips. Immediately upon our return to Columbia, the State Development Board began processing the reports on each call and setting up a follow-through with local groups on all of the contacts.

Hartsook: What would that report be like? You said that they would file a report or report to you?

Harper: The report would include all of the basic information on the companies, plus any corrections and other information acquired during the interviews. Comments regarding any expansion plans the company might have were of special interest. Their attitudes toward South Carolina were recorded and suggestions were made as to follow-ups and the best person in the company to contact. As soon as we had completed the processing and early follow-through on the big New York trip, we began planning a continuing series of smaller trips to all parts of the country.

Each of these trips was organized around a local development program generally representing a county. The Board’s community relations man would plan the trip with the local development representative. They would pick a location, such as Chicago, San Francisco or Philadelphia, that appeared most promising at the time. Usually, the power companies, railroads, engineers, architects, contractors and other professional groups would furnish about half of the participants. The State Development Board would send its liaison man on its small plane and offer transportation for the local development representatives who had limited budgets and to special resource people whose expertise was needed for specific opportunities. These sales trips were taken with development representatives from all over the state to locations throughout the country as rapidly as they could effectively be organized, for a period of more than seven years.
The combination of the Board's advertising program, national media attention, and massive personal contacts began to have an impact that showed up soon in the new investment totals for South Carolina.

Hartsook: You have talked a good bit about your board and how supportive they were, and it sounds like they were a very important component of your team. The expansion of the Board took place before you came to Columbia?

Harper: Yes, it was already in place. They expanded that right after Hollings came in.

Hartsook: How often would the Board meet in its entirety?

Harper: They were hell bent on meeting every month; so I had to go along with that. I wanted to meet every quarter and told them that we didn't have time to accomplish enough to report every month. But they prevailed because they were the bosses and they saw some things that I didn't. They had always met in Columbia, but I told them that I thought we ought to get around the state, that they ought to get to see the state, too, and hear the local stories and their complaints. That was my feeling but I don't think at all that it was an exclusive idea. They seemed to feel the same way. I had been with the Development Board a very short time when we went to Charleston for a board meeting. That was fine. Charleston put on a good show and all of the board members got to know each other. That helped a whole lot. Not long after that the Board agreed to split up into committees so that they could spend more time examining each area of activity and give the full board a summary at each meeting.

Jim Self, owner of a large manufacturing enterprise, headed up the Industrial Committee. Connie Morton from Rock Hill had been in advertising and PR all of his life and was chosen to head up the Travel and Information Division which handled the Board's advertising and PR. Walter Rawl from Lexington County, a big farmer and processor, headed up the Agricultural and Internal Industries Committee. The Board was composed of outstanding people who brought much expertise to the program.

Hartsook: Who would you turn to for counsel when you had some perplexing problem?
**Harper:** It would depend a lot on the nature of the problem. I never thought of one person being the know-it-all as far as my business was concerned. For example, the state Chamber did a magnificent job in labor relations. I depended on the Chamber people for guidance in this field.

If I were talking about politics or anything that had to do with procedures that involved politics, I would go to the governor for guidance. Misters Hipp, Self and Pearce advised me regarding relations with business, industry and education in the state. Connie Morton did a lot to keep us on the right track with advertising and PR. Howard Carlisle's personnel experience was very helpful. Bob Fickling and Walter Rawl were our agricultural advisers. Joe Riley and Jimmy Moore helped me better understand and relate to Charleston and the Low Country. Bernard Warshaw, J.C. Keys and Hap Anderson not only supplied special insights into small business attitudes in South Carolina but provided much community relations assistance. Bob Clawson was a banker by profession and used his national contacts to learn about and advise us on some important industrial prospects for the state.

There were a lot of people I went to for guidance on different things and many of them were professionals in the development business. Ernie Wright of Governor Hollings' staff and I met regularly. He not only kept me posted on developments in the governor's office but was especially valuable for his information and advice relating to the local development situation in the state. I'd talk to the Chamber people; get their guidance on where we were failing and constant input about how we ought to run the Board from some of the local development people. And there was some sword crossing. It wasn't always nice and serene, but by and large, the net was highly positive. I will tell you a few stories that will illustrate that aspect of the business. There was a crisis about every week or so.

Soon after we got our new development program underway the legislature appropriated a quarter of a million dollars for research, a program they called [the] State Organization for Associated Research (SOAR). These were to be monies that the universities were to use to help economic development. Senator John West, who headed up the legislative committee, came over one day and told me, "We'd like to have your idea as to the allocation of this money." I said, "Let me see the projects that they'd proposed." Nobody in economic development would have believed the projects which Clemson and the University of South Carolina had proposed that were supposed to help us. They included such things as heat transfer, and one had to do with pollination and bees. Now the University of South Carolina did have some population and manpower studies. I liked that, of course. But there were two or three pages of academic-type
projects from each university. You'd have thought they had proposed the lists for some other purpose, not economic development. I couldn't believe it.

So I divided up the projects in such a way that a third of the money was for studies we could use, a third for the University of South Carolina and a third for Clemson. I've got to give them some credit, there were a few, but out of a hundred, there were about eight to twelve that would be useful to us. I wanted to play ball with them. So I put together my proposal. West thought it was fine, and he and his committee adopted it.

