

Business Briefs

An opportunity is all we need

By MALCOLM R. GRAHAM
Special to the Chronicle

Economic opportunity is part of the promise of the American Dream. In business, the dream becomes a reality when companies are given a chance to compete fairly and equally in the market place.

The Carolinas Minority Supplier Development Councils, Inc. (CMSDC) will celebrate 15 years of opening doors of economic opportunity for minority firms, during our Business Opportunity Conference, set for September 15-18 at the Charlotte Omni and Charlotte Apparel Center.

While we are proud of the major accomplishments and the significant achievements that we have made over the years, we understand that we still have a long road to travel until meaningful equality is reached. If we are to ever reach full

equality, we must call on both the private and public sectors to join us as partners, and to help us demonstrate that doing business with a minority firm does not mean compromising standards, but means getting the same quality, price, or service that a company would otherwise demand.

We must work to solve the problems that still plague minority firms in the 90's. Problems such as obtaining sources of capital and access to credit, securing business with state/local governments, and private markets, slow payments of money owed and discrimination which is as potent in the business Community as in society at large.

Therefore, just like the first fifteen years, the CMSDC will continue to bring major corporations and the minority business communities together, and work to solve the problems of today, so that we can

secure economic equality tomorrow. This type of partnership benefits the entire region. It boosts employment and economic opportunities for minorities, and that strengthens our whole economic system and fosters a true sense of equality.

We invite those who are not familiar with our organization to attend the Business Opportunity Conference, and to participate in the process.

There are great opportunities ahead of us. But as with anything that is worthwhile, we are going to have to ask something extra of ourselves to make these opportunities pay off. Let's work together to make the Carolinas a true land of opportunity for all of our citizens.

[Malcolm R. Graham is President of Carolinas Minority Supplier Development Councils.]

Equal employment vanishing? Jobless rates up from 1990 to 1991

According to the Bureau of Labor Statistics, jobless rates for blacks, Hispanics, and whites increased from the end of 1990 to the end of 1991:

- For blacks, the 12.6% unemployment level in the last qtr. of 1991 was .5 percentage points higher than it was a year earlier. In the 2nd qtr. of 1992, it rose to 14.5%.

- For Hispanics, unemployment rose to 10.1% in the last qtr. of 1991 — 1.4 percentage points higher than the same period a year earlier. In the 2nd qtr. of 1992, it was 11.2%.

- For whites, the 6.2% jobless

rate in the 4th qtr. of 1991 was 1.1 percentage point higher than that of a year earlier. In the 2nd qtr. of 1992, it was 6.5%.

- Earnings of blacks lagged behind those of whites at the end of 1991. Median earnings of black men were 72.5% of that of white men. Black women earned a median 86.3% of that for white women

Displaced workers increase drastically during last recession

- An August report said 5.6 million workers who had been with their employers at least three years were displaced between January

1987 and January 1992. Nearly two-thirds were back at work when surveyed at the beginning of the year. Of those who had full-time work, only about half earned as much or more than they had when they lost their jobs.

- The number of displaced workers in this survey was 1.3 million higher than the number posted in the 1985-1990 period. In the 1990 survey, 72% of the displaced were working again.

- Of those displaced, 52% lost their jobs because a company or plant closed or moved. Nearly a third cited slack work.

MONEY WATCH

By THEODORE R. DANIELS



Bad credit or no credit: A secured credit card may be the answer

If your credit is less than perfect or if you want to establish or obtain a bankcard/credit card for the first time, you might consider applying for a secured credit card. A secured credit card requires collateral, usually a sum of money deposited with the financial institution (credit card issuer) such as a bank. The minimum amount required to be deposited ranges from \$300 to \$2,500. This money is pledged to cover any default by you on debts that you may incur from using the credit card. Banks ask for this collateral in order to limit their risk in making loans to someone who has defaulted on loans in the past or who has no credit history, such as a student, or divorced person.

Some issuers of secured credit cards, however, do not allow you to charge up to the deposited amount. There is a direct relationship between the minimum deposit and the amount that can be charged (your credit line) on the card. For example, if the issuer limits your charges to 50 percent of the deposited amount, say, \$500, the maximum that can be charged on the credit amount would be \$250.

