Part Two

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need to scratch our heads and ask, Is there anything we can or should do as a state?" she said. "What is preventing people from being able to get the kind of jobs that will support their families? If we have people who are willing to work, are they able geographically to get the jobs that will bring them up to the level where they can actually support a family? Is that because we don't have the right skill sets and need additional training opportunities? Is it because the jobs aren't where they live? Is it because of issues with addiction and health? Is it because they don't want

Dr. Reynold Nesiba, an associate professor of economics at Augustana College, said he believes the increasing income disparity should lead to a discussion of fairness.

"We have high income inequality,

yet we also have a highly regressive tax system in South Dakota," he said.

A 2009 report by the Institute on Taxation and Economic Policy found that the lowest 20 percent of income earners in South Dakota pay 11 percent of their annual income in state and local taxes. For the top 20 percent, that share is just 1.9 percent.

"Lower income people in South Dakota pay a higher percentage of their incomes in taxes because we disproportionately rely on a broadbased sales tax that includes taxes on food and clothing," Nesiba continued. "None of the surrounding states — Minnesota, Iowa, Nebraska, North Dakota or Wyoming — extend sales taxes to basic food. We could do the

One of the biggest challenges facing the state is a plethora of lowwage jobs, according to Smolnisky.

A low-wage job is defined as offering pay below the wage that a fulltime, full-year worker would have to earn to live above the federally-defined poverty threshold for a family of four. In 2011, that annual income was \$23,005, or \$11.06 when adjusted to hourly wages.

A 2012 report by the Economic Policy Institute found that in South Dakota 27.2 percent of workers are in low-wage jobs. Additionally, it was ahead of only Arkansas in the number of people who earned more than 300 percent of poverty wages at 7.1 percent. Among those making 100 percent to 200 percent of povertyevel wages, South Dakota had the highest figure at 52.5 percent.

"Almost one out of three jobs in

the state are low-wage jobs," Smolnisky said. "In those situations, you have to have multiple adults working full-time jobs to be above the poverty level. The consequence of that is you end up in situations where you can't have adults home with children. If you only have a single adult in the household, they are either in multiple jobs or they are not able to support the household. That is the challenge of low-wage work. You have people working full time, yet they are not able to support themselves and their families."

Charlie Gross, an assistant professor of business at Mount Marty

College and a former banker, said that, despite the recent increase in per capita income for South Dakota, he believes many people still think of South Dakota as a poor state.

U.S. Department of Commerce Bureau of Economic Analysis statistics show that South Dakota's per capita personal income in 2011 was \$44,217. That's 6 percent higher than the national average of \$41,560

"The fact that this state has more income does not mean it is a richer state. My sense is, it's not being evenly distributed," Gross said. "When you talk to people on the street, there are individuals who have gone one, two and three years without a salary increase. In the last four years, businesses have been forced to cut back. They've taken income or sales hits, and it impacts people who work there.'

Workers at the lower end of the pay scale are going backwards in terms of real income, he added.

"(The result is) people have finally realized that we as individuals can no longer continue to borrow money and buy things we don't

need," Gross said. "All that does is reduce consumption. When you're a consumption-driven economy as we are, that's not good for the economy but it's good for an individual's balance sheet because it places them in a better position to be able to with-

stand another recession. They have If inequality continues to grow, it may make another recession more likely. Researchers at the International Monetary Fund wrote last year that market efficiency and economic equality appear to go hand in hand.

"It may seem counterintuitive that inequality is strongly associated with less sustained growth," wrote Andrew G. Berg and Jonathan D. Ostry. "After all, some inequality is essential to the effective functioning of a market economy and the incentives needed for investment and growth. But too much inequality

might be destructive to growth. Taking a historical perspective, the increase in U.S. income inequality in recent decades is strikingly similar to the increase that occurred in the 1920s," they add. "In both

cases there was a boom in the financial sector, poor people borrowed a lot, and a huge financial crisis en-The report on income inequality

in South Dakota and other states by the Center on Budget and Policy Priorities and Economic Policy Institute suggests measures state government can take to reduce the disparity. These include raising and indexing the minimum wage; improving the unemployment insurance system; making state tax systems more progressive; strengthening the safety

net; and protecting workers' rights. Nesiba said those issues aren't likely to be taken up by the South Dakota Legislature without political

"If the working people of South Dakota want to create a better environment for workers here, they need to organize," he stated.

Follow Nathan Johnson on Twitter at twitter/com/AnInlandVoyage

Author

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tire Avon community for its support of the Sudan project.

"Words do not describe it," he said. "The gift is important, but how it came about is also important. Maybe some day you will visit (Sudan) and even teach there."

Lorétta Knodel, a first cousin to Ben Jacobs, teaches third grade at the Avon elementary school. She helped launch a "penny war" at the grade school, raising \$728.98 for the Sudan project.

"I asked if anybody wanted to give me their two cents, and one

The penny war took on a serious meaning, heightened as the Avon students learned more about the Sudanese children.

"Our students were very excited at first because they were competing for root beer floats,' she said. "But then I showed them a picture of the kids they were helping out (in Sudan). They understand the spirit of giving and what this money means to the Sudanese children.

Knodel contrasted the different priorities between American and Sudanese children.

"Here, kids are asking for iPads and computers. There, the kids are excited to get boxes of used clothes," she said. "Here, we complain that we have to go to school. În Sudan, they see education as a

have an education, you can go far

On a return visit to Sudan, Jal learned that boys received an education while girls stayed home at age 7 to grind corn and perform other work.

"That really bothered my heart. There should be equal opportunity. I asked, what can I do about it?" he said.

Jal came upon a solution, collaborating with the village elders.

'We worked with the girls, telling them to bring their grain to school, and an elder would grind the corn into flour with a hand grinder while the girls were at school," he said. "It was working well, and the girls were so happy going to school."

Other obstacles exist for Su-

hours each way — to attend school. Also, high school students could range in age from 12 to 25.

However, the villagers were ecstatic when learning about Jal's project.
"These people sang songs and welcomed us," he said. "The com-

munity was overwhelmed at the opportunity of seeing the school in their area.' Jal plans to return to South

Sudan, hopefully in March. He pledged to keep the Avon students updated on the project. And he plans to continue selling his book.

which has sold more than 900 copies since early October.

Jal urged the Avon students never to take their education for granted.

"You have wonderful teachers here. They are here to teach you how to lead a better life," he said. "Tell your teacher 'thank you' every day. They educate you to be better people tomorrow. If I didn't go to school, I wouldn't stand here

Jal also saw his Avon visit as a chance for people of different cultures and backgrounds to reach

out to each other.

'We have one chance and one voice to make a difference," he said. "Never stop learning, never stop caring.'

For more information on the Sudan project and the "David's Journey" book, visit online at www.khorwakowschoolproject.org.

You can follow Randy Dockendorf on Twitter at twitter.com/RDockendorf



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