Well, first thing I knew, Bob Edwards had gone around and seen my Board members. He had planned to get all that money himself. I didn't know that. But he had planned to get all that money and spend it at Clemson. He had already committed it. And he was mad as a wet hen. So he went around and started undermining me to my board. He went to see a good portion of the board. I didn't know that until later. I got a call from Francis Hipp one day. He said, "Could Jim Self and I come down to see you?" I said, "I think my bosses can come and see me most any time they want to." [laughter]

This was a serious meeting because when you have the president of a university just really criticizing you terribly and taking the trouble to go and meet with a number of board members, and saying that you are mishandling things -- that was pretty serious. So Misters Hipp and Self arrived and were very polite, as always. We exchanged pleasantries, and after they had identified the problem, I said, "Would you like for me to outline what has happened up to now? Let me just give you the facts and then we'll editorialize after that." They said that'd be fine.

I had underlined in red what the law said was to be done. Then I showed them copies of the universities' proposals. I said, "Here's what I propose we do. I will be candid with you. I thought that since it was money that involved all of us, we might best split it in thirds. That was about the best solution I could see; so that's exactly what I did. Only the list of projects show in my report, but here's how the money allocations work out. You will see here." After they looked at it, they said as far as they were concerned that part of the meeting was over. They said, "We hope you will try to get along with Bob Edwards." [laughter] I said, "I absolutely intend to, but," I said, "we're going to work on a little different basis than going and trying to undermine each other." They went on and that was the last of that.

Bob Edwards came in not long after and so I told him, "There will be no more of this sort of thing. I want to get along with you but I'm not going to accept this anymore." I told him off pretty good because I was madder than hell and didn't respect him at all for what he had done. I give him credit, we went on and got along fine after that, and he couldn't have been more
cooperative. Before it was all over, Clemson helped us on many food processing and other projects. Everybody on his staff was great, and as far as Bob Edwards and I were concerned, it was as if nothing had ever happened. I felt it necessary to relate these events to you because without telling you some of the ups and downs this would not be a very accurate story.

You had mentioned [James P.] “Spot” Mozingo when we were down at the podium [meeting for the first time at a dinner honoring Fritz Hollings]. I had told you that I had had some experiences with Spot. During the period when Donald Russell was governor, I went to my office one holiday morning because I needed to do a little catching up. I was feeling pretty good since the state had just completed an outstanding year in industrial development and our program was on the move. A letter was on my desk, showing a copy to the governor, in which Spot took my hide off for not getting anything for his county.

So after the holidays were over, I got my secretary in and dictated a response that I really felt I would like to send to him. I used all of the tough language and everything that I really felt like saying. That was a method I frequently used to get rid of some of my irritations and frustrations. My fine secretary, Nell Sharpe, would always type them up and return dead serious with the letters exactly as dictated. She seemed to thoroughly enjoy the exercise. After a good laugh, I usually would say, "Now that I've let off a little steam, let's get down to business and see if I can construct a letter that is more appropriate."

Anyway, I sent him a letter stating that I completely understood his disappointment at not getting any new industry in Darlington County, that my staff and I lived with the frustration of not being able to acquire enough new business to satisfy all the needs of South Carolina. As to his suggestion about the possibility of disbanding the State Development Board and dividing up the funds among the counties of the state, I agreed that would be one approach. However, the state budget allocated strictly to industrial development would provide only about $13,500 annually for each county and that wouldn't allow him to accomplish much.

"We're all undermanned and underfinanced for the magnitude of the job and the fierce competition, but the most serious part of the problem of helping Darlington County from our standpoint is that you don't have a local development program with which we can work. My recommendation," I added, "would be for you to organize an active development operation to work with my staff and see what we might accomplish." Governor Russell seemed to get a big kick out of this exchange. [The letters, Dec. 23 & 30, 1963, appear at the end of this transcript.]

So anyway, I was over there for the Florence-Darlington TEC dedication not long after that. Spot told me, "Walter, I want to apologize to you." "Spot, I don't think you owe any apology.
What's the matter?" I answered. He said, "I have only been to court twice in my life unprepared and got whipped both times." He talked about a court case he had several years before, then the other time he said, "was when I wrote you and didn't get my facts together." [laughter] I said, "I don't take offense at that sort of thing because you were expressing a frustration that I have, that I can't do everything that everybody wants me to do and do it for everybody. One thing you can count on, if you get a program, you can depend on us giving you as much attention as anybody else in the state. That you can put in the bank." So he said, "Well, I don't know how to go about it." I said, "I'll send you somebody. I've got a man that knows how to go about it, and I'll send him."

So sure enough they went to work, and things started happening. Then we had somebody to work with and they got a program and hired a directory and pretty soon they started getting some activity. Spot became one of our greatest supporters. Many people that had started out misunderstanding and took the brass knucks to me, turned around as soon as they saw what kind of game it was.

