

## THE PRESS &amp; DAKOTAN

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## OPINION

## Is SD Paying For Not Paying Teachers?

A new school year is approaching, but some schools in South Dakota are still having trouble finding teachers. A report on a Sioux Falls television station last week focused on Alcester-Hudson, which until recently still had 12 teaching slots open in its school system. The administrator there said the district struggles to even get applicants for the jobs. A few years ago, he said, a single job opening would have brought in up to 40 applicants.

This is nothing new. A few weeks ago, the *Press & Dakotan* noted the findings of a survey, conducted by the School Administrators of South Dakota (SASD), which had responses from 80 percent of the public school districts in the state. Within that group, more than 30 percent of the posted job openings for teachers were still open as of the end of May. Not so long ago, almost all teaching jobs were traditionally filled by that point in the spring.

What's changed?

In a sense, nothing.

South Dakota once again ranks last in the country in terms of teacher pay with an average salary of more than \$39,000. The average starting pay is just more than \$29,000. Needless to say — given South Dakota's ranking in the nation — this state has positioned itself to be at a fiscal disadvantage as it tries to attract new teachers who might also be considering options in better-paying neighboring states.

Yankton doesn't currently have a problem with unfilled teaching slots, but Superintendent Dr. Wayne Kindle admitted that getting enough applicants for any job opening is growing increasingly difficult.

"The number of candidates applying for teaching positions in Yankton has dropped significantly," he told the *Press & Dakotan*. "I can recall 10 to 15 years ago, we would get 150 applicants for an elementary opening. Today, we will receive maybe 10 to 15 applicants for a specific elementary opening. We would also receive 15 or more applicants for science, math and SPED openings, which isn't the case today."

This is not a worrisome trend. In fact, it's a bit terrifying.

Education without teachers is impossible, as is a quality education delivered by quality teachers. If we lack those things, we as a state are in trouble — and the health of our future is definitely in doubt.

What's needed first is to at least acknowledge the fact that low pay is driving more potential educators out of this state and creating a shortage. But our Legislature couldn't bring itself to do that last winter.

A new school year looms, but the old problems with education remain. And as most school districts have discovered, it's hard to deliver a good education based on promises of more funding someday and IOUs that likely will never be realized.

This attitude is wounding South Dakota education, which in turn hamstringing our future.

The worst part is, the wounds are self-inflicted. And there appears to be no real urgency to heal them.

kmh

## OUR LETTER POLICY

The **PRESS & DAKOTAN** encourages its readers to write letters to the editor, and it asks that a few simple guidelines be followed.

■ Please limit letters to 300 words or less. Letters should deal with a single subject, be of general interest and state a specific point of view. Letters are edited with brevity, clarity and newspaper style in mind.

■ In the sense of fairness and professionalism, the **PRESS & DAKOTAN** will accept no letters attacking private individuals or businesses.

■ Specific individuals or entities addressed in letters may be given the opportunity to read the letter prior to publication and be allowed to answer the letter in the same issue.

■ Only signed letters with writer's full name, address and daytime phone number for verification will be accepted. Please mail to: Letters, 319 Walnut, Yankton, SD 57078, drop off at 319 Walnut in Yankton, fax to 665-1721 or email to views@yankton.net.

## ON THIS DATE

## By The Associated Press

Today is Wednesday, July 30, the 211th day of 2014. There are 154 days left in the year.

**Today's Highlight in History:** On July 30, 1864, during the Civil War, Union forces tried to take Petersburg, Virginia, by exploding a gunpowder-laden mine shaft that had been dug out beneath Confederate defense lines; the attack failed.

**On this date:** In 1729, Baltimore, Maryland, was founded. In 1918, poet Joyce Kilmer, a sergeant in the 165th U.S. Infantry Regiment, was killed during the Second Battle of the Marne in World War I. (Kilmer is perhaps best remembered for his poem "Trees.")

In 1932, the Summer Olympic Games opened in Los Angeles.

In 1942, President Franklin D. Roosevelt signed a bill creating a women's auxiliary agency in the Navy known as "Women Accepted for Volunteer Emergency Service" — WAVES for short.

In 1945, the Portland class heavy cruiser USS Indianapolis was torpedoed by a Japanese submarine during World War II; only 316 out of some 1,200 men survived.

In 1953, the Small Business Administration was founded.

In 1956, President Dwight D. Eisenhower signed a measure making "In God We Trust" the national motto, replacing "E Pluribus Unum" ("Out of many, one").

