

It's not generally known but there's a way to cut mortgage interest payments in half, or as much as you like, just by following a simple procedure that's neither illegal nor immoral. Despite the record high mortgage rates of the last year, home buyers need not be burdened for 20 or 25 years with 14-16 per cent interest payments on their home loans.

During the early years of a loan, the major portion of each monthly payment goes toward interest, with very little applied to reducing the principal balance of the mortgage. You can pay off a mortgage twice as fast by doubling up on that part of the monthly payment applied to the loan's principal. For example, with a 30 year, \$50,000 mortgage carrying an interest rate of 13 per cent, the monthly payment to principal and interest is \$553.10, an amount that remains constant over the life of the loan. In the first monthly payment, \$541.67 is interest. Only \$11.43 is applied to the principal. It is not until the 24th year of the loan that the payment to principal exceeds the interest payment. Over the life of the mortgage, the borrower will have paid \$149,115.82 in interest (that's right!).

If, however, along with that first monthly payment the borrower also paid the \$11.56 due on the principal

A Way To Cut Your Mortgage Interest Charges In Half

By William R. Morris

for the second month, he/she would accomplish two things: shorten the loan by a month and save \$541.54 in interest! If, to the next monthly payment of \$553.10, the borrower adds the \$11.81 due on the principal for the following month, it will eliminate that month's interest payment of \$541.29. Continuing that process for six months, the borrower will have reduced the mortgage to the same balance had twelve regular monthly payments been made. And in the process, the interest payments due with every other payment that year would be saved. Applying this pre-payment method over the life of the loan, the borrower would pay off the loan in just fifteen years and save \$74,424.25 in interest. You're not limited

to paying one month's additional principal at a time. You can pay for any number of months and cut the interest charges accordingly. This will not be difficult to do in the earlier years and even if you should decide to discontinue prepayments at some point and resume only the regular payments, you'll have saved thousands in interest charges. Lenders who made loans when rates were extremely high won't be too happy to have borrowers prepay their mortgages.

If you should decide to proceed, you'll need an amortization schedule for your particular loan. If your lender didn't give you one, they can be ordered from financial publishing companies for less than \$5. They're free,

upon request, from the Federal Housing Administration and Veteran's Administration — if they insured or guaranteed your loan.

Once you make a prepayment, remember that it does not eliminate the need to make your regular payments each month! You cannot skip a month. And always advise your lender of the breakdown of each monthly prepayment of loan principal. Some lenders will be happy to accommodate you, some will be unfamiliar with the prepayment strategy, and others will try to play dumb. Those who don't want to cooperate may try to charge a prepayment penalty. Such penalties are illegal in some states and FHA and VA loans can be paid off at any time without a penalty.

So, if the mortgage on your home is less than ten or twelve years old and you want to cut down on the interest you are paying, it may pay you to take a second look at your amortization schedule. If you can afford to prepay the amount allocated to principal every now and then, it could save you quite a sum of hard-earned money and accelerate the build-up of equity in your home. For each monthly prepayment you speed up the date for a debt-free home.

Weight Control Affects Diabetes

By Otto McClarrin

If you're still searching for motivation to rid yourself of fat and flab, consider what "Off Diabetes Pills" has to say. Published by Public Citizen's Health Research Group, this book is more than an eye-opening expose of unsafe medicines. It also tells why and how weight control prevents as well as treats the symptoms of diabetes that develops in adults.

Diabetes is no minor illness. It is believed that more than ten million Americans now have it (half of them unaware that they do) and that the number afflicted may double in the next fifteen years. What's more, diabetes kills about 300,000 people each year, making it the third leading cause of death in this country.

In many cases, what kills is not the ailment itself, but its complications which include kidney disease, heart attack and stroke.

The book focuses specifically on the overweight adults who comprise the vast majority of diabetics. (A small number are children and normal weight adults; both groups require insulin injections.)

Apparently the latest scientific knowledge holds that overeating triggers the disease in mature people having a hereditary tendency to it. They may or may not develop symptoms of dry mouth, excessive drinking and urinating, or occasional dizziness.

What happens in their bodies is a breakdown in the mechanism by which insulin, a hormone secreted by the pancreas, helps sugar (glucose) reach the cells where it's needed for fuel. Too much sugar accumulates in the blood, a condition called hyperglycemia, and there is often too much insulin as well. As a result, the person overeats. Overeating, in turn, reduces the number of cell receptors where insulin takes effect, thus making the cells less capable of responding to the hormone. When the person starts to eat less, the insulin receptors return to normal and the hormone is then able to do its job.