The money on deposit, held by the issuer of the card, earns interest. The interest rates range from 4.5 percent to market rates on certificates of deposit and money market accounts. Each credit card issuer sets its own policies regarding the required deposit and interest rate.

If you decide to apply for a secured credit card, compare the interest rate applied to your charges and the interest rate the issuer pays on your deposit/collateral. Try to obtain the card that has the narrowest spread (difference) between the two, if you can meet the minimum deposit requirement. Additionally, check for annual fees and avoid cards which require such, if possible.

Like unsecured credit cards, secured credit cards have a "grace period" between a time a purchase is made and the time the card issuer begins to charge interest. Grace periods commonly range from 25 to 30 days, but some cards, both secured and unsecured, begin charging interest as soon as a purchase is made. Look for the card which has the longest grace period.

You should also check to see if the credit card issuer has "graduation privileges" which would allow you to switch to an unsecured card once you have established a good credit history. Once you switch to an unsecured credit card, you can get your cash deposit back.

Both the RAM Research Corporation and Bankcard Holders of America have developed a list of banks located across the country, which offer secured credit cards (VISA or Mastercard). These lists can be purchased. The Bankcard Holders of America sells its list for \$5. You may write to Bankcard Holders of America, 560 Herndon Parkway, Suite 120, Herndon, VA 22070 or write to RAM Research, P.O. Box 1700, Frederick, MD 21702. The cost of RAM Research's list which carries more card issuers is \$10.

Blue-collar workers struggle to keep pace

CHICAGO, Ill. (AP) — For Matthew Kolodziej, these were supposed to be the good years — no alarm clocks, no factory grind, no money troubles.

He thought 30 years of hard work would guarantee that. He was mistaken.

Seven years later, he's still on the job, pondering his finances and his future. His house is paid for, his six children grown but, at the age of 60, he can't afford to retire.

"I'm standing still," he says, frustration creeping into his voice. "You can't save enough for your old age. What happens when I get to be 62? I collect my pension, my Social Security... and in another five years, I'll really be going downhill."

David Trampas expected life to be easier after 18 years in one factory. But he has a mortgage and bills, and his wife works part time to help support their two children. He sees no easy days ahead, earning \$26,000 a year.

"I feel like I'm going backwards," the 37-year-old worker says quietly. "The American dream, it's just harder to attain. You look to improve your standard of living, maybe move up to a bigger house, buy a car. Now it's hard to do that. You're trying to pinch pennies."

Two men, two generations, one small steel plant. One man at the end of his career, the other near the halfway mark, sharing the same problem: Their blue-collar wages no longer secure a middle-class life.

In the recession-wracked Midwest, many on the assembly lines fear they're working harder but falling behind. Some worry they won't do as well as their fathers — and that their children could fare even worse.

Job security is gone, more wives are working, prices are heading up and wages going down.

"For blue-collar Americans, the age of expansion ended a long time ago," said Katherine New-

Missing tires

A man walks past a hub cap shop along Western Avenue in South Central Los Angeles Wednesday morning. The rebuilding process in the area has been slow since many businesses in the area were destroyed by the recent riots.

man, a Columbia University anthropology professor. "The age of stagnation began in the '80s. In the '90s, it's the age of decline."

"There's a lot of insecurity for them," she said. "There's a general pessimism about whether the U.S. can ever recover the dominant economic position it had in the past. This doesn't feel like a temporary blip. It feels like a long tunnel, and no one is sure there's an exit point."

While more than 1 million manufacturing jobs disappeared in the '80s, those working are in trouble, too, according to the Economic Policy Institute, a liberal Washington-based think tank. It says:

- Blue-collar wages have fallen 7.6 percent from 1987 to 1992. The average hourly salary dropped from \$12.91 to \$11.93.
- White-collar earnings, which rose through much of the '80s, fell, too, in the same period, but less dramatically — from \$15.82 an hour to \$15.27 an hour, a 3.5 percent decline.
- The wages of young male high school graduates — those with up to five years in the job market — dropped 26.5 percent from 1979 to 1991. For women in the same group, it was 15.5 percent.

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