In 1963, the Soviet Union announced it had granted political asylum to Harold "Kim" Philby, the "third man" of a British spy ring.

In 1965, President Lyndon B. Johnson signed into law the Medicare bill, which went into effect the following year.

In 1975, former Teamsters union president Jimmy Hoffa disappeared in suburban Detroit; although presumed dead, his remains have never been found.

In 1980, Israel's Knesset passed a law reaffirming all of Jerusalem as the capital of the Jewish state.

In 1990, British Conservative Party lawmaker Ian Gow was killed in a bombing claimed by the Irish Republican Army.

**Ten years ago:** Leaders of the September 11 commission urged senators to embrace their proposals for massive changes to the nation's intelligence structure, warning that failure to act would leave America vulnerable to another devastating terrorist attack. Mike Tyson was knocked out in the fourth round of a fight in Louisville, Kentucky, by British heavyweight

Danny Williams.

**Five years ago:** Harvard scholar Henry Louis Gates Jr. and Sgt. James Crowley, the Cambridge, Massachusetts, police officer who'd arrested him for disorderly conduct at his home, had beers with President Barack Obama and Vice President Joe Biden at the White House to discuss the dispute that unleashed a furor over racial profiling in America.

**One year ago:** U.S. Army Pfc. Bradley Manning was acquitted of aiding the enemy — the most serious charge he faced — but was convicted of espionage, theft and other charges at Fort Meade, Maryland, more than three years after he'd spilled secrets to WikiLeaks. (The former intelligence analyst, now known as Chelsea Manning, was later sentenced to up to 35 years in prison.) Former Sen. Harry F. Byrd Jr., 98, died in Winchester, Virginia.

**Today's Birthdays:** Actor Richard Johnson is 87. Actor Edd "Kookie" Byrnes is 81. Major League Baseball Commissioner Bud Selig is 80. Blues musician Buddy Guy is 78. Movie director Peter Bogdanovich is 75. Feminist activist Eleanor Smear is 75. Former U.S. Rep. Patricia Schroeder is 74. Singer Paul Anka is 73. Jazz musician David Sanborn is 69. Former California Gov. Arnold Schwarzenegger is 67. Actor William Atherton is 67. Actor Jean Reno is 66. Blues singer-musician Otis Taylor is 66. Actor Frank Stallone is 64. Actor Ken Olin is 60. Actress Delta Burke is 58. Law professor Anita Hill is 58. Singer-songwriter Kate Bush is 56. Country singer Neal McCoy is 56. Actor Richard Burgi is 56. Movie director Richard Linklater is 54. Actor Laurence Fishburne is 53. Actress Lisa Kudrow is 51. Bluegrass musician Danny Roberts (The Grasscats) is 51. Country musician Dwayne O'Brien is 50. Actress Vivica A. Fox is 50. Actor Terry Crews is 46. Actor Simon Baker is 45. Movie director Christopher Nolan is 44. Actor Tom Green is 43. Rock musician Brad Greaves (Third Eye Blind) is 43. Actress Christine Taylor is 43. Actor-comedian Dean Edwards is 41. Actress Hilary Swank is 40. Olympic gold medal beach volleyball player Misty May-Treanor is 37. Actress Jaime Pressly is 37. All-country singer-musician Seth Avett (AVY-veht) is 34. Actress April Bowlby is 34. Actress Yvonne Strahovski is 32. Actress Joey King is 15.

**Thought for Today:** "An efficient bureaucracy is the greatest threat to liberty." — Sen. Eugene McCarthy (1916-2005).

## FROM THE BIBLE

Let him know that whoever brings back a sinner from his wandering will save his soul from death. James 5:20. Portals of Prayer, Concordia Publishing House, St. Louis



## The Growing Irrelevance Of Corporate Nationality

BY ROBERT B. REICH

Tribune Content Agency

"You shouldn't get to call yourself an American company only when you want a handout from the American taxpayers," President Obama said last week.

He was referring to American corporations now busily acquiring foreign companies in order to become non-American, thereby reducing their U.S. tax bills. But the president might as well have been talking about all large American multinationals.

Only about a fifth of IBM's worldwide employees are American, for example, and only 40 percent of GE's. Most of Caterpillar's recent hires and investments have been made outside the U.S.

In fact, since 2000, almost every big American multinational corporation has created more jobs outside the United States than inside. If you add their foreign subcontractors, the foreign total is even higher.

