

Taxes and 'bail-out': ways to save state

The financial "bail-out" of a bankrupt New York City some years ago by Pres. Gerald Ford established a federal precedent Gov. Vic Atiyeh ought to seriously address for the economy of Oregon. The state was on the rocks before, but this latest revenue shortfall makes sages of the pessimists who said it would get worse before it gets better. Oregon faces a potential 1981-83 deficit of nearly \$250 million—which may inflict the terminal blow to an already crippled economy. That terminal blow will come January 11 when the Oregon Legislature meets in special session. Atiyeh has told state agencies to prepare their share of a total 20 percent budget cut for the session.

Students in the state of Oregon will again be dealt a losing hand of cancelled curriculum and increased educational costs. Chancellor Ray Lieuallen has strongly recommended a \$20 tuition surcharge effective winter term. The University's share of the cuts would be nearly \$11.6 million—and it's impossible to conceive of anything other than elimination of significant programs and entire schools meeting that cut.

If you'll recall, New York City appealed to the federal government when banks were barking more like wolves than lenders on the city hall steps. At first federal assistance was denied. This prompted the New York Daily News' memorable headline: **Ford to NY: Drop Dead.** Though eventually a loan was approved and New York City survived.

Atiyeh has already been telling the federal government the state's timber industry is in need of disaster relief. Atiyeh might remind the government of its aid to New York City and that Oregon is in much the same predicament.

Oregon shouldn't have to appeal to the federal government for aid—but it has been so limited in revenues and resources and so short-sighted through this recessionary period that it must seek aid or go belly-up.

There is still an opportunity, if not to turn around the Oregon economy, at least to maintain it at present levels. Much of the problem lies in Atiyeh's acting as a politician rather than a far-sighted leader of the state. Bold resolutions have to be made now—even though many would be considered political suicide. But any leader who plays politician instead of leader doesn't deserve to hold office.

Income taxes account for 85 percent of the state's general fund budget. Atiyeh has said over and over again he does not intend to increase taxes. With this attitude Atiyeh assuages those that would vote him out if he did increase taxes—but he is being a politician keeping his job as governor instead of facing the harsh reality that taxes must be increased. Oregonians are not naive, they will in the long run understand a tax increase is for the future survival of the state. And there is no law stating a tax increase is not irrevocable.

The property tax relief program should be halved, if not suspended. That program was born in prosperous times—which we are no longer in. It's politically motivated to maintain the program despite its injury to the state budget. As with a tax increase, there is no reason to assume the property tax relief program cannot be returned when the economy of the state and the nation improves. At present that property tax money is in a useless cycle, generating little if any revenue for the state.

Oregon is one of a number of states that does not charge a sales tax—perhaps it is time to institute a sales tax of minimal percentage to increase the state's revenue potential. Again, this is political suicide for Atiyeh, but the people of Oregon might also view this as a step toward strengthening the dismal Oregon economy.

The base problem with the Oregon economy is its past and present dependency on timber as its primary asset or liability. Presently, the timber industry is depressed beyond anyone's expectations. Oregon is not unlike Indiana's economic dependency on the steel industry, and Michigan's economic dependency on the auto industry—as goes steel and autos—so goes the economies of Indiana and Michigan. Timber just may be this state's downfall.

A financial "bail-out" of Oregon by the federal government is no doubt the last thing a Republican governor and Republican government in Washington would look kindly upon. But, until Reaganomics realize the "turnaround" at the end of the tunnel, the "bail-out" option should be viewed as a viable recourse for this state's survival.

State revenues must be increased, and the common sense alternative is to raise taxes and eliminate the property tax relief program. This state, by cutting and cutting from within, is dying a death of a thousand cuts.



sally hodgkinson

editor's note

The small wooden building does not look like a domino.

The store front windows are painted a bright yellow that accents the black letters: Adult World II. Movies 25c. A small fluorescent green sign beckons passersby on Springfield's Main Street to browse through a variety of pornographic material.

Opponents of the pornography shop want it closed. To keep it open, they argue, starts a string of falling dominoes that ends at Moral Decay. But to close it, proponents argue, tips off another domino chain that ends at Restrictive Speech.

So the battle lines are drawn in the tug-of-war over Adult World II. An emotional hearing is expected by the Springfield Planning Commission when it meets Wednesday. Local ministers, politicians and downtown businessmen are circulating petitions that urge the commissioners to deny the store the conditional use permit it needs to stay open. Under Springfield's conditional use permit guidelines, a business must not be "detrimental to the health, safety, peace, morals, comfort, and general welfare of the city."

No one seems to quibble over whether the materials the store sells are pornography. "To hell with it, it's pornography," said owner Mitch Hutchinson in an Emerald interview earlier this year. The problem with pornography is what to do with it.

To squelch the store infringes on First Amendment rights, say proponents. It's prior restraint. It blocks freedom of choice. The First Amendment wasn't written to protect

pornography, say opponents. The store encourages deviant sexual behavior. It's a shameful reflection of our morals.

The Supreme Court, in a 1973 decision, decided pornography wasn't covered by the First Amendment if contemporary community standards find the material offensive and if "the work, taken as a whole lacks serious literary, artistic, political or scientific value."

It looks like the good citizens of Springfield don't want the Adult World II in their town. Using the Supreme Court guidelines of community standards and value criteria, the residents of Springfield could probably justify kicking the store out of town.

But how they do that is the issue before the planning commission. Denying the store a permit under zoning laws is a sneaky way to promote morality. Zoning is a power that shouldn't be abused by banning uncomplimentary businesses. Springfield residents could go the legal route and prosecute the shop under a 1973 Oregon statute that bans the dissemination of obscene material. But the law isn't used often because community standards and value criteria are hard—and costly—to prove.

So in the end, the good citizens of Springfield are stuck. Zoning the store out of existence is abusive; taking the store to court is ineffective.

And the planning commission, when it faces the roomful of angry citizens, is going to have a hard time tiptoeing around the falling dominoes.

letters

Nazi rights

I think there are some principles being blindly extended for the advocacy for Nazi rights which disregard more basic democratic beliefs. Traditionally our country respects the rights of all political groups within our society to sound off as they will.

However, groups that encourage violence and hatred are outside the spirit of the democratic process. They are not usually substantiated by being given a public platform. The Nazis threaten some of the citizens of our society - those of us of certain political persuasions and mostly Jewish.

I think we have to ask: "Is this group only very conservative or is it more like the violent KKK?" Do we choose to recognize terrorism?

Fortunately, the Nazi's are not a powerful group today; but I feel the ACLU has made a very dangerous precedent for any group of a similar nature.

The philosophy and intentions of the National Socialists (Nazis) which originated in this century and incited genocide and massive conflagration throughout much of the world is very distant to us. Nonetheless the American Nazis are guilty by association with the National Socialists. One has to suspect their intentions; otherwise, they

would hardly choose the name Nazi. I think it is quite appropriate to ascertain if the intentions of a group are in the interest of the members of this society? Is it peaceful?

In Skokie, Illinois, the violent feelings of survivors is hardly surprising. I think it is important to note that the violence they feel is derived from the Nazism perpetrated on them.

To you who wrote: "rights for Nazis, too?" or you who agree with Ron Hunt's reasoning: Are you so naive to believe that an American Nazi spokesman wished to speak in a Jewish neighborhood to recruit membership?

Martin Blackman
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