## **Editorials & Comments**

## Taxes-Up And Down?

While President Reagan was personally ramroding his budget approval blitz through Congress, which included massive cuts in human service programs and substantial personal income tax reductions for some, others were planning to use those freed-up tax dollars before they got into the taxpayers' pocketbooks.

In Detroit, Mayor Colman Young, proclaimed a victory in his city's battle against bankruptcy. While getting strong opposition from the mostly white suburbanites and public employees, Mayor Young, who is black, convinced the city's largely black voters to approve his proposed tax increase. By agreeing to increase their own taxes and those of commuters, black voters gave Mayor Young a 2-to-1 victory margin.

Elated over the voter outcome Mr. Young said, "We have been willing, in the face of a national tax revolt, to step up to the window and buy a ticket on the train of progress and freedom."

In our own state, last week the General Assembly approved a 3 cents per gallon gasoline tax that motor vehicle users began paying July 1. In addition, the bill raised the costs of drivers licenses, truck fees and other road related permits. Significantly, the bill did not include the personal income tax rebate the governor proposed to offset the impact of the higher taxes. The State House of Representatives rejected this proposal for cause.

In addition, the House passed a bill that would allow counties to hike their sales taxes to five percent. About the same time a bill went to the Senate aimed at raising taxes on alcoholic beverages.

As if that is not enough, we now hear rumblings that the Federal Communications Commission (FCC) has granted AT&T's request to charge customers an additional 16 percent for long distance calls beginning last Sunday. Other reports have it that Duke Power will also be seeking a rate increase soon.

#### **Income Tax Rebate**

Looming temporarily in the shadows Mr. Reagan's budget approving strategy is the specific income tax plan and the largest tax cut in the nation's history. While House of Representatives Democrats offered a substitute tax cut plan favoring low and moderate households, they will probably lose out to the Reagan approved plan as they did on the budget approval struggle.

In any event some American , households will pay less income táx under Reagan's plan. For example, a typical four-member family with a \$30,000 annual income will get a \$499 tax cut in 1982 under Reagan's plan and \$687 under the Democrats plan. For a family with a \$100,000

annual income the tax cut under the Reagan-Republican plan would be \$2,802 and under the Democrats, \$2,453. Both plants would give special tax cut considerations to working couples who often pay higher taxes than they would if they were single.

The Senate Finance Committee's approved plan proposal the Reagan Administration plan would cut taxes by \$37 billion in 1982, \$92 billion in 1983 and \$150 billion in 1984. The House Democrats plan would cut taxes by \$38 billion in 1982 and considerably less than the Republican plan in future years.

Specifically, the hallmarks of the Democrats plan include individual tax rate cuts, a better tax plan for married working couples, earned income tax credits and an increase in child day care deductions. While the Democrats tax cut proposals will probably lose out to the Reagan plan, and there are obvious differences over what income level of Americans will benefit the most from either income tax blan, some households in, for example, Detroit and North Carolina, will be pleased to have their local and state tax increases off-set by the planned federal tax reductions.

## **Tax Rate Cuts**

Furthermore, despite Republican and Democrat differences over most of the Reagan tax cut proposals, the Senate Finance Committee is apparently united in their views and recommendations on tax incentives for savings. Both parties within the committee have voted to allow individuals to earn \$1,000 fax free in a special savings plan.

Again, while all Americans will not be happy with the nature of the specific income tax plan eventually approved by the Congress, there is obviously reason to believe all groups will benefit, some more than others.

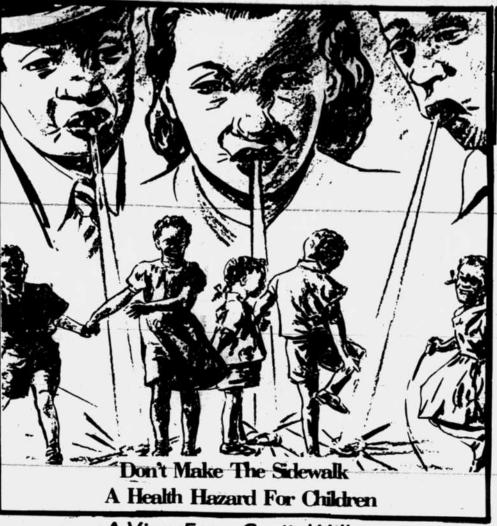
It should be understood, too, that the massive tax cuts proposed by the Reagan Administration can occur in part because of the major cut backs in federal funds flowing to the state and local levels. Therefore, the tax increases as in Detroit, at the his brief tenure and higher state level in North Carolina, and than that recorded for any in our local county government are in part necessary to off-set the federal losses directly or indirectly.

Taxes, up and down, that too is part of the American system.

Black Business Data Black-owned businesses represent about 2 percent of all U.S. businesses.

