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Income Distribution Among South Dakota Continues Per Capita Personal Incomes, South Dakota Counties, 1971

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Economics Newsletter

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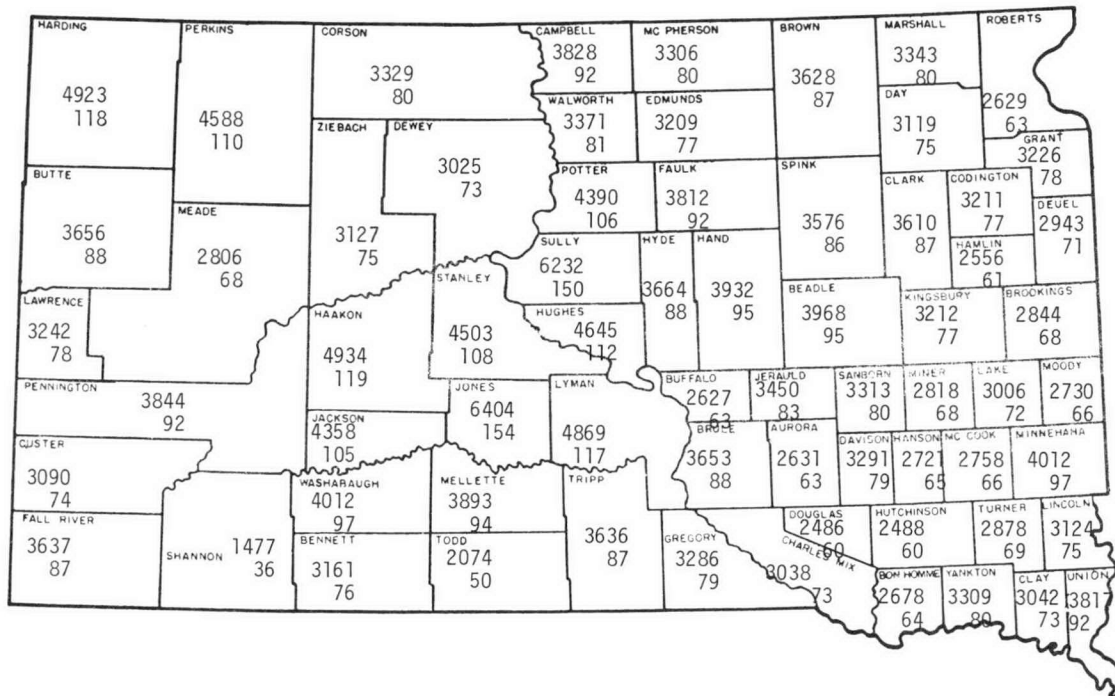
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INCOME DISTRIBUTION AMONG SOUTH DAKOTA COUNTIES

Per Capita Personal Incomes, South Dakota Counties, 1971



Upper Figure: Per Capita Personal Income in \$, 1971.
U.S. Average--\$4,164; State Average--\$3,298.

Lower Figure: Per Capita Personal Income as a Proportion of U.S. Average

It is well known that incomes in South Dakota rank low in comparison to those in other states. Not so well known is the ranking of counties within the state and as compared with other counties throughout the country.

The figures shown on the map above became available in late 1973 from updated material supplied by the Bureau of Economic Analysis of the U.S. Department of Commerce. The data relate to per capita personal incomes. Personal

income is defined as all current income from any source received by residents of an area, except for that amount which represents contributions to social insurance. The per capita income is determined by adding all incomes together and then dividing by the population of the area. Thus, all men, women and children are included in the calculations whether they are working or not or are low-income residents such as students, retirees, or people living on reservations. Wide variations in family size may also

affect the average.

The spread in individual incomes from very high to zero is "covered up" by the county averaging just as it is in comparing one state average with another. The map indicates that all South Dakota counties are not poor even though some people within them may be. However a knowledge of the individual counties can often provide clues as to why some may be much higher or lower than others. For example, in Brookings County about one-third of the people are low-income students. The reservation counties of Shannon and Todd also show up with extremely low averages. A similar effect appears in Roberts County.

The relatively high incomes (the highest in the state) of Jones and Sully counties appear to be closely related to the small number of people in the counties, and ranches that seem to have stabilized at about their current size and numbers.

If one wishes to spend a few moments with colored pencils shading counties by \$1000 brackets, it will become apparent that the high-income counties are those which do not include much of the indus-

try in the state. It will also be noted that eight counties in the central part of the state and two located in the uppermost northwestern part of the state are the only ones with incomes over the national average. There are no cities of a significant size in these counties except the state capitol of Pierre. There is a strong suggestion in the chart that in general the ranching counties show up best, followed by counties that are strong wheat-growing counties.

What effect will recent high prices for farm products have when similar statistics are available for 1973? Most certainly, the per capita incomes will increase tremendously in nearly every county. Whether the top counties will increase faster than the lower-income ones is not certain. The statistics supplied by the Bureau indicate that over a long period of time, incomes within most of the counties compared with national averages have remained remarkably constant. However, during the current period of upward adjustment and the projected higher plateau of agricultural prices, South Dakota counties might gain a slight improvement over the national averages.

Robert J. Antonides, Extension Economist

Tuesday, April 2--AGRI-BUSINESS DAY

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