

work to keep the residents we still have. No government program, no huge economic development success, no technological breakthrough will effortlessly make Tarkio attractive to those who have never lived here. The joys of this place are too subtle, the satisfaction that comes from roots and tradition too slow to compete with 24-screen movie theatres, professional sports, and ski lifts. We have to create jobs one by one, as local people add a little value to our agricultural products, capitalize on our natural resources, or make things that we can sell to the millions of people who live within two hours of our main street. When there are more and better local jobs, then we'll be able to keep folks who prefer familiarity to excitement, who value loyalty over the challenge of climbing the corporate ladder, who want to raise their families in a place where everybody knows your dog's name.

I was harvesting last fall next to a small country church on a high hill. Far from any town, that church is where my maternal grandparents are buried. As I drove by, I noticed an excited group of youngsters gathering for a hayride. They were children who go to school with my son, as I went to school with their parents. The sky was a brilliant blue, the fields were a harvest palette of browns, yellows, and grays, and the trees were a riot of color. A baseball game was on the radio, and my brothers, son-in-law, nephew, and father were all working with me. It just doesn't get any better than that.

Maybe we do need a new Homestead Act, one that helps re-settle the Great Plains with people tired of the insanity of California and the impersonal hustle and bustle of the East Coast. Maybe there are good folks willing to accept a little less material wealth for the kind of spiritual well-being that comes from being part of a community like mine.

My two oldest children have traveled off to college, received degrees with highest honors, married, and have both returned to Tarkio to start their families and working lives. They are not prodigals who found life unmanageable in the larger world. Their return to their roots is a conscious choice, discussed at great length with their spouses. They know what is good and true in this life, and are willing to make sacrifices to maintain our tradition of small lives well lived in a small place.

My Kind of Town

By Sam Torode

South Wayne, Wisconsin is home to 485 people, three churches, two bars, one parking meter, a dozen well-fed stray cats, and not a single traffic light. Make that 486 people. Since our second son was born the population sign has been in need of an update.

One's first impression of South Wayne is that it's a dying town. The main street looks like an abandoned movie set from

the 1940s. There are only a few businesses left: an engine repair shop, two banks, and a meat processing store that gets a lot of traffic during deer season. There's one restaurant—a tiny, mustard-colored diner just off the highway, with a sign out front that says "Squeeze Inn." The customers are mainly truckers passing through; the burgers are great.

When my wife and I moved to South Wayne—after a brief stint as Chicagoans—one of the first landmarks we noticed was our neighbor's camouflage pickup truck. It's a late-1970s Chevy, emblazoned with blotches of khaki and green, with a rack of deer antlers wired to the front grill. When its owner, Al, dropped by to introduce himself, he filled us in on its history. "My buddies and I just decided to spray paint it one night," he said. "We were having so much fun, everybody thought we must have been drunk, but—believe it or not—we weren't."

Across from Al's house is a low-income senior's home, which means that our yard work is occasionally interrupted by stories and recollections. One resident told us that his daughter used to sing back-up for Dolly Parton. We didn't believe him until he returned a week later wearing a T-shirt silkscreened with a photo of him with Dolly on his lap, her arm around his neck.

Fresh from a Chicago apartment, we didn't own a lawn mower. Bethany's teenage brother, who dubbed our yard "the lawn from hell," was unwilling to cut it for \$20. After the lawn had been neglected for several months, a letter arrived from the South Wayne police department. It seemed we had violated a city ordinance against "noxious weeds," and faced a \$200 fine.

I called the police station (we have a department of one: Officer Randy). "What exactly is a noxious weed?"

"Hmm...let me look up that ordinance." After much ruffling of papers: "Aw, just mow your lawn and you'll be alright. I sent out letters for three yards in town. Old folks with too much time on their hands call and complain."

Thankfully, my parents came for a visit the next week. They took pity and bought us a \$99 mower from Farm & Fleet. Neighborhood decency was restored.

After growing up in Michigan and graduating from a Michigan college, I spent a year outside Philadelphia. The surroundings were beautiful, but life was much more rushed than I was used to. The green hills were interrupted by subdivisions of cookie-cutter houses that multiplied daily. I tried to take bike rides to relax, but I was nearly run over by the constant stream of luxury cars speeding along the narrow roads.

In a small-town Pennsylvania diner one morning, a stranger struck up a conversation with me. He was a displaced Midwesterner, too. "I'm moving back," he said. "People here just aren't friendly. Nobody talks to anybody."

That may be an unfair and sweeping generalization, but my own experience didn't do much to contradict it. Though I lived in the same apartment for a year, I never had a conversation with

Sam Torode is a freelance writer and graphic designer.

any neighbors. The few times I saw my landlord, he called me "Todd."

A friend who grew up in Huntington, Indiana and is now a graduate student at Princeton called me up last year and confessed he wants to move back eventually. He's traveled extensively in Europe, in addition to living in the East, so I asked him what's distinctive about the Midwest. "People in the Midwest are friendly to strangers. When you act that way here, people think you're disingenuous—they don't understand it. They have a stereotype of Midwesterners as uneducated bumpkins. For all their supposed diversity, they have no tolerance for Middle Americans."

"For people who want to escape," he explained, "the East Coast offers the allure of a life without any family connections—you and your friends are all single, living in apartments, pursuing money and entertainment. Most Midwesterners who leave for the coast are motivated by money. Midwesterners who return home are mostly motivated by family."

But why South Wayne? That's what many of our friends—even the Midwestern ones—wondered when we settled here. One asked, "Is that the bastard child of Fort Wayne and South Bend?"