In fact, I had that kind of experience with a legislator who hoped to run soon for governor. I had hardly been there long enough to know my way home when he called me over and really roughed me up about what was he going to have to do to get some industry down to his place, and he was very threatening. I really didn't pull any punches because if that was the way it was going to be, I wouldn't stay there anyway. I told him in no uncertain terms what it would take, that we would need an organization with which to work, and that it would take a lot of hard work but we would do our part. I had hit the desk really hard during our conversation. He said something very insulting. I hated that and said, "I won't put up with that." We had gotten pretty rough.

Funny thing, after we had talked for a while, he put his arm around my shoulder and said, "I just wanted to see what kind of fellow you were." He said, "Now I understand how you want to run the program. I can live with that." Later on, after they got better organized, we got some industry for his place, too.

I've got to tell you that they didn't let me come in and not initiate me. A lot of them thought the way to do [it] was [to] rough me up. We all gradually began to understand each other. Even when I was there, these were funny stories to me, but there was no bitterness because I knew we were talking about big stakes for them. There was big money involved for the contractors and other commercial interests and big dividends for the politicians. But gradually, we got it across that we would work with them but we were not in the business of passing out goodies. We had no goodies to pass out. They had to be earned.
They didn't let me off too lightly, but most of them came back after we had a confrontation. I think that there was only one fellow, a banker, who never came back. He apparently had already told this army general that he was going to get him a position at the State Development Board, but I would have no part of it. I had dealt with retired military and found that most generals were not of a mind set to be good staff people. It was a hard thing really. The banker said that the general could open doors to corporate officials and do all sorts of valuable things. I said as far as I was concerned he had no credentials for economic development.

Along about that time, Beaufort County did hire a general who had been commander of the Marine Corps base in South Carolina. He was a very intelligent and nice man. I enjoyed visiting with him. He was so bright and [a] rather modest sort of fellow to have been a general. He told me one day when I was asking about his program, "I don't have anything to do; that's my problem." He should have been one of the busiest men in the entire state.

Many people did not understand economic development very well. They tended to put developers in the same category as "the blue suede shoe boys." That was what we used to call hotshot salesman who would dress in fancy clothes and sell used cars and high pressure real estate deals.

In fact, some of the press had referred to me as North Carolina's top salesman and later used the same term with reference to my position in South Carolina. I never thought of myself as top salesman. I mean, it wasn't in my mind or in my program.

What I felt I needed to do was to effectively mobilize all aspects of economic development. That included utilizing properly such top salesmen as Governor Hollings and scores of others. It included using financial experts, scientists, educators, engineers, marketing specialists, etc., to help us find and package opportunities in the state and present them to prospects.

One example of where problem solving was the key ingredient involved the location of two Sunbeam plants. A good friend of mine, a contractor from North Carolina, was in the process of locating a series of plants for the Sunbeam Corporation. He gave us a good opportunity to get two of these operations. Things were moving along very smoothly with all of the location procedures when we ran into a tax allocation problem. After some preliminary talks, we could tell that our tax people were not sympathetic. So we talked to Governor Russell about the situation. He understood the problem completely, came up with an excellent solution, and made it possible for South Carolina to land both of these plants.

Another example of Governor Russell's effective help occurred when a fine company was considering the location of a big plant in the upper tier of the state. We had experienced some
difficulty in getting new plants to locate there because of the general perception that existing industry didn't want any new neighbors. Then, I found that the local industrial leaders would definitely support us.

So we reached a point in our negotiations where the chances of us getting this plant looked pretty good. We felt that some personal attention by the governor to the company executive VP would be very helpful. In spite of a very complicated schedule, Governor Russell agreed to meet us at a motel at Fort Lawn before dinner on the evening we had requested. So the governor shows up at the restaurant at the appointed time. We're over at the motel, and damn if the key man hadn't passed out. I went over and told the governor that there had been a slight delay, that some of the meetings had lasted longer than expected, but that we'd all be over shortly. He said that would be fine.

Fortunately, he was a VP of personnel in the company group. He was grey headed, very distinguished looking and most articulate. We briefed him very quickly on the situation; then took him over and introduced him to Governor Russell as if nothing had happened. The governor did a nice job of covering all the issues of concern to the company and never indicated he was aware of our problems. Not only did the governor’s presentation have the desired effect, but the company CEO's relief at escaping any personal embarrassment helped him, I believe, make the decision in our favor.

In any event, I told the governor's staff man later exactly what had happened that night and that he could tell the governor "the rest of the story" any time he would like. We were a bunch of nervous fellows at that time, but South Carolina got the plant.

Governor Russell played numerous roles in the economic development of the state. His assistant, Fred Sheheen, did many things for us and was so keen that he was especially helpful. I used everyone I could. I didn't go to South Carolina and understand it by a long shot. I always had something on which I needed guidance, and there were a lot of good people who helped me. This included USC Presidents Tom Jones and Bob Sumwalt -- whom everyone loved. Tom Jones liked to get in on the selling end of it. We used him a lot, and I enjoyed him thoroughly. He was a piece of work.

Hartsook: Am I right that, in 1959, a development office was opened in New York?

Harper: Yes, in order to get our sales going. We were sending a lot of people to New York -- volunteers and professionals -- but they were wasting much time and the trips were rather
inefficient because most of the participants did not know their way around New York and [its] environs very well. These fellows enjoyed going to New York and seeing the bright lights. Some of them had money and time and they were officers in local development programs.