As the book explains, "The effect of obesity on

glucose metabolism is not due to the excess fat but to the overeating needed to maintain the obese state." Nevertheless, many physicians have been prescribing oral medicines. These may increase the risk of heart and blood vessel disorders and worsen the diabetes by ignoring the basic problem of obesity. One such drug, phenformin (DBI, Meltrol), was banned by the Food and Drug Administration in 1977.

Four others — tolazamide (Tolinase), chorpropamide (Daibinese), acetohexamide (Dymelor) and tolbutamide (Orinase) — are being taken by 1.75 million patients, most of whom only require dietary controls, according to "Off Diabetes Pills".

When physicians do rely on reducing diets as the treatment for diabetes, many sufferers go off insulin as well as oral medications. Since calorie counting is a must for almost everyone, here's how to calculate your needs:

First, determine how much you should weigh. A woman of medium build should allow 100 pounds for the first five feet of height and five pounds for each additional inch. Subtract ten per cent of the total for a small frame; add ten per cent for a large frame. A man should allow 106 pounds for the first five feet and six pounds for each additional inch, also subtracting ten per cent of the total for a small frame and adding ten per cent for a large one.

Second, figure out how much to eat to maintain that ideal. Your so-called basal requirements (what you would need if you didn't move around at all) are ten calories for each pound of ideal weight. (For a 130-pound woman, the basal requirements are 1300 calories). A sedentary person than adds thirty per cent; a moderately active person adds fifty per cent and someone who engages in strenuous work or sports adds 100 per cent. A 130-pound woman would need either 1690, 2535 or 3380 calories.

Now, if you want to lose weight, subtract 500 calories a day (3500 calories a week) and you'll shed one pound a week.

For information on how to get a copy of "Off Diabetes Pills," write to Health Research Group, Department 209, 2000 P Street, NW, Washington, D.C. 20036.

Coping The Psychological Dynamics Of Racism: Part II

By Dr. Charles W. Faulkner

This series of columns could have been titled, "Why they don't like you and why you don't like them either."

Interviews with many white people indicated that they had almost as much of a problem as black people in answering the question, "Why do whites dislike blacks?" Jim, who is a young, white government administrator provided the following answer to the above question: "Oh, I don't know exactly why I dislike blacks except that it sort of makes me feel good to be 'better' than they."

Jim, whose comments are typical, continues, "I have never really thought seriously about it. It isn't something that you can put into words, it is more of a feeling or an emotional thing rather than a consciously predetermined plot. It is more of a reflex. I do not consider myself to be prejudiced. And, I couldn't give you a logical explanation for my behavior or, even support any kind of white superiority. My behavior toward blacks is now kind of a habit; a pleasant habit. Frankly, I can't even remember having a different behavior toward blacks. It is not an opinion that I have toward blacks. It is just a conditioned reaction. I never seriously think about it although I would miss it if the opportunity did not exist to release my stress. If blacks weren't around, I would probably abuse a lower class white. It's a matter of maintaining my sanity."

"It is probably like the feeling that you get after you have an argument with your wife or have been pushed around by your boss. Pushing a black around restores my self-esteem. Everybody needs a psychological lift after a depressing day. Even blacks need it. The big difference is that I can take my frustrations out on blacks because I can be 'better' than they. But they cannot take their frustrations out on me because they feel inferior to me. I really don't know how they get rid of their frustrations."

It makes me feel good about myself again. You know what I mean? It is similar to the feeling that the bully gets when he beats up the weakest kid on the block. You can't really describe the feeling, but I know that it makes me feel good. Treating them like non-people is like a narcotic. I get so used to doing it that I need it. I look for an opportunity to get the psychological high. If the opportunity does not exist, normally, I sometimes create it. Sometimes, I want to get together with my buddies and find a couple of blacks to abuse. I have never beaten one up and don't know if I could. If blacks didn't exist, I don't know what I would do. I mean, who else is there to abuse and restore your manhood? I'm used to abusing blacks and it will probably always be that way.

"Sometimes it becomes a little game; a challenge, like checkers. Sometimes I don't speak to them when they speak to me. Sometimes I act as if I see them and, then, bump into them without excusing myself. Sometimes, I throw their money at them in a store. Sometimes, I act

Productivity And Worker Co-Determination

By Norman Hill

A. Philip Randolph Institute

The United Steelworkers and the U.S. steel industry have launched a program which seeks to establish a cooperative climate in the workplace by stressing worker input into the way a job is done. If successful, this limited experiment in worker co-determination will not only help reverse our steel industry's decline in world-wide competition, but will have enormous implications for the future of all American industry.

