

Editorial

Aldermen Should Report Findings

Recently, the Board of Aldermen decided that all trips taken by its members would have to be known to the full board. We applaud that decision. But, they voted down by a 6-2 margin a proposal by Board member, Carl Russell, that would require those taking trips at the city's expense to make a report on it when they returned.

Reporting the findings makes a lot of sense to us. If the trips are necessary in the first place, then certainly the rest of the members, and the public for that matter, ought to know what they found out. We believe that trips that do not benefit anyone but the aldermen should not be paid for by the taxpayers.

It does not seem unreasonable to us for the aldermen to give everybody the benefit of their findings. Perhaps it is not entirely the same thing, but other groups who send delegates to conventions always require that the delegates report on the convention. In fact, it is understood that the purpose of sending delegates to conventions and workshops is so they can enlighten the rest of the group.

We do not mean to rake through old coals, but we must express some disgust over the trip taken which some aldermen were not informed. We know the embarrassment those aldermen must have felt when asked by interested citizens what the trip was for and they had to reply: What trip? That is no way to run a railroad.

We are reminded of the catastrophe New York City is now faced with. No doubt, better management and above-board activities would have kept that city from the shape it is in now. It could happen to this great town if our representatives do not feel accountable to the people.

However, we know that there is a great deal of value in sending aldermen to conventions and workshops, but if the taxpayer has to finance it, then we ought to be informed of the benefits. Or at least those aldermen who did not attend ought to be made aware of what happened so that if a citizen called an aldermen he would have an intelligent answer to give him.

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To Be Equal by Vernon E. Jordan, Jr.

Why should the federal government help bail out New York City and save it from default and bankruptcy?

That's a question many people are asking, some out of genuine concern for the federal system and local self-government, and others with a hostile snarl and an undeclared wish that the City would sink into the earth and never be heard from again.

Those glib dogmatists, not excluding high government officials who don't want to life a finger to help New York, can't seem to understand that if New York City defaults it will start a chain reaction that would inaugurate a world-wide crisis that could make the Depression of the 1930s look positively benign.

When Washington was trying to sell the Vietnam War it concocted a false "domino theory" that said if Vietnam goes, so too would all of Asia. That was a gimmick, but there really is a domino theory of New York's fiscal collapse.

It goes something like this: If the City defaults it can't pay its bills. That means city workers stop working. Paychecks, welfare checks, payment of bills all stop. No cops, no firemen, no teachers, no garbage collections -- nothing. A city of 8 million people totally paralyzed.

Businesses that sold goods to the City wouldn't get paid. Because of the size of city purchases that would mean not only the collapse of many small business, but also bankruptcy for the big utilities.

Meanwhile, New York State would also go down the drain, since it has committed its credit to the City in an attempt to stave off fiscal collapse. The big banks, heavily committed to City paper, would face enormous liquidity problems, perhaps on a scale that even the Federal Reserve might have trouble meeting.

The chaos in the financial markets would quickly spread. States, cities and towns all across the country are already paying millions more in higher interest rates because of the New York fiscal problems. After default they couldn't get a penny from the markets. Stock prices would nosedive sharply.

As European leaders have warned, the dollar's value would shrink, and the dollar's weakness combined with the shock waves throughout the banking community would herald a world-wide Depression of hair-raising proportions.

That's quite a picture, and it all may yet come true if Washington doesn't step in and do for the City what it so willingly did for big businesses faced with cash problems and for foreign nations. And it would be a lot cheaper too. The cost of federal loans or guarantees -- not grants -- required to put the City back on its feet again is a small fraction of the outright costs the government would face in running the essential services in case of collapse.

But instead of realistic action to head off certain calamity, some officials seem to be anxious to emulate the old Nixon crowd that talked of letting its victims "twist slowly, slowly in the wind."

New York City is twisting slowly in the wind today, and unless help is provided, the rest of us will be twisting right alongside her.

Help in the form of loans and guarantees for state bonds earmarked for the City is essential. It should be kept free from mandatory steps that would ensure ultimate disaster for the City.

President Ford talked about how New York ought to increase its sales tax, now at eight percent. Other taxes have been proposed. City transit fares have already zoomed from 35 cents to half a dollar a ride. Heavier taxes can only accelerate business and residential flight, compounding the City's basic problems and hastening its final collapse.

Washington ought to step in now because unless it does, the rest of the country will be in a mess. And it ought to step in for another reason, too. Although blame for New York difficulties has been pinned on many sources -- unions, politicians, past and present, and others -- it can also be seen as the victim of years of federal neglect of the cities and of national economic mismanagement.