There was a fellow in New York with whom I had worked in plant location -- Ken Slawson. He was a vice president of Sperry-Rand when they merged with another company, and he retired. He was fifty. Slawson had an apartment in Sutton Place South, which was then a great address right in the middle of town in a nice area. So he had his retirement, and I didn't have much money, but I made a deal with him where we'd pay him ten thousand dollars. At that time, it generally cost about forty thousand dollars annually to keep an office in New York. So, I hired him for ten thousand dollars, including all of his expenses, and he worked out of his apartment.

Then, when I'd send a group up, he would have them over to his apartment. If we had a big group, he would meet them in a restaurant and show them how the best way to get to where they were going -- the most efficient way. He also knew the industry in New York real well and would give our people pointers about which company representative to see and how to approach them. When we would get an inquiry in Columbia from a New York company, I would often call and ask him to carry a batch of information to headquarters that afternoon in order to get ahead of the competition. Not many people had a car in New York, but he had a fancy machine and would drive our salesmen out to New Jersey and other places that had good customer potential but were not visited frequently.

He did all sorts of things. We sometimes were able to use him to get inside information on company expansion plans. So he was of great service and didn't cost us much because we didn't have any overhead. This role was not very challenging for a former top company executive, so he decided to resign. I got him to stay on a while but did not continue to try to keep him because by that time we had overcome to some degree our start-up problems.

**Hartsook:** You have talked a lot about the local development offices. Can you contrast what you found when you came in 1959 and what it was like when you left, in terms of their number and effectiveness? You are talking about local chambers of commerce?

**Harper:** Or development boards. When I left North Carolina, most of the local economic development was done by chambers of commerce. Asheville and Wilmington were outstanding exceptions, and Gaston County had recently started a county program. There were many good local development operations and they were a key part of North Carolina's strength.
Not long after I got to South Carolina, I remember saying to Ernie Wright one day, "There aren't many chambers in South Carolina; there probably aren't more than five good chambers in the state." He said, "Name them. There aren't five good chambers in South Carolina." Well, I think that was stretching the point a bit, but it illustrates the fact that the chamber of commerce situation was not strong. The upstate had two that were recognized as good strong programs. They were Spartanburg and Greenville. Columbia had a dynamic situation in the Chamber. They had a lot of ups and downs, but it was certainly dynamic. Charleston had a strong local county and city development board and they did have a chamber, but it was not involved in economic development.

Each of the counties, almost all of them had a development board in name. Some of them had viable organizations. Then, others began to get good chambers. Anderson got its leadership straightened out and developed a good program. Then Sumter made a change. They had a pro, but made a change and got a military man. He was great and developed a topnotch program. Orangeburg almost always had a good chamber. That was another one that I had left out a moment ago.

Gradually the counties began to play a bigger and bigger role. Charleston County always played a big role in development because the Charleston Development Board got some money from the county. Myrtle Beach had a strong chamber, as you would expect, but industrial development wasn't their thing, so they set up a county development board. I mentioned Darlington a while ago and Spot Mozingo. He had an organization, set up an active board and then named a really sharp fellow as chairman. The board chairman later became an important judge. He knew how to get things organized and put together a very successful program for Spot.

To summarize, development boards were many and strong by the time I left. Some of them, such as Charleston, had merged with the chamber of commerce. Local programs -- chambers of commerce and development boards -- became a very strong group for a number of reasons. One, like Spot Mozingo, they saw the necessity of having a development program that was a professional operation. And then a lot of local leaders began to recognize that the business was getting increasingly competitive and that they needed to do more to get industry. So I would say yes, the local development organizations were much more numerous and much stronger when I left. If they hadn't been, we would never have survived.
Hartsook: Your [annual] reports routinely cite the importance of diversity both in terms of the types of industries and in placing the industries throughout the state. I was curious as I read the reports if and how you monitored that geographic diversity.

Harper: In a state the size of South Carolina with very active senators, local development people, and House members, they monitored it for me real good. [laughter] When I first went down there, I told the Board my objective was to get more jobs with higher income, a broader tax base and increased diversification and dispersion of industry. Of course, these objectives were pretty fundamental, and the Board had no problem agreeing on what the objectives would be.

As the program progressed, we started getting some significant diversification. The electrical industry would be one good example. General Electric, Westinghouse, Union Carbide, Everson, Sunbeam, Teledyne, Westinghouse Air Brake, and many others. They were making electric razors, fans, toasters, light bulbs, outdoor lights, motors, and even electronics for outer space. Then, in metal working, I remember Firestone; they made auto grills; Smith-Corona made typewriters; Dictaphone made recording machines; and Utica made drop-forged products for other industries. Argus made cameras, Lockheed built aircraft components, and Elgin produced watches.

Hartsook: Elgin watches -- one of John West's most wonderful stories.

Harper: Yes, that was good for a lot of stories. A large number of people contributed to this location but Senator West did some key things that made it possible for the plant to locate in South Carolina. And then a local company, Owen, located a plant near Columbia that produced steel for construction and Avco Lycoming located a plant in Charleston to build engines for helicopters.

