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Crosswinds

Pushing The Big Three

From Perspectives (published by the U.S. Commission on Civil Rights).

Fresh from having convinced the Coca-Cola Company and Philip Morris' 7-Up subsidiary that it's good business to assign more independent bottler franchises to black entrepreneurs, the Rev. Jesse Jackson's Operation PUSH is about to lay siege to Detroit's Big Three automakers. The Rev. Jackson wants General Motors, Ford and Chrysler to open up more auto dealerships to blacks.

His overdrive may be in great shape, but his timing may need some adjustment. Consider what the current recession is doing to the nation's new car dealers, let alone black new car dealers.

According to *Automotive News*, the auto industry's trade journal, during the first six months of 1982, more than 555 auto dealers closed their doors, 71 percent more than folded during the first half of the 1981. A substantial number of them were black-owned dealerships.

Of the 22,000 surviving U.S. dealerships, the *New York Times* reports, only 94 are presently black-owned. Unlike white dealerships, many of which are family businesses passed down from generation to generation, black car dealerships are relatively recent phenomenon. The resultant lack of experience is most often cited by Big Three officials for the high mortality rate among minority dealers. Ford executives say that between 1978 and 1981, 30 percent of its black-owned dealerships were forced to close down, as against 14 percent of its traditional white dealerships.

Another cause for failure is the general business climate: Many black dealerships are in the inner cities, selling mainly to blacks, whose unemployment rate is dramatically greater than the national average of 10.5 percent. Unemployed blacks don't buy new cars.

In theory, no one in Detroit faults Rev. Jackson's logic: In 1981, blacks spent \$14 billion on cars and accessories. For that "investment," they "got back" less than \$500 million in dealership revenues and auto parts sales, exclusive of service station purchases. That \$14 billion, says Jesse Jackson, adds up to 10 percent of domestic auto sales. According to PUSH economics, the black community is entitled to a 10 percent return on investment -- far less than the whites are realizing.

In the main, the Big Three are sympathetic, although they wish PUSH didn't come to shove just at this fragile time. "We are going the extra mile to help minority enterprises make it through the current economic morass," insists GM vice president John R. Erdman, pointing out that the \$1 million it had allocated to parts purchases from minority suppliers back in 1968 has now grown impressively to \$290 million a year.

But Rev. Jackson doesn't think a mile is enough: PUSH says GM in 1981 spent \$32 billion on auto supplies and, applying the "10-percent rule," expects GM to funnel \$3.2 billion of that to blacks. If 20 percent of all auto dealers are losing money, retorts GM, then it's safe to assume 33 percent of black dealers are doing so.

Perspective of sorts is offered by Atlanta's R.V. Robinson, the largest black auto dealer in the U.S. Last year, Robinson's Cadillac and Pontiac dealership reported gross sales of about \$16 million, which makes him king of the 29 black auto dealers who are members of *Black Enterprise's* list of 100 Top Black-Owned Businesses.

"I may be number 32 on the magazine's list," says Robinson, "but I'm about number 1,000,000 on the *Fortune* 500 list."

Crosswinds

Sharing The Holiday

From the (Cleveland) Call and Post.

As we enter the holiday season, it is fitting and proper that we redouble our efforts and concerns for the less fortunate. The news that economic recovery is underway does little for those of who have yet to receive its benefits.

This, our most joyous and sacred of seasons, is also the season of our greatest need. It does little to lament the nature of the society that creates haves and have-nots. What does matter is doing something about it.

There are many poor people, both individually and in families, but there is an even greater number of people who have an abundance they could share. To those who have been graced with adequate means, we ask that they share their holiday with those less fortunate.

Our holiday mission of sharing, as virtuous as it is, addresses only this holiday season. Actually, the need is just as great the other months of the year.

Much has been said about the decline in America's economy but nothing has taken away the ability of the nation, the state or the community to care for those who can't take care of themselves.

All we need is the will.

THE NICARAGUAN REGIME IS A DANGEROUS AND SUBVERSIVE FORCE IN THE REGION



WE WILL NOT ACCEPT THEM UNTIL THEY'RE WILLING TO FORSWEAR FOREIGN ARMS, ADVISORS AND ADVENTURES...