The vast majority of firms (94 percent) owned by Blacks in 1977 operated with a sole proprietor. Partnerships accounted for four percent, and two percent were corporations.

origin."



## A View From Capitol Hill Reagan's Job Performance Rating Drops Sharply

If the honeymoon that President Reagan seemed to have with the Congress, with the media, and with the American people in general isn't over, it sure seems to be diminishing in

According to a recent Gallup Poll, the President's job performance rating has dropped sharply. Gallup shows 59 percent now approving Reagan's handling of his presidential duties, 28 percent disapproving, and 13 percent undecided

President Reagan, in the opinion of some pollsters, had the confidence of twothirds of the American people for his handling of his presidential duties for two months after the attempt on his life on March 30. The latest Gallup Poll, however shows a 9 percent decrease from a mid-May survey. His positive rating then was 68 percent.

The drop in approval is nearly matched by a seven point jump in those who disapprove of Reagan's job performance, from 21 to 28 percent -- the highest level of disapproval noted during other President after only

Recent defeats suffered by Mr. Reagan in Congress, in my opionion, have a definite relationship to this turnabout in his popularity.

As I noted in my recent column on the Social Security System, House Democrats on May 20 went on record in opposition to the President's proposals -especially in regard to his plan to cut benefits for early retirees. The Senate on the same day passed a sense of the Senate resolution in opposition to any



Hon. Gus Savage proposal that would "precipitously and unfairly penalize early retirees" or reduce benefits to any level more than "necessary to achieve a financially sound

system. The House on June 18 voted to keep the Legal Services Corporation alive for two more years under threat of a veto from Mr. Reagan. The Legal Services Corporation is an offshoot of the 1960s war on

poverty. It was established as an independent, federally funded corporation in 1974 to provide attorneys for some 10 million poor people who cannot afford legal advice on matters such as divorce, wills. landlord-tenant disputes, and other civil cases. While the 245-to-137 vote fell short of the two-thirds needed to override a veto, it showed strong support of Congress for the program, which

Reagan wants to abolish. The Gallup Poll suggests that concern over the cuts in social programs, dissatisfaction with the proposed reductions in Social Security benefits, and criticism of the tax cuts are now being reflected in the President's overall performace ratings.

This is a shift from earlier surveys which showed Reagan to be personally more popular

with Senator Hatch's enter-

than his handling of specific problems.

One would expect Reagan to decline in popularity among the disadvantaged and elderly as it becomes clear that programs will work against their interests. However, a broader decline seems to have developed. The Galup Poll shows that the President's popularity has dropped in all demographic

If there is, in fact, a dent in the Reagan armor, it would behoove black Americans to marshal forces to further diminish his popularity. It seems apparent that other Americans, too, are becoming disenchanted with the Reagan smile matched by proposals that turn back the clock.

As I predicted as early as February 21, in a speech delivered at an Operation PUSH rally, "...the majority of whites will soon receive the economic injury which we already perceive in Reagan's proposals -- and well may substitute realism for racism, and follow our lead." To guarantee that the

Reagan proposals are defeated, we must form new old ones. For example, we must rejoin forces with the labor movement and other progressive forces. Churches, civic organizations, fraternal groups, and others all have a stake in a turnabout in the Reagan proposals.

I urge those with common interests to come to Washington and let your voices be heard.

Keep your out-of-town friends informed on what's happening in Charlotte by sending them a copy of the Charlotte Post each week.

# Action

**Affirmative** 

States Right And Human Rights

Many will not feel the hot breath of Reagan's budget cuts until next October 1st. And by that time it may be too late to complain. Jobs are the bottom-line and a black community reeling from an unemployment rate that makes the "Great Depression" of the 1930s seem inviting by comparison will be particularly affected.

One of Reagan's first targets was the Comprehensive Employment and Training Act, which provides so-called CETA jobs. Over 300,000 have received public sector jobs pursuant to this program, many of them black. But barely after reaching office one of the President's first acts was to hold back or reallocate about \$1 billion in funds for the current fiscal year. This has forced an immediate dismissal of tens of thousands of workers.

"Last summer we had 8,000 individuals in public service employment and we nearly had a riot in the city anyway," said Willie F. Johnson, Executive Director of Philadelphia's office of Employment and Training. "Now they have taken away one of the tools we use to provide not only employment and training, but hope for our young people. It adds to the burden the city faces in trying to keep calm during the summer."

There have been certain problems with CETA jobs, not the "least of which, has been the wages that are below those paid to regular municipal employees, which at times made it resemble "Workfare." But it is the cruelest of ironies that a President elected on a pledge to "put American back to work" has instead chosen to "put Americans out of work."