At the time, we were just looking for an affordable home that was near the country and close to my wife's family (her parents and siblings live 20 miles away in a metropolis of 10,000). Later, we learned of her ancestors' connections to South Wayne. On her mother's side, Bethany's great-great-grandfather built the first house in town. His son was a train conductor, and lived in an apartment above the station (which is still standing, but has been converted into a storage barn). On her father's side, her great-uncle founded the funeral home, still in operation two streets from our house. When we walk by it, we keep to the opposite side of the street—the proprietor hung himself in the basement 50 years ago.

Small town life definitely has its struggles. Our town is surrounded by waning family farms. "I feel like this town is under a



cloud of spiritual oppression," the Lutheran pastor told us one evening. "The pastor before me felt it, too."

Despite the poor economy, we've been surprised to see how many young people are staying here, beyond high school and college. Family ties run deep. Next door, a young University of Wisconsin student told us, "Before I date a guy from town, I have to check with my grandma to see if he's related to me."

People here don't move around much. The neighbors on all sides of our house remember the man who built it in 1945, Sam Johnson. The house eventually went to a local schoolteacher and, 20 years after that, to us. When folks call it "Sam's house," they usually aren't talking about me.

"Sam was the butcher—he had a shop down on Main Street," one neighbor told us. "He had a horse that he rode all over town. Used to keep it hitched to that magnolia tree in your front lawn. But Sam would ride down to the post office and just drop the reins. He'd leave the horse standing there outside and it would wait for him till he came back."

Sam's horse could have run off to anywhere. He *chose* to stick around. Residents of South Wayne know how he felt. We could leave this town for seemingly greener pastures. But we get along pretty well. And nobody's in a rush.





Confessions of a "Rich" Businessman

By Howard Blake

John Kerry wants to repeal tax cuts for upper income Americans. Now there's a surprise: a Democratic Presidential candidate attacks the rich. But who are "the rich"? Well, as Democratic politicians define the "fortunate few at the top of society," my wife and I are, or close to it.

We're only recognized as rich quadrennially, of course—when campaigns are in full swing. But even if we make the cut solely during election times, it's fun being rich. Wintering in Aspen, summering in Nantucket, luxury cars, fancy prep schools and Ivy League colleges, hobnobbing with movie starlets and marrying heiresses, I'm living large. Oops! No, that's John Kerry's life. Come to think of it, I drive a Ford Taurus, my kids have all gone to public schools, and my vacations usually involve economy motels and breakfast at McDonald's.

Here are the straight facts on my rich household: My wife and I receive income from two small businesses that keep us working literally dawn to dusk, including many weekends. This is not unusual: 85 percent of small businesses pay their taxes on the individual tax return of their sole proprietor.

In 2002, we had a taxable income of \$114,175, some \$23,000 less than in 2001. Business reverses explain part of the decline; the rest is from increased depreciation allowances in the Bush tax cut. We paid \$11,245 in income taxes in 2002, and \$13,294 in Social Security and Medicare taxes.

If our Social Security taxes seem

higher than you'd expect, that's because we pay at the self-employed rate, which is 12.4 percent until we reach the maximum taxable level. Howard Dean wanted to levy Social Security taxes on all income—which would have meant about a \$5,000 tax increase for my family. The "I Have a Scream" speech was greatly appreciated at our house.

Because I received a substantial tax cut when President Bush's reforms went into effect, I must be rich. And John Kerry will certainly have to increase my taxes to fulfill his promises. Families earning over \$200,000, whom Kerry has particularly targeted in his tax plan, make up just 1 percent of all taxpayers, and they already pay 43 percent of all income taxes. They simply cannot finance Kerry's entire budget, as much as he would like them to. Plus, well over half of the taxpayers Kerry has targeted for tax increases had business income. He'll be raising taxes on small businesspeople in particular, and that includes my wife and me.

The figures I've shared so far don't really even capture the effect that taxes have on our business, and our lives. In 2002, we deducted \$77,214 in depreciation as a business expense; a figure greatly increased by some temporary provisions in the Bush tax cuts. But we spent some \$120,368 on capital improvements. Our business is growing—we've just added family members to the enterprise, and will need to generate more sales as a result, so we're expanding. Plus our truck wore out.

These are not unusual situations for a small business. A recent survey found

that one in six small businesses had invested at least \$100,000 in its company in the last six months. And when a business is growing, as ours has been, it is quite normal for capital purchases to be larger than depreciation. So when business people report income for purposes of taxes, it is very often larger than their cash flow. Thus, because of the way our tax system works, the firms that make our economy grow and provide new jobs are almost always short of cash.

Think about what my depreciation and investment figures mean. Our capital investments require us to lay out hard cash. For tax purposes we get some credit on the other side via the depreciation of our existing equipment, but there is no actual flow of cash to us for that. The net effect, therefore, is that our cash flow—the actual money available to us to pay our bills—is some \$43,154 less than our paper income for tax purposes. Our cash flow available for living expenses and taxes wasn't \$114,175, but just over \$71,000.

From that \$71,000 of actual cash flow, subtract our federal tax payments of \$24,539 and our state income taxes of around \$4,000, and you find that our cash available for living expenses is actually around \$43,000. Sufficient for our needs. But clearly a good deal short of true wealth.

I recently filed my W-2 forms, reporting wages on the 30 people who worked for us last year. Our business is seasonal, so most of our employees are part time, but we're one of the largest employers in our small town. Any tax system that