AND NEGOTIATE WITH THE OPPOSITION



BUT THAT'S WHAT THEY JUST ANNOUNCED.



SEE HOW DEVIOUS THEY ARE



Drawing The Real Poverty Line

By JOHN JACOB
Guest Columnist

There's nothing like good news, even if it's not true. The good news now coming out of Washington is that poverty is not as serious a problem as most people seem to think it is.

The bearer of the good news is David Stockman, director of the Office of Management and Budget (OMB). Thirty-five million poor people? Not according to Stockman. He says the real figure is only 20 million, as if such a huge number of deprived people can be described with the word "only."

It seems OMB has made 15 million people -- the difference between Census Bureau estimates of the poor and OMB's rosier estimates -- disappear from the ranks of the poor.

OMB does it by statistical juggling. It says that if you add in-kind government benefits to the incomes of the poor, many are no longer poor. That sounds fairly reasonable until you examine it. Here's how OMB's fiddling with the numbers goes.

First, there is federally subsidized housing. If you take the market rental value of a subsidized housing unit, subtract the actual rent a poor person pays and attribute the difference to his or her income, many of the poor would now have incomes above the poverty line.

Here's another example -- Medicaid. If you add the value of federally paid medical care, the same thing happens. The imputed income, plus actual dollar income of the poor person, lifts him or her out of poverty.

But wait a minute. Let's assume a poor person has no earnings for the year. Let's also assume that person has major surgery and a long nursing home stay, all paid for by the government, and costing \$50,000.

Mr. Stockman and his statistics crunchers at OMB would say that

of poverty. So there goes the good news -- gone with the first fresh breeze of realism.

But the Stockman report is troubling for several reasons. First, it indicates our national policy-makers are more interested in playing a numbers game than they are with really dealing with the problems of growing poverty.

Second, it reveals a mind-set that is quick to point out the subsidies given the poor while never mentioning those given the better-off. After all, if we should impute public housing sub-

"So OMB's little exercise has no validity in the real world, where 35 million are still deprived despite the efforts of officials to define them out of poverty."

person has an income of \$50,000 for the year and is no longer poor. In fact, that person should now be counted among the more affluent of our citizens.

That may make sense in Washington, but common sense tells us that person is still poor. He still doesn't have a dime to call his own, still has no cash income, and still is poor by any reasonable way of looking at his situation.

So OMB's little exercise has no validity in the real world, where 35 million are still deprived despite the efforts of officials to define them out

sidies to poor people receiving them why not also impute federal mortgage interest subsidies to homeowners. Such subsidies are many times the housing subsidies to the poor.

Finally, we ought to face up to the fact that the so-called "poverty line" does not define poverty -- it defines the poorest of the poor; it is a line that separates abject poverty from simple poverty.

That poverty line is based on a two-decade-old calculation of the minimum food budget a family needs to survive for a short period of time.

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For Some, 'The Day After' Is Now

By DR. MANNING MARABLE
Guest Columnist

The American people have never experienced "total war" -- widespread epidemics, limited water and food supplies, the collapse of civil order, millions of dead, the dying and injured in the streets and countryside.

The ABC film "The Day After" is instructive in the most direct and elementary manner in acquainting Americans with the human dimensions of a general nuclear conflagration. Millions of people, trapped in central cities or near a military and industrial center, would be vaporized or burned alive. Millions more who survived the assault would die in the next days and months from radiation sickness. Communications, public transportation and most health facilities would be nonexistent.

To think seriously about the "unthinkable" creates fundamental problems for the Reaganites and the superhawks of both the Democratic and Republican parties. The basic idea behind current national defense policy is that the U.S. must arm itself with increasingly sophisticated and more powerful weapons in order to make the likely "costs" of warfare unacceptable to any rational adversary. There are, however, at least two problems with the "deterrence"

philosophy. It assumes that both major powers will respond "rationally" in a time of political crisis, and that the Soviets will ultimately back down when confronted by the American nuclear threat. But how "rational" was the U.S. invasion of Grenada this fall, an illegal act of gunboat diplomacy which could have easily triggered a larger confrontation with the Soviets? How "rational" was Soviet behavior in shooting down the Korean airliner?