I mentioned markets as being a key motivation for attracting new industry. Many people were very critical of textiles when I arrived in South Carolina, but they were very important in my book. They provided the market potential for many industries including fibre plants. Synthetic fibre operations were really chemical plants but were producing for the textile markets that were bigger than South Carolina's. We had a big textile base that was more concentrated. We developed new ways to demonstrate the market potential to prospects and got some really top notch plants, such as Tennessee Eastman, Dow Badische, Celanese, Fiber Industries, Hoechst, Owens-Corning, Allied Chemical, Chemstrand and U.S. Rubber.
There were many other important new plant locations in the broad chemical category, such as Baxter Laboratories pharmaceuticals plant, W. R. Grace's plastic packaging, Tenneco's textile chemicals, and Dupont's mylar operation. The pulp and paper industry was a big gainer for South Carolina during that period with such new operations as Owens-Illinois [containers], Stone Container [Kraft Linerboard], Kimberly-Clark [tissue products], Palmetto Container Corp. [paper boxes], Mead Corp. [containers] and Union Camp [corrugated sheets and boxes].

Examples of new food processing facilities in the state were Campbell Soup's large complex, Consolidated Food's major chicken processing plant, Russell Stover's candy manufacturing factory and others. Many other type products -- such as vending machines, welding apparatus, golf balls, gears, cables, zippers and dolls -- helped to broaden the state's economic base. By the end of 1965, more than half of South Carolina's industrial labor force was employed in non-textile jobs.

With respect to the dispersal of industry, manufacturing plants were located in large and small towns in all sections of the state. Examples would include, on and near the coast at Charleston, Conway, Georgetown, Loris, Myrtle Beach, Summerville, Andrews, Aynor and Beaufort. In the Pee Dee area at Florence, Darlington, Cheraw, Hemingway, Kingstree, Lake City, Marion, Mullins, Bennettsville, Hartsville, and Society Hill; and throughout the lower part of the state at such towns as Aiken, Allendale, Ridgeland, Denmark, Bamberg, Walterboro, Orangeburg, and Manning. 

Other examples of industrial dispersion in the state could be found. In the central section at Camden, Cayce, Batesburg, Columbia, Lexington, Chester, Newberry, Winnsboro and St. Matthews; across the upper tier of the state from Rock Hill, York and Lancaster to Blacksburg, Gaffney and Spartanburg; and all around the Piedmont in Anderson, Belton, Easley, Greenville, Freer, Pickens and Woodruff, and on to Greenwood, Abbeville, Union, Clinton and Laurens.

With regard to investment and employment, South Carolina had averaged about $117,000,000 per year in industrial investment after the decade prior to 1959. The investment figure more than doubled each year after the new development program was initiated. Fiscal 1959-60 reached a record high of $245,000,000. New jobs averaged 7,400 annually prior to 1959. A total of 70,000 new industrial jobs were created during the first five years of the new program. And more than one billion dollars were invested in new industrial facilities. During 1965, total investments reached an all-time high for a single year, over $600 million and a record employment figure of 26,447 new jobs. So we felt that the teamwork was really beginning to show significant results.
Hartsook:  It's interesting in reading your reports, you emphasize the importance of your professional, expert, teams. These stories confirm how flexible you had to be.

Harper:  Yes. A broad range of expertise was required to meet our goals. When I arrived there were a few skilled people already on the Board but not nearly enough for us to compete successfully. Two approaches were utilized to remedy the situation: (1) we acquired additional know-how for the staff as rapidly as possible, and (2) we used outside talent frequently to supplement the staff. A few examples will give you an idea of the types of know-how that were required. To head up our tourists, advertising, and public relations [Travel and Information Division], we were able [as indicated earlier] to acquire the services of a South Carolinian, Charlie Dixon, who had been working for a top New York agency. To handle our advertising account, the Board chose Interpublic, one of the outstanding agencies in the world.

For chief of the newly created Agricultural and Internal Industries Division, we were able to get an Indiana native who had made a national reputation in North Carolina as head of its food processing program. Fred Fore, assistant to the head of South Carolina's Agricultural Department, took over that Division in its second year and did a fine job in strengthening the Board's relations with the state's agricultural community.

Charlie Flory, who had retired as the South Carolina State Forester, became our consultant on raw material supplies for pulp, paper and other wood product promotions. Jack Moak, a World War II fighter pilot and high-ranking officer in the Air National Guard, was our outstanding chief pilot during my entire tour of duty at the board. Jim Morris, Dean of USC's Business School, and his staff, provided economic research for the governor's office and the Development Board until the Board was able to establish its own research operation. Keith French, a market research specialist, came from Georgia Tech to head up the Board's program. He provided target industry research, market studies and industrial performance information for the Board's promotion staff. Bill McGill came over from USC, succeeded French, did an outstanding job and later became a very successful economic development consultant.

Expertise in nuclear industry was brought on board to help guide us in that field. We will get to that story a little more as we go along. Examples of other specialists who contributed a great deal to the Board's promotional efforts included Dick Sutton, who had built big fiber and other plants for Celanese, and Raymond All, who had been head of a fiber marketing section for U.S. Rubber. In order to strengthen the Board's know-how in industrial finance, we were able to attract
vice presidents from two of the state's largest banking systems, Chauncey Lever, who later became president of one of the largest groups of banks in the Southeast, and William "Buddy" Griffin, who became a fine plant location specialist.