In the past, American labor has traditionally sought to maintain clear distinctions between labor and management. And the plan being implemented by the Steelworkers will not eliminate such distinctions. It will, however, make effective use of rank-and-file know-how in utilizing plant facilities and resources in a more effective and productive manner. In return, workers will gain some say in production-related matters at the workplace.

The Steelworker participation program, which was written into the union's 1980 contract, ultimately is directed at enhancing the quality and dignity of work for union members. The program's provisions call for teams consisting of ten to fifteen workers and supervisors to work jointly in dealing with such problems as health and safety, quality control, production lags and bottlenecks, rational and efficient use of equipment, and absenteeism. The program aims at fostering a climate in which workers — who after all know most about how to work comfortably and efficiently — can suggest new approaches designed to improve both industrial output and the environment in which they toil.

In Western Europe, where labor unions maintain distinct lines of division between themselves and management, such experiments in participation and co-determination work well. It is most developed in West Germany, where worker and union representatives sit

on the boards of directors of a large number of companies. In this manner, workers and their unions have input into management decisions concerning such questions as investment, plant relocation, and workplace regulations.

In the U.S., the labor-management participation experiment is being tried in the auto, electronics, communications, and electrical equipment industries, as well as in steel. If it can succeed in boosting productivity in the way it has in other countries (Japan and West Germany, among them), it will provide a progressive and humane alternative to the conservative approach to productivity.

The Reagan administration and conservatives argue that it is government regulation and taxation which is responsible for the slowdown in productivity increases. They seek to gut many regulations which protect workers health and safety and to provide huge tax breaks for corporations and the wealthy as a way of increasing productivity. Yet if one looks to other advanced industrial democracies which are outpacing us in productivity increases, we see that these countries have even greater government intervention in the economy and very often have higher rates of taxation. In addition, these countries have well-developed programs of worker participation in workplace decision-making and co-determination.

The preponderance of evidence suggests that it is a combination of increased worker participation, job security, extensive social services, and national health insurance systems, which is the true source of worker productivity. The Steelworker initiative in worker participation is, therefore, an important element in an approach to industry and government which is socially just and which can reap enormous benefits. In short, it is the wave of America's future.



By the way...

By Joe Black

Poverty has been described as a psychological process that spells the death of hope and the decay of spirit. It is a pattern of hopelessness and helplessness. And this mental anguish was not alleviated when former California Governor Ronald Reagan was elected to head this government "of the people, by the people, and for the people."

However, there are many Black Americans who don't believe that statement. And they are spending a great deal of their time lamenting the fact that a Republican is President because he will be for big business and against the Black, the poor, and the needy. If anyone had listened to Reagan's campaign speeches it would not be a surprise that the President is planning to reduce domestic programs such as welfare, food stamps, etc. That act in itself does not mean that President Reagan is a racist, or insensitive. We must not forget that the welfare system was created to provide temporary aid for those who have fallen on hard times. But today, too many Americans are looking upon welfare as a way of life. They are allowing a welfare check to deprive them of their pride and dignity by destroying their desire to use their minds, bodies and work to support their families.

It is my suggestion that we not judge President Reagan by his plan to cut a total of \$3.587 billion dollars from food stamps, ADC, Medicaid and subsidized housing rentals. His budget cuts will still enable him to spend nearly the same amount of money as President Carter in each of those programs. And there won't be a reduction at all for those who qualify as being genuinely in need.

I remind you that the mass of Black voters did not support President Franklin D. Roosevelt in 1932 because he did not support a civil rights platform. But during his first term in office he enacted the W.P.A., N.R.A., and other programs that were designed to assist the needy. As a result, Black people helped him to win a 2nd, 3rd, and 4th term as President of this nation.

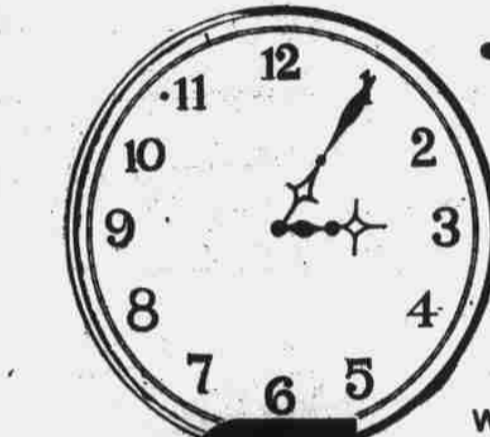
They say that lightning won't strike twice in the same place; but just maybe a change will take place in the White House once again.

Joe Black

Vice President
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