



Surprise, Surprise, Surprise!

By Deborah D. Thornton

Gomer Pyle, a “bumbling, painfully naïve, gentle do-gooder” made famous by singer and comedian Jim Nabors made the line, “Surprise, Surprise, Surprise!” famous during the 1960s.¹ Most Americans were probably not surprised at the recent Bureau of Economic Analysis (BEA) report on 2009 personal income changes.

The first sentence of the August 9 BEA release concerning personal income for 2009 was very clear, “Personal income declined in 2009 in most of the nation’s metropolitan statistical areas.”² Specifically, personal income declined in 61 percent, or almost two-thirds of our metropolitan areas. The greatest decline, of just over 7 percent, was in Naples, Florida. The largest increase was Jacksonville, North Carolina, at 14 percent. Fortunately, inflation also declined to 0.2 percent. Unfortunately, most of the growth was in either government or military jobs, or government “transfer receipts.”³ Highly military states such as North Carolina, Kansas, Kentucky, Oklahoma, Tennessee, and Texas saw the fastest growth. “Transfer receipts” is government lingo for unemployment and welfare checks. The two areas with the most income from this source were Baltimore, Maryland, and Pittsburgh, Pennsylvania.⁴

In Iowa, eight areas are included in the Metropolitan Statistical Areas (MSA) analysis. Those are Ames, Cedar Rapids, Davenport-Moline-Rock Island, Des Moines-West Des Moines, Dubuque, Iowa City, Sioux City, and Waterloo-Cedar Falls. All eight areas showed declines in per capita personal income.⁵ The largest decline was in Sioux City, at –2.2 percent; the smallest was in Des Moines-West Des Moines at –1.7 percent. These declines were in stark contrast to the per capita growth from 2007 to 2008. The leader at that time was also Sioux City, with positive 6.7 percent growth. The total change from 2008 to 2009 was almost nine percent.

On a per capita basis, Des Moines-West Des Moines is the only area to beat the average. Its average of \$41,790 annually is just over a thousand dollars higher than the U.S. average of \$40,757. This is basically equal to the 2007 per capita income, falling from \$42,506 in 2008.

Given the current situation, with 6.8 percent unemployment, down only slightly from the April 2010 high of 6.9, the personal income decline will probably continue in 2010.⁶ Nationwide, the high unemployment figure of 10.1 percent was almost a year ago, and though Iowa never reached that level, we are basically still at a high. Unemployment benefits in Iowa were originally allowed for 26 weeks. Under federal funding, benefits are now extended for another 47 weeks — almost a full year. There were over 113,000 Iowans unemployed in June, plus an additional, unknown, number who have stopped looking for work. This is 4,100 more than were unemployed in June of 2009 and 41,300 more unemployed than in June of 2008.⁷

A Publication of: **Public Interest Institute at Iowa Wesleyan College**

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For some reason — “Surprise, Surprise, Surprise!” — neither the billions in federal stimulus money nor the Iowa specific infrastructure investment initiative stimulus plan (I-Jobs), seems to have created the promised jobs and economic recovery. Though it was touted as not requiring new taxes because it was funded through state-issued bonds, I-Jobs is in reality a \$875 million (plus interest) mortgage on future workers.⁸ The bonds will have to be paid back, from tax money disguised as gambling revenue. In order to do this and not raise taxes, Governor Chet Culver (Democrat) and the Democrat-controlled Legislature will have to cut funding somewhere else and use that money to pay the bonds. Based on the recent budget history, if this actually happens, we’ll all be echoing Gomer Pyle.

Unsurprisingly, in an election year at least, there is a requirement that all projects receiving I-Jobs funding spend part of that money on signs announcing that they have received the funding. The names of Governor Culver and Lieutenant Governor Patty Judge are required on the signs, in prominent locations. The signs are also required to be 48 by 60 inches, or 4 by 5 feet — which happens to be the standard size for wooden campaign road signs in Iowa.⁹ The signs are to be printed in shades of the color green. The campaign website and campaign signs for Governor Culver and Lieutenant Governor Judge also just happen to be green.

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(Endnotes)

¹ Biography for Jim Nabors, The Internet Movie Database, <<http://www.imdb.com/name/nm0001561/bio> <http://www.imdb.com/title/tt0057752/quotes>> (August 9, 2010).

² Personal Income of Metropolitan Areas, 2009, Bureau of Economic Analysis, <http://bea.gov/newsreleases/regional/mpi/mpi_newsrelease.htm> (August 9, 2010).

³ Ibid.

⁴ Ibid.

⁵ Ibid.

⁶ “Iowa Workforce officials clarify unemployment benefits in Iowa,” Newton Daily News, July 29, 2010, <http://www.newtondailynews.com/articles/2010/07/29/r_xcnjwjyqqihrncouh_ta/index.xml> (August 9, 2010).

⁷ “Iowa unemployment remains at 6.8 percent,” news release, Iowa Workforce Development, July 20, 2010, <<http://www.iowaworkforce.org/news/xcnewsplus.asp?articleid=81&cmd=view>> (August 9, 2010).

⁸ About I-Jobs, <http://www.ijobsiowa.gov/en/about_ijobs/> (August 9, 2010).

⁹ I-Jobs Signage Requirements, <http://www.ijobsiowa.gov/documents/filelibrary/signage/signage_requirements_FINAL_182F943302D0F.pdf> (August 9, 2010).

Deborah D. Thornton is a Research Analyst with Public Interest Institute, Mount Pleasant, Iowa.

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