Among the new activities added as the Board's program matured and the state's needs grew were Community Planning Assistance, State Planning, a major tourist promotion expansion, and Technical Assistance. All of these initiatives required special expertise in their particular fields.

The Technical Assistance Program was designed to assist new industries and small manufacturers in the state with their technical and other problems. A leader with an industrial background, Carty Hart, was brought aboard to coordinate the Development Board's efforts. Many kinds of experience and know-how were required for us to be of any real service to the targeted groups. The special skills were provided by retired business and industry experts, who were utilized on a consulting basis, and by university specialists. Funds from a U.S. Department of Commerce grant were used to support this program.

One of the most important moves made to add a special kind of expertise to the state's economic development team occurred during the third year after the new state development program was initiated. Here's how it happened. After two consecutive record years in industrial development, South Carolina was rapidly outrunning its capacity to support and sustain the new business it had acquired. The new industry had more than absorbed all available skilled workers and threatened to bring economic expansion to a halt. Some new companies even talked about moving out. There was a major emergency.

Governor Hollings fully understood the problem and was quick to respond. He appointed a legislative committee, headed by Senator John West and Representative Bob McNair, to investigate the situation and recommend a solution. They soon came up with an excellent plan and proposed a masterpiece in legislation to establish a modern technical training program.

There was great enthusiasm for industrial training in the state at that time, but a big problem was encountered in getting a program started. The state government was experiencing a serious budget crunch. Governor Hollings came out of a Budget and Control Board meeting one day and told me that there was no way we could get the $1,000,000 requested and he doubted we could get half that. I told him that if he could get $250,000 to get the program started, it would sell itself after that. And sell itself it did indeed!

The $250,000 request was approved and plans were made to get the program going as soon as possible. There was some sentiment for putting the new training program under the Development Board. My feeling was that it should be an independent agency in order to receive full financial
support and reach its maximum potential. My position as an ex-officio member of its board, I felt, would provide the necessary coordination.

The new agency was called the Technical Education Committee (TEC). Board members were appointed and a search for the program director was initiated. The governor's office had been misinformed that the favorite target for the position was drawing a very handsome salary; so second and third choices were being considered. My take on the situation was that the favored individual was making about half the reported salary and that he might be interested in South Carolina since he now was involved in a rather rigid educational bureaucracy. Since I had known this person previously, I flew to Raleigh at the governor's request, discussed our situation and found him very interested.

The governor and Stan Smith, Chairman of the TEC Board, did a great job in selling South Carolina and convincing Wade Martin to come down and head up the state's new technical training operation. The TEC program, under Wade Martin's direction, became one of the best in the nation and a major factor in attracting labor-oriented industry to South Carolina.

Hartsook: Do you feel like your charge changed at all from Hollings to Russell to McNair? Did you feel what they expected of you was consistent?

Harper: The overall objectives did not change and their expectations appeared to me to be consistent. What did change was the program's needs and the contributions from the governors. In the early stages of the new development program, South Carolina's image among those who were locating new industrial plans was very weak. These people would tell us that the state was a great place for textiles but that it had little to offer for other types of industry. Our challenge was to change that image through a massive marketing program as rapidly as possible. Governor Hollings was a natural to lead this effort. He was a great salesman and fine spokesman for the state. He presented a strong image of government support for industry. His leadership on domestic and foreign sales missions was useful to our direct sales efforts but even more important to our image building.

When Governor Russell came into office, the State Development Board had begun to build an organization. He was a great organizer and gave superb support to the State Development Board program through personal contacts with industry, solving tax and other problems and budget matters. Governor Russell directed a number of new programs to be placed under the
Development Board and contributed a great deal to the maturing and strengthening of the development operations.

Governor McNair had been active in the state's economic development from the time he first served on the committee that passed the legislation for the new State Development Board. He also had been active on a local level with the Allendale County program and made many sales calls on industry as House member, Lieutenant Governor and Governor. Governor McNair had a keen understanding of the inner-workings of the state development organization. He had a special insight about how each element played an integral part in the success of the total operation. Governor McNair was good in all aspects of development. For example, his calls on blue chip industries in California and the northeast led to the passage of legislation to allow localities in South Carolina to utilize industrial revenue bonds that had federal tax-exempt provisions. He knew that the majority of other states were offering this type of financing and learned that DuPont, the aircraft industry, and other top level manufacturers were finding these lures attractive. So, he became convinced that it would be a good program for South Carolina, would cost the state nothing, and was able to get the enabling legislation passed.

Over the years I have worked with quite a few governors -- between fifteen and twenty -- in consulting services around the country and as a state employee in the Carolinas. From this experience I became convinced that South Carolina was most fortunate in its choices and had three of the best leaders for economic development in the country. Each played a somewhat different role and was ideally fitted for the period in the state's economic history when he served as governor.

Hartsook: What did it signify when Ernie Wright moved from the governor’s office to your staff? That came right after Hollings left office?

