

Feds monitor Texaco settlement

By Jim Fitzgerald
THE ASSOCIATED PRESS

WHITE PLAINS, N.Y. — Federal regulators will have power to monitor Texaco's treatment of blacks under an agreement reached Friday that gives a federal agency a role in the company's antidiscrimination settlement.

The agreement "reflects our serious concerns with the employment practices at Texaco," said James Lee, regional attorney for the Equal Employment Opportunity Commission.

The EEOC had investigated Texaco's hiring and promotion practices and found them to be racially discriminatory. That was before the separate civil suit became a national embarrassment to Texaco with the release of tape recordings in which executives mocked blacks and plotted to destroy documents.

Shortly after Texaco announced a tentative \$176 million settlement of the suit in November, the EEOC asked federal Judge Charles Breiant to let it intervene "to protect the public interest."

The agreement is contingent on final court approval of the civil settlement, which

includes back pay and raises to black employees and various programs to diversify Texaco's work force and improve working conditions for black employees.

The agreement allows the EEOC to monitor the progress of those programs, specifies how future complaints will be handled and orders Texaco to provide the EEOC with detailed information on every promotion, including the race of each applicant.

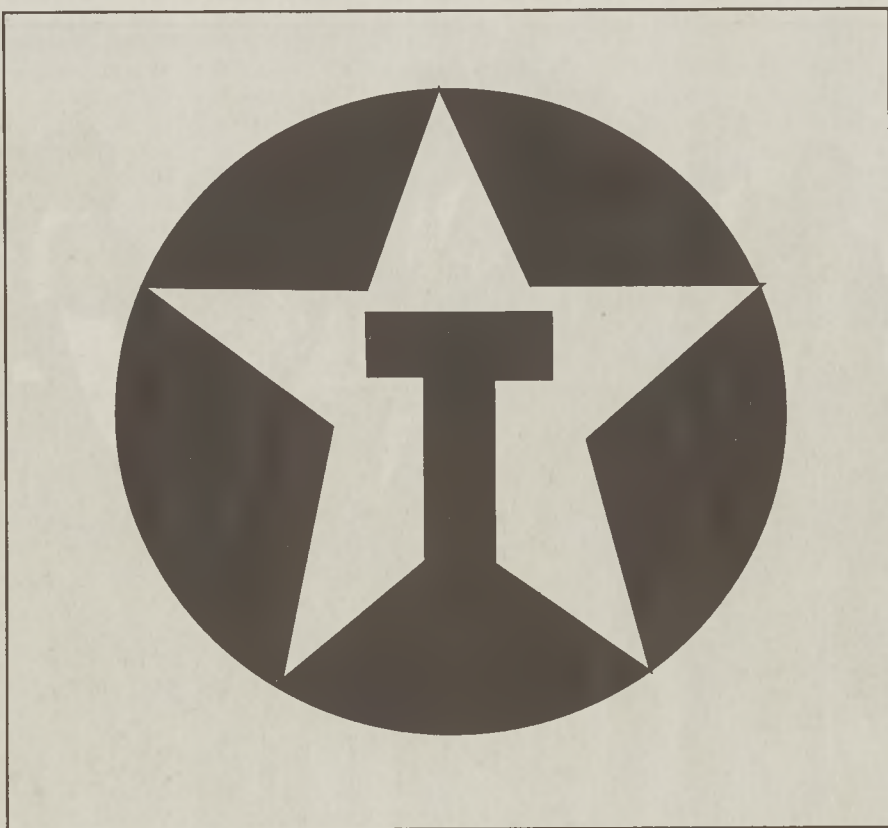
Cyrus Mehri, an attorney for the plaintiffs, said the EEOC agreement "complements what we've done here and makes clear exactly what Texaco has to do."

Texaco spokesman Chris Gidez said the agreement is consistent with

measures Texaco has already announced and "we believe fully satisfies all the EEOC's concerns."

The tape recordings were made by an executive who said he wanted to keep accu-

rate minutes. He gave them to the plaintiffs in the civil suit after he lost his job in a corporate reorganization.



U.S. oil companies under fire

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workplace, no one in big oil has taken it on, Graham said.

"I can't think of one oil executive who has been outspoken on the issue of bias in the workplace," Graham said.