The second problem is underscored by the U.S. decision to place Cruise

The film skirts these issues, attempting to divest any sharp political content or analysis from the story. But sexist and racist elements were fairly obvious in "The Day After."

The majority of the female characters were idiots. Eve Dahlberg refuses to halt wedding-day preparations during the national emergency, and calmly makes the bed after Minuteman missiles have been launched. Even during the postfilm discussion, no prominent women writers or spokespersons on the arms race -- such as Helen Caldicott, Joanna

"The faulty logic of deterrence leads inevitably to Reagan's mad quest for nuclear superiority, which would trigger a nuclear war."

and Pershing II missiles in Western Europe. From West Germany, it will take a Pershing II less than 10 minutes to obliterate a military target inside the Soviet Union. During a military confrontation with NATO, the Soviets would be forced to deploy their missiles upon the first warning signal of hostile Western action. As Joe Huxley, a professor in the film, stated, you either "use them or lose them." The faulty logic of deterrence leads inevitably to Reagan's mad quest for nuclear superiority, which would trigger a nuclear war.

Macy or Randy Forsberg -- were invited before the cameras.

There are over 150,000 black people who live and work in Kansas City. Indeed, the black population of the city is larger than the number of blacks in Nashville, Richmond, Virginia, Miami, Boston, or Buffalo. Yet, while watching the film, I got the distinct impression that the racial setting was off somewhere in North Dakota. The film begins with the sociological premise of security and comfort. No one lives in a ghetto

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Competency

Test Facts

By MARIAN EDELMAN
Guest Columnist

Does your child have to take a test to be promoted to the next grade or to graduate from high school? With all the concern about education these days, many schools have begun to use minimum competency tests to determine a student's mastery of different skills. These tests can measure anything from basic math and English skills to how to read a map and balance a checkbook. Thirty-nine states now use the tests, which are often tied to grade promotion and graduation.

The tests are one way to make schools accountable to parents and to guarantee that your child graduates with a minimal level of knowledge. But the tests can also present problems.

For example, a higher proportion of black than white children are failing the exams. One explanation suggested by some critics is that children from less wealthy school districts with fewer resources may not be able to perform well on a statewide test.

If your school system uses a minimum competency test, find out about it and watch for these things:

Your school should not deny a child a diploma or promotion to the next grade solely on the basis of the test, if all other requirements have been met. Students show their competence in many ways. The test should not weigh more than the rest of your child's performance in school. It could hurt your child if he or she isn't very good at taking tests.

Further, your child shouldn't be tested for the very first time in high school or at the end of the school year. Giving the test to students so late in their education makes it unlikely that the school will be able to help the child very much. If your school system uses minimum competency tests, then your child should be receiving these tests early enough to get the additional instruction and attention that will make a difference. If your child fails the test, the school should provide assistance so that he or she can gain new skills and eventually pass. The tests should not be designed as punishment, but rather as a spur to achieve more.

Moreover, teachers in your school should not be teaching only what students need to know to pass the test without striving to go beyond. These tests are usually geared to the minimal level of knowledge a student should have, not the maximum.

As a parent, you should try to learn about minimum competency tests in your own community. You have the right to be informed about the standards and requirements your schools are using to evaluate your child. Parents and other citizens should be involved in developing these tests so that they are adapted to what your schools are actually teaching.

I'm sure you want your children to do their best. I have the same hopes for my children. Most black parents believe in high educational standards. Minimum competency tests may be one way to raise them for our children. For that reason, they're important.

If you don't know if your schools use competency tests, call up the principal's office today and ask. As a taxpayer and a parent you have the right to know.

Marian Edelman is president of the Children's Defense Fund, a national voice for children.

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THEIR HAZARDS AND THEIR CHEMICAL COMPOSITION



UNLESS THEY DON'T WANT TO