Harper: That's right. It signified that Hollings and Russell, political competitors if not enemies, or at least they were not in the same camp, that it was going to be a new turn over in the governor's office. Of course, that was just natural. Hardly anybody ever stayed in the governor's office. Ernie was an extremely competent industrial developer and an ideal person for me to hire, but I made sure that it was all right, that I wouldn't be creating a bad problem with Governor Russell. I forget who, but I believe [J.] Bratton Davis checked it out and got the okay. If Bratton Davis didn't talk to him, it was somebody close to the governor. Bratton was a great chairman, too. He was more of a hands-on chairman. He'd come over, talk to the staff and was totally
supportive. I liked him. I knew and respected him before he was chairman.

The same situation occurred when Governor McNair took office. I wanted Fred Sheheen to join our staff as an administrative assistant to handle some of the massive paperwork involved with programs on which we were getting federal assistance, such as State Planning, Local Planning Assistance, Technical Services, etc. Fred has a brilliant mind and was ideal for the position. There was some question about what role Fred would play with the Board but our Board member Connie Morton cleared the matter with Governor McNair who told Connie that he had no objection to the assignment we had in mind. Fred came on board and provided an outstanding service for the operation.

**Hartsook:** Do you think South Carolina would have developed the nuclear and space industries as early as it did had that not been a key activity and interest of the board?

**Harper:** Would they have developed a nuclear...?

**Hartsook:** As early as they did. Because that was identified, I thought, very early by you as an area where you wanted to expand and develop an interest and a capability in South Carolina.

**Harper:** Well, I'm going to give you a very candid answer to that in a minute. First, let me tell you what we saw coming. The nuclear, then, was a most popular business. It certainly was being used as an energy source, a great generator for electric power. We already had the plant at Savannah River that put South Carolina in the nuclear business. Then the management of four power companies in the Carolinas and Virginia decided to put an experimental operation at Parr Shoals. They took a little old generating plant and made it a nuclear laboratory to run some tests and generate a small amount of power.

Carolina Power got interested in Hartsville, but before that, I think Duke got interested and started buying a great deal of land for the Keowee Complex. And so, they were doing a lot of nuclear-related things without any guidance from the Development Board, I assure you. I began to sense some uncertainty about the future of the Savannah River Plant, and its appropriations tended to go up and down with the uncertain conditions during the Vietnam conflict. Anyway, you could see a possible end to that operation because it was the type of nuclear facility that was likely to become antiquated in the foreseeable future.
You could see nuclear getting to be a big thing, and for a long time I had been interested. I was on the research staff at North Carolina State when they built the first nuclear test reactor in the country on a college campus. And I was very much involved, not as a scientist, but I handled the publications and was administrative assistant in the Engineering Research Department. That little nuclear thing just intrigued me, and I thought then that by now nuclear certainly would be a very big activity.

A recent chairman of Duke Power Company, Bill Lee, was then Duke's chief engineer and in charge of nuclear and other power generation. He came down and spent a lot of time with me talking about Duke's plans. So I could see that there was an important role for the state to play and began to develop a plan for our participation.

We had put together recently an administrative unit within the Board that was called the Development Research Center. Under the Center were placed certain new programs including: Technical Services, State Planning, Local Planning Assistance and EDA [an activity to utilize in South Carolina Federal Economic Development Administration grants]. Dr. Henry Schultze, a scientist who was a Charleston, South Carolina, native was recruited from Union Carbide in Charleston, West Virginia, to head up the Center.

Bob Blair had been top man at the Savannah River nuclear plant for some time and was getting ready to retire. He and Schultze "hit it off" fine. So we were able to get him to join us on a consulting basis. Blair and Schultze provided the state with a top notch, small nuclear team to guide the governor, legislature and Board on any activities or policy matters in which they needed to participate. So the nuclear industry did have a knowledgeable and cooperative support group in South Carolina.

On the other hand, I would say that we couldn't claim any credit for the nuclear generating plants being in South Carolina other than helping develop the market for the power, but this could have been supplied by traditional generating methods.

With regard to the space industry, we were very much involved. Soon after taking office, Governor Russell invited a number of leading South Carolina industrialists to join us in a Washington meeting with Dr. James Webb, National Aeronautics and Space Administration head. Webb's chief assistant, Dr. George Simpson, with whom I had worked closely in North Carolina, gave us a most cordial welcome and explained the workings of NASA. Webb joined us later and the governor told him about South Carolina's capabilities and desire to be an important participant in the Space Age.
Much of the electronic industry which was being rapidly recruited to South Carolina, as well as the new aircraft and chemical plants, were involved in production for outer-space projects. Examples would include Space Craft, Inc., Perfection Gear, Union Carbide, DuPont, Westinghouse, General Electric, LTV, Lockheed, Douglas and AVCO Lycoming. These plants were located all over the state in such places as Darlington, St. Stephens, Walhalla, Myrtle Beach, Florence, Hampton, Greenville, Columbia and Charleston.

South Carolina also conducted a major campaign to attract NASA's $283 million atomic energy accelerator. Governor McNair, both U.S. senators, Clemson and USC participated. The Development Board put together the proposal. The state received considerable attention and a detailed inspection by the National Academy of Sciences which made the selection. Some of our people were told informally that South Carolina did not have the broad base of scientific research and major graduate programs that the decision makers considered important. Nevertheless, politics appeared to play the major role in the decision, and the accelerator was located in the president's home state of Texas.