Texaco agreed to the record settlement payment after a disgruntled former executive released a tape in which top company officials were heard using racial slurs, mocking the black cultural festival Kwanzaa and plotting to hide or shred documents sought by the plaintiffs.

At Shell, a group of black workers is suing for \$100 million, alleging a system of racial and sex discrimination. A second group of Shell employees filed suit last February charging racial discrimination by the

Racial, sexual harassment suits have corporations on the run

company.

Plaintiffs like Wilson Jackson, 49, say the company has held down black employees by withholding deserved promotions and merit awards and has lowered positive evaluations for black workers. They also charge Shell failed to reprimand workers for racist conduct at work.

The first trial is scheduled for September in U.S. District Court in San Francisco.

"Caucasians ... move up faster than blacks who do the same or a better job," said Jackson, who still works at Shell.

Jackson, who has worked in Oklahoma, Missouri, Indiana, Ohio and Michigan in 27 years

at the company, said he believes that if he were white he would have been promoted to senior management years earlier.

"They do things like give the African Americans the toughest territories to work in, they bust their humps and then get moved when they become successful," he contended. "You get left with nothing."

Jackson said he stayed at the company for nearly three decades "because I'm not a quitter. Once years passed by, I felt I had too much invested here to just walk away."

Shell denies the charges and said in a statement, "We take

the issue of diversity and equal opportunity very seriously."

Pete Brown, a spokesman for the Independent Petroleum Association of America, acknowledged a lack of minorities in the upper reaches of the oil industry but denied racism is to blame.

"Most of the major oil company top executives and CEOs come from the geophysics or chemistry fields, and we haven't seen minorities attracted there," Brown said. "Minorities usually are in the downstream areas of the company like marketing and accounting."

Brown added: "I think most people in the oil business are smart enough to know that racism can cost you money, not only in a discrimination suit but also because you might be holding back someone who can make you money."

Inner city businesses can thrive, according to university study

THE ASSOCIATED PRESS

GAINESVILLE, Fla. — Black-owned businesses can thrive in inner-city neighborhoods, even earning more money than their suburban counterparts, according to a new study from the University of Florida.

"Some of the largest and most profitable firms owned by blacks are found in the inner city, despite research suggesting that only 'mom and pop' businesses exist there," said Russell Benjamin, a UF graduate student in political science, who surveyed 102 black-owned businesses in Jacksonville and Daytona Beach.

Also, many of the businesses are not in traditional fields such as retailing, nightclubs and beauty or barber shops but in emerging areas such as law, medicine, insurance and real estate, he said.

"Not all of the inner city is an entrepreneurial and social wasteland," Benjamin said. "Some black businesses in emerging fields stay in the inner city and do well. Perhaps this is because many of the government offices designed to assist black business development are located either in the inner city or very near to it."

In the UF survey, the median 1993 sales figure for black businesses in the inner cities of Jacksonville and Daytona Beach was \$161,000, compared with \$105,000 for those on the outskirts. Many inner-city businesses drew their customers from outside the inner city.

"Despite the prevailing belief that inner-city black businesses are disadvantaged because they are cut off from good markets and customers who have money, this research shows that such firms can be successful," said James Button, a UF political science professor who supervised Benjamin's work.

"That's important because healthy businesses in the inner city can not only beef up the area's tax base — providing money for education and other services — but raise the standard of living by producing more jobs for inner city residents, who are disproportionately poor and black."

Lack of minority set-aside contracts, exclusion from 'good ol' boy' networks and difficulty getting loans when banks 'redline' poor black communities are problems the entrepreneurs cited.

Farmers criticize loan process

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the problem for years.

Eddie Slaughter, one of the witnesses at the Albany hearing, said the USDA has been harassing him about a \$200,000 farm loan.

"I don't want to fight my government any more," said Slaughter, who has a 221-acre farm near Buena Vista. "I don't want to be angry any more."

Slaughter said blacks need more representation on county agricultural committees, which control farm loans, quotas and disaster payments. The three-member committees, usually dominated by influential whites, are not sensitive to the needs of minority farmers, he said.

"You've got hundreds of thousands of dollars coming into these counties," he said in an interview. "The system is run by good ol' boys. It is a close-knit group that controls the money. They don't want you to see how the money flows, how it's spent

or even how much is coming in."