At the same time, though, many foreign-based companies have been creating jobs in the United States. They now employ around 6 million Americans and account for almost 20 percent of U.S. exports. Even a household brand like Anheuser-Busch, the nation's best-selling beer maker, employing thousands of Americans, is foreign (part of Belgian-based beer giant InBev).

Meanwhile, foreign investors are buying an increasing number of shares in American corporations, and American investors are buying up foreign stocks.

Who's us? Who's them? Increasingly, corporate nationality is whatever a corporation decides it is.

So instead of worrying about who's American and who's not, here's a better idea: Create incentives for any global company to do what we'd like it to do in the United States.

For example, "American" corporations get generous tax credits and subsidies for research and development, courtesy of American taxpayers. But in reducing these corporations' costs of research and development in the United States, those tax credits and subsidies can end up providing extra money for them to do more R&D abroad.

Minnesota-based 3M is building research centers overseas at a faster clip than it's expanding them in America. Its CEO explained a few years ago that this was "in preparation for a world where the West is no longer the dominant manufacturing power."

3M is hardly alone. Since the early 2000s, most of the growth in the number of R&D workers employed by U.S.-based multinational companies has been in their foreign operations, according to the National Science Board, the policy-making arm of the National Science Foundation.

It would make more sense to limit R&D tax credits and subsidies to additional R&D done in the U.S. over and above current levels — and give them to any global corporation increasing its R&D in America, regardless of the company's nationality.

Or consider Export-Import Bank subsidies — a topic of hot debate in Washington these days.

## YOUR LETTERS

## A Surprise At Checkout

Jeanie Stibrak, Yankton

This is in regard to a "pass it forward" event that happened to me.

I was at the check-out at Hy-Vee recently and was also on my phone and not really paying close attention to my surroundings. It was time to pay my bill and I asked the clerk how much I owed, and he said it was already paid for by the lady in front of you.

I quickly stopped talking on the phone and asked the clerk "What did you say?" He repeated that the lady who had been in line before me had paid my bill, which was \$56.

I was so surprised and asked him what she looked like but he couldn't or wouldn't tell me and she had already left the store in a hurry.

I just wanted to thank that lovely lady for that very kind act — and to let her know that I

These subsidies are intended to boost exports of American corporations from the United States.

Tea Party Republicans call them "corporate welfare," and Chamber-of-Commerce Republicans call them sensible investments. But regardless, they're going to "American" multinationals that are making things all over the world. That means any subsidy that boosts their export earnings in the United States indirectly subsidizes their investments abroad — including, very possibly, their exports from foreign nations.

GE, a major Ex-Im Bank beneficiary, has been teaming up with China to produce a new jetliner there that will compete with Boeing for global business. (Boeing, not incidentally, is another Ex-Im beneficiary.) In fact, GE is giving its Chinese partner the same leading-edge avionics technologies operating Boeing's 787 Dreamliner.

Caterpillar, another Ex-Im Bank beneficiary, is providing engine funnels and hydraulics to Chinese firms that eventually will be exporting large moving equipment from China. Presumably they'll be competing in global markets with Caterpillar itself.

Rather than subsidize "American" exporters, it makes more sense to subsidize any global company — to the extent that it's adding to its exports from the United States.

Which brings us back to American companies that are morphing into foreign companies in order to lower their U.S. tax bills.

"I don't care if it's legal," said the president. "It's wrong."

It's just as wrong for American corporations to hide their profits abroad — which many are doing simply by setting up foreign subsidiaries in low-tax jurisdictions, and then making it seem as if the foreign subsidiary is earning the money.

Caterpillar, for example, saved \$2.4 billion from 2000 to 2012 by funneling its global parts business through a Swiss subsidiary (a ruse so audacious that one of its tax consultants warned Caterpillar executives to "get ready to do some dancing" when called before Congress to justify it).

And what about American corporations that avoid U.S. taxes by never bringing home what they legitimately earn abroad — a sum now estimated to be in the order of \$1.6 trillion?

Rather than focus on the newly fashionable tax-avoidance strategy of changing corporate nationality, it makes more sense to tax any global corporation on all income earned in the United States (with high penalties for shifting that income abroad), and no longer tax "American" corporations on revenues earned outside America. Most other nations already follow this principle.

In other words, let's stop worrying about whether big global corporations are "American." We can't win that game. Focus instead on what we want global corporations of whatever nationality to do in America, and on how we can get them to do it.

*Robert Reich is Chancellor's Professor of Public Policy at the University of California at Berkeley and Senior Fellow at the Blum Center for Developing Economies. His new film, "Inequality for All," is now out on iTunes, DVD and On Demand.*

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