This won't come as a surprise to those who know that the staff that meets with Reagan daily is as white as fresh snow or that on Nancy Reagan's staff there is not one black. Unfortunately, many voted for Reagan on the premise that he would "get the n-gg-rs" and thus far, he hasn't disappointed them. Even the few blacks on Reagan's team make George Wallace or Jesse Helms sound "liberal." Jay Parker, who professes to be an Afro-American, has opposed staunchly affirmative action. Like Interior Secretary James Watt, he had the temerity to announce that he would think twice before visiting a black doctor just because the physician might have been admitted to medical school pursuant to an affirmative action program. With this kind of Judas Iscariot attitude on the part of black staff, one can only imagine what other fiendish plans -- besides slashing a life-line of CETA jobs -- the Reagan Administration is cooking up.

While throwing some out of work, Reagan has proposed putting others to work. But this is not a benign proposition. "Workfare," Reagan's "new" program is in fact as old as the hills. He proposes to make welfare recipients work - a guaranteed applause line for the racist set -- but is vagye about the disabled and mothers with small children unable to afford child care, who comprise a disproportionate percentage of recipients. He ignores the report of his own General Accounting Office which shows that the administrative costs to run "workfare" in the United States today far exceed the amount saved in lower foodstamp benefits and work performed. Historians have documented this rather simple, elementary fact from as far back as

### From Capitol Hill

Special To The Post

#### Race Used In Inequities; Why Not Race In Corrections? Alfreda Madison cational Defense, differed

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from leading universities testified against affirmative action programs. Two of these stated that discrimination against Blacks and Hispanics is justified. One said that discrimination should be forbidden by the United States government and the other stated that affirmative action rejects everything that the civil rights movement had

fought for many years.
The second day's hearing heard arguments from representatives of organizations that have played a leading part in affirmative action. Nathan Dershowitz of the American Jewish Congress opposes a Constitutional amendment on affirmative action, be-

Alfreda L. Madison cause he feels that the 13th, 14th and 15th Amendments already adequately address the discrimination problems; that vigorous enforcement of these will bring about equality. Mr. Dershowitz feels that affirmative action should identify and encourage qualified people who are denied opportunities because of race, religion or national origin. The method he cited for these qualification identities is through admission examin-

ations and recommendations for college, and for job applicants, proof of

pretation of affirmative action, when he stated that since it is considered a measure for accomplishing the provisions of the Civil Rights Act, Hispanics are included. Especially, since some people believe His-panics are white. Ms. Martinez said the Spanish consider themselves colored and that the government designates them as Puerto Ricans, Mexicans and Cubans. She also took a strong issue with Senator Hatch that race and ethnicity should not be considered, and that the Act causes reversed discrimination. Ms. Martinez said that the merit system idea and unwillingness to accept race and ethnic are simply functions of the dearly-held principles of historical convenience; that until recently, racial and ethnic considerations were utilized without impunity to deprive minorities of the fruits of equality. Attorney William Cole-

man, Chairman of NAACP Legal and Educational Defense Fund, stated that as a Vilma Martinez, General matter of Constitutional Counsel for the Mexican- Law there is nothing that American Legal and Edu- prevents establishing an affirmative action program that will consider race in creating opportunities - educational and economie - for minority participation. He gave numerous examples to show that the Supreme Court has held that race conscious action may and in some cases must be used.

Mr. Coleman said, "the consequences of centuries of slavery and second-class citizenship cannot be overcome by simply pretending that those consequences do not exist. It is nothing but a sham to allocate jobs, university admission and other scarce opportunities on the basis of so-called neutral criteria that perpetuates the legacy of slavery and discrimination." Coleman said that affirmative action is greatly needed today because minority managers are clustered at lower levels, the percentage of minority professionals remains in the low single digits, a disproportionate number of blacks attend two-year colleges or fail to graduate from fouryear colleges and that unemployment among blacks is double that of whites. He pointed to congress and its

ample of inequality among minorities and whites. Coleman took issue with test as a means for college admission. There are other ways of determining eligibility. He also stated that there are some instances when quotas should be used

Mr. Coleman suggested the committee establish a remedial criteria basis of: substantial equality in average wages between whites and minorities. Approximately equivalent rates of unemployment between whites and minorities, substantial equality in housing, substantial equality in admission to colleges and professional schools, substantial representation in membership in trade unions and organizations, and substantial representation in corporate board rooms, banks, the guiding bodies of the major political parties, the congress, state legislatures - the positions of influence and power in our society, where basic economic and political decisions are

Both Coleman and Martinez strongly emphasized that race and ethnicity hiring practices as an exhave been used in an exclusionary manner against minorities so why not use them in corrections?

Reagan Asked To Consider

Black Women

WASHINGTON, D.C. Mrs. Mona H. Bailey, national president of Delta Sigma Theta Sorority, Inc., last week asked President Reagan to consider a black woman for the Supreme Court vacancy caused by the retirement last week of Justice Potter Stewart.

"We are gratified by press reports that President Reagan may keep his campaign commitment to name a woman to the first Supreme Court vacancy in his term," Mrs. Bailey declared.

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