Quitman County farmer Willie Head said there are about 65 black farmers in his county and since 1986, only two or three have been given federal crop loans.

"Hard work alone doesn't get it," he said. "To me there is some discrimination. These local committees aren't fair."

Democratic Rep. Sanford Bishop, who represents Georgia's heavily agricultural 2nd Congressional District, said he gets frequent complaints about the committees, which are elected by farmers.

Glickman said the committees are likely to be a priority of his task force.

"We have a real opportunity to make positive change in the area of civil rights enforcement at USDA and to ensure that both our employees and customers are treated fairly and with dignity," Glickman said. "I am committed to bringing about that change."

Meet with CPA before deciding

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ing out what kind of assistance you require and your ultimate expectations. Are you looking for a CPA who can help you work toward meeting a specific need, such as funding your child's college education or saving for retirement?

Do you want someone who can develop a comprehensive financial plan and help you to implement it? Are you primarily interested in tax planning strategies or in having someone complete your tax return? The more you know about your own needs, the better you'll be able to express them to the CPA.

Conducting the interview

During the interview, let the CPA know clearly the kinds of

assistance you need. Then ask about his or her qualifications, profiles of typical clients, and availability to work with you. It's also important to get a feel for the chemistry that develops between you and the CPA you are considering. Make sure you are comfortable with his or her style and personality.

By carefully considering the abilities and attributes of prospective CPAs, you'll be able to select a CPA with whom you can develop a long-term relationship. Be sure to talk openly about how the CPA will be compensated for his or her services. Normally, CPAs base their fees on the amount of time they spend performing services on your behalf. The services you need, the complexity of your financial situation, the experi-

ence level of the CPA, and the area of the country in which you live will all impact the level of your CPA's fees.

Maximizing the relationship

To lay the groundwork for a more productive relationship, you should organize your financial information. Depending on your requirements, a CPA may need information about your assets and liabilities, retirement and other company benefits, current insurance coverage, and additional financial data. All of these have an important bearing on your financial future — and the ability of you and your CPA to work together to reach your goals. In addition to understanding your goals, it's also helpful for your CPA to know

something about your attitudes toward spending and saving, your tolerance for risk, and whether you prefer to take an aggressive or conservative approach to tax-saving strategies. Be sure you clearly convey your attitudes on these and other areas while working with the CPA. Finally, it's critical to keep your CPA up to date on various turning points in your personal and professional life. Such life events as a marriage, divorce, the birth of a child, a new home, death of a spouse, and changes in your career can all impact your tax liability and personal financial plan.

Money Management is a weekly column on personal finance prepared and distributed by the North Carolina Association of Certified Public Accountants.

Insurance costs can be trimmed with work

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tems. Insurance costs can vary widely depending on in what part of the country you live.

Life insurance

If you are part of a two-income couple with no dependents, maybe you don't really need life insurance. But if you have a family that would be financially crippled at your death, you should be covered.

The National Insurance Consumer Organization suggests you be covered at an

amount equal to five years of your income, plus an added amount for emergencies.

Life insurance comes in two basic formats, term and cash value. Term is basically a death benefit policy and can be bought as a policy to be renewed each year at a higher premium, or with a guaranteed level premium. Cash value insurance combines a death benefit with a savings or investment plan.

With a cash value policy you have the choice of providing a large death benefit or saving for a goal such as retirement.

Cutting insurance costs


Considering the fact that of every dollar spent on insurance premiums, only 60 cents is returned in benefits, it makes sense to find ways to minimize your cash outlay for all insurance coverage. One way to do that is to carry higher deductibles. Handle smaller losses out of your own pocket. This will cut your premiums considerably.

The other way to save on insurance is to shop around for lower rates. Prices for equal or similar policies can vary widely

from company to company and location to location, so you'd be wise to compare prices before you buy any insurance product.

If you're really interested in saving, you might consider investing in a comparison service. For \$50, Insurance Information Inc. will research term-life rates with a guarantee to save you at least \$50. Call them at (800) 472-5800.

Charles Ross is host of the nationally syndicated radio program, "Your Personal Finance," and author of Your CommonSenseGuide to Personal Financial Planning.



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