

South Dakota Report

Hello, friend! Welcome to South Dakota! These are the words we hope to say to 20,000+ FSP members in just a few years. South Dakota, the “Sunshine State” or the “Mount Rushmore State” is the homeland for which you have been seeking, as Indians and pioneers before you have done. Like them, you and your children can find a home in the freedom of South Dakota’s Great Plains and Black Hills.

1. POPULATION

South Dakota is a small state: about 750,000 of us in about 70,000 square miles, (only 11 people/square mile!). We are well distributed: our three largest cities (Sioux Falls, 120,000; Rapid City, 60,000; and Aberdeen 30,000) and their suburbs stretch across the state, as do smaller cities. We have lots of space for everyone in our smaller cities, towns, and rural areas, which vary a lot in economy, climate, and character; that means more opportunity to influence local, county, and state government towards the path of renewed freedom. One strong point: an American Indian population of more than 10% (mostly Sioux): people from all regions of the nation can and do fit into South Dakota, where people are used to a diverse community.

2. ECONOMY AND SOCIETY

Bottom line: JOBS ARE AVAILABLE! Our society and economy, like our state, is diverse. East River (SD east of the Missouri) is Midwestern, has many high-tech industries, grows corn and hogs, and share a culture with North Dakotans and Minnesotans. 2/3 of South Dakotans live in East River. In contrast, West River is a Rocky Mountain state, has mining and tourism, grows wheat and cows and sheep, and its people speak with a mix of most American accents, including Lakota. South Dakota is indeed two states in many ways: East River is Midwestern, “Progressive” and staid; West River is Western, “Rabbleroising” and wild. There is room for everyone to fit in.

Our economy is a good mix: tourism, agriculture, high-tech, financial services, mining and timber, transportation, manufacturing. High-tech industry has a much better presence than in neighboring candidate states. 83% of SD’s 1000 manufacturing “establishments” have less than 50 employees; and South Dakota is a right-to-work state. Although the federal government is an important factor in our economy, it has much less of an impact than in neighboring candidate states. In fact, government isn’t one of the top four employers: manufacturing employs 41,000; financial services 30,000; tourism 29,000; and we have 32,000 farms and ranches in SD; on the other hand, state government only employs about 13,000; and there are only about 10,000 federal employees (including active military and National Guard) in South Dakota. Our jobless rate has been consistently running about 2-3 percentage points under the national average for the last 4-5 years. We expect to add 61,600 new jobs by 2010. And we are the #1 state on the Small Business Survival Index.

South Dakota ranks low in per-capita income, but our cost of living is relatively low as well: Sioux Falls (most expensive in the state) has a composite index of 92.4, as compared to Cheyenne (102.7) and Denver (104.7). Taxation is also relatively low, which makes it much cheaper to live (see below). South Dakotans traditionally “live and let live” with our diverse population. Privacy is prized, and there is no dominant religion here or nearby. In addition to our famous natural attractions (Black Hills, Badlands, hunting, fishing) and manmade wonders (the Missouri lakes, Mt. Rushmore, etc.), we offer both urban and rural amenities and gracious living.

Private schools are available in most cities. Homeschooling is popular and without many hindrances for parents. However, even SD public schools are relatively good. In addition to the state university system, there are private universities available in both East and West River. There are also five tribal universities. Medical care is both good and inexpensive in South Dakota. Average hospital cost per patient per day in South Dakota is \$476, as compared to \$1,149 nationally.

3. GOVERNMENT AND TAXATION

South Dakota’s government is not libertarian; yet, overall, it is certainly much less intrusive and authoritarian than most. South Dakota has 65 counties and about 500 municipalities, and home rule is

permitted to both counties and municipalities by the State Constitution. Existing towns are small, and it is easy to organize a new municipality or even a new county; the opportunities for liberty-friendly local government are great!

The South Dakota State Highway Patrol does not function as a state police and is the only statewide police agency. Counties have their own elected sheriff; and most towns have their own police force. Tribes have their own police force or use BIA police. South Dakota has one of the lowest crime rates in the nation, although we have one of the lowest ratios of police to population in the nation. Among the statistics: 2nd lowest in Total Crime Index Rate. 4th lowest in Violent Crime Rate. 2nd lowest in Property Crime Rate. Lowest in Murder Rate. 2nd lowest in Robbery Rate. 4th lowest in Aggravated Assault Rate. 4th lowest in Burglary Rate. 3rd lowest in Larceny/Theft Rate. Lowest in Motor Vehicle Theft Rate. Speed limits: 75 on Interstates (Day/Night), 65 on most other highways. SD does not mandate motorcycle helmets for adults! South Dakota's "shall issue" concealed carry permit costs \$10/five years, ¼ page form, and no mandatory training; but open carry is permitted in most venues except courthouses, liquor stores, and schools. South Dakota is also a good state to incorporate a business, and not just because of low taxes; paperwork is minimal and licensing fees are low.

But one real secret of South Dakota (to be greatly improved by a stronger libertarian presence) is TAXES. South Dakota offers distinct advantages in this critical area. We have NO STATE INCOME TAX (Personal or Corporate) and no city or county income taxes. We have NO STATE PERSONAL PROPERTY OR BUSINESS INVENTORY TAX. We have real property tax, like every other state. But property is relatively cheap: the 1-1/5% of market value paid each year is lower than in most states. (For example, A 2000-SF house on 1.8 acres of land, 5 miles from center of Rapid City will sell for about \$150,000, and annual taxes are about \$2000. Prices and taxes are less in smaller towns.) We have NO STATE INHERITANCE TAX, a LOW STATE SALES TAX: 4% state, 1-2% city, plus 1% for tourist items. And we have a Low State Gasoline Tax: 40.4 cents/gallon state and federal combined for gasoline (33.0 cents/gallon for gasohol).

Lower taxes mean lower state spending; South Dakota has and maintains a balanced budget in ALL parts of state government. Although South Dakota public school students do very well by national standards (91.8% of students graduate from high school, score well above average on national tests, such as ACT and SAT, all schools are connected to the internet, and the ratio of students to computers is 2.4, highest in the nation), we spend far less per student (\$6,442/year) than virtually any other state. We are #2 on Economic Freedom of North America index, and have no statewide zoning or land-use laws.

4. POLITICAL CLIMATE

South Dakota's political climate is perfect for the FSP. This is closely related to our population distribution and economy. We were first in the nation with the initiative and referendum, and the SDLP sponsors many; we have term limits. The South Dakota legislature is organized into 35 districts, each with two representatives and one senator. Each district has a population of roughly 21,000 and about 9,000 voters. In many districts (about 1/3 in the last election) only one of the two major parties fielded a candidate for one of the three seats. Although the GOP is stronger, it is not dominant. Because of the high visibility of recent and upcoming SD statewide elections for US Senate (and US House), the statistical data give a false picture of the cost of SD elections. Democrats Tim Johnson ('02 election) and Minority Leader Tom Daschle ('04 election) bring in millions of dollars for their campaigns, and yet BARELY win (with FSP here, they will be gone). Yet, most statewide campaigns and especially state legislative campaigns are very inexpensive by comparison to other states, due to size and lack of competition. The Libertarian Party has been growing and active since the early '90s, expects to be on the ballot in '04, and has a statewide presence.

COME TO SOUTH DAKOTA!

One last advantage is South Dakota's location: the geographic center of North America and the United States, we don't have to worry about an international border or living under lock-down due to drug and immigrant smuggling. We are centrally located, have a variety of climates and terrain, and are just plain a good place to live! Come live with us!