To summarize, I would say that the utilities, industry and state government -- with its support, training programs and industrial requirement -- combined to produce a significant nuclear, air and space-age development in South Carolina during that period.

Hartsook: I always try to ask people to reflect back on what they're most proud of and perhaps what their greatest disappointment was. If you could talk about that for your period in South Carolina, I'd appreciate it.

Harper: I think that the thing that I might have been most proud of was the fact that we really accomplished the goals that I had set for myself and that I knew had to be set for the state. These are rather fundamental goals, and I'm sure that the Board, if they enumerated them before I got there, might have said them in different words, but said the same thing. But I think all of us together accomplished the goals that we had set. We doubled the previous level of industrial investment every year for the first few years, and then it started to climb above that. The new jobs increased in proportion to the new investments. We've talked about the dispersion of industry and diversification. They exceeded my expectations. I was especially proud of the economic development teamwork and the high level of cooperation we received.

When I left, my family and I, we left with an abiding love for and appreciation of South Carolina. Our children spent their formative years there, and we frequently tell stories about
things that happened in South Carolina. There were no regrets, but the only bad side was the confrontations with some business people, legislators, educators, and local developers. These, however, appeared to be necessary to keep our program on the course which we had set. So it "went with the territory," and I never retained any bitterness or ill will towards those who challenged our actions.

Hartsook: I always wonder if there are questions I should have asked if I had known more. So I always like to give you a chance to have the last word and answer any questions I should have asked.

Harper: I have spent most of the time today talking about the leadership and people outside the program. The staff really was the program, as far as I was concerned. I provided much of the philosophical approach, the direction and strategy, but the staff made it work. In addition to those already noted some examples of others who made important contributions would include Al DeCicco, [who] was a major factor in the Board's image building program. Al was assigned to us by the ad agency and was particularly adept at getting coverage for South Carolina in the national and international media. He also initiated our international trade program. Howard Hellams had taken over as head of the Board's advertising, travel and public relations programs and did an outstanding job of directing all of these activities. Tony Anthony got South Carolina into the food processing business in a big way with the location of Campbell Soup, Consolidated Foods and others.

In many ways most of the glamorous activities were handled by men, but the people who did much to hold the organization together and make it work efficiently were women. In the early days this group included my fine secretary Nell Sharpe, Carolyn Kelly, Peggy Pritchard, Faye Curtis, and Mary Frances Simmons. Later other fine additions were made such as Clara Albergotte [finances], Charlotte Fielder, and Joan Dunlay [research]. I am pleased to see that women are now into all aspects of economic development, including engineering, but that was rare in those days.

One of the greatest challenges for any development program is to provide effective help to small rural towns in attracting new industry. Bob Kirby took an intense personal interest in this aspect of development, did a great deal to help them prepare for [industry] and located new plants. He enjoyed much success in this area of activity as well as other phases of development.
A career Chamber of Commerce executive, Pete Gravely came to the Board from Tennessee to head up the Community Relations program. He not only coordinated the group sales trips for a long period but was very effective in handling industrial prospects.

So what I would like to add is that we had some great people on the staff. They were a diverse group whose talents and strengths tended to complement each other. There wasn't a single one I can remember who didn't have a rather special personality.

Hartsook: And many engineers.

Harper: Initially Ralph Horton [civil engineering, USC] was the only staff member involved in site work and other engineering activities. Wes Pitts had an engineering degree from Clemson but was involved primarily in handling prospects and later located Baxter Laboratories and other important projects. Sloan Gable, assistant director, was most knowledgeable about sites and was a fountain of information on matters of importance to development, but was not an engineer. He was extremely valuable to me throughout my stay but especially in the early days of my orientation to South Carolina.

Henry Johnson, State Geologist, was part of the Development Board. He became increasingly involved in drilling sites for foundation information, analyzing potentials for large projects, and developing resources opportunities for industrial prospects.

Several avenues were followed to avail ourselves of the technical help needed. As mentioned earlier, we had added some important engineering and construction know-how to the staff. A little later, J. D. Little, Jr., who had been an engineer at the Oak Ridge laboratories and had headed up the West Virginia industrial development program, joined our team and was very valuable in a number of roles. Dean Jones and Norman Cook, who had located and run the Louis Allis electrical plant in Greenville, came to the Board and provided additional engineering and plant location know-how.

But we still did not have sufficient staff for all of our needs. The railroads, gas and power companies serving South Carolina provided a great deal of help. We brought in consulting assistance on big, complicated or sophisticated projects from firms all over the state or elsewhere when special expertise was required as on the accelerator promotion and Dow Badische project.

Economic development does require salesmanship, but it is a highly technical business. The greater understanding the development team has of manufacturing processes, the better prepared it
can become to accommodate these requirements. Engineering and other technical skills were considered basic to the Development Board's organization.

The people mentioned in this session -- either by name or by function -- were the ones who were responsible for South Carolina's economic development during the period from 1959 to 1967. I was very privileged to play a role in this development but want to give credit to the many organizations and individuals who were willing to function as a team and produce some rather significant results. To all of them, I would like to say in closing a heartfelt thank you.

[Interview Ends]