

EDITORIAL/OPINION

Budget cuts endanger future

The state faces deep budget cuts in human resources and higher education, as well as in other programs essential to the development and well-being of the population.

Proposed cuts include human services—cuts in mental health programs for emotionally disturbed children and adults, cuts in health programs and health prevention programs, cuts in vocational rehabilitation for the injured and disabled, cuts in programs for the elderly. Cuts in programs designed to prevent and treat social and economic programs of the people most in need of help and protection from society will lead to greater costs for hospital and nursing home care, mental hospital confinement and imprisonment. These costs will not go away in a few months or years when the economy improves but will go on for years and years to come.

Cuts in higher education will have a lasting effect on the state. The state will lose many of its finest professionals and its brightest students. The state will suffer for years to come from a shortage of trained people to carry on the work of the public and private economy.

This type of budget slashing is irresponsible.

The Legislature and the Governor have been too eager to meet the demands of those who clamor for property tax relief. The truly needy—

the elderly and poor who still own their homes and have low incomes—are protected from the high cost of property taxes by the Homeowners and Renters Property Tax Relief Program (HARP). Loss of their homes through unpaid taxes is no longer a threat.

The Legislature went overboard in providing for the state general fund to pay 30 per cent of homeowners' property tax payments. Since those with low incomes are already protected by HARP, this program benefits those of middle and upper income. No matter how high the income, the homeowner still gets his tax relief.

The effect of this is to use general fund money for tax relief for the rich that should go to provide education, health care and other essential services. It means that the poor and the lower income workers are sacrificing needed state and local services to pay property taxes for the rich.

Property tax relief seems to be a sacred cow—neither the governor nor the Legislature wants to touch it. But the only way to place the state budget within the available funds without causing horrendous problems for many years is to remove tax relief for the more highly valued homes and to raise additional funds through higher taxes on income.

Those who earn the money must pay the taxes necessary to support government services.



Oregonians face budget cuts

(Continued from page 1 column 5) timated to cost between \$500 and \$600 million in 1979-1981, almost doubling the funds used for tax-relief. Tax relief and aid to local governments exceeded 50 per cent of the general fund in 1979-1981.

The Legislature also committed general fund money to the State Police and parks that had previously been funded by the highway fund.

In 1979, the growth rate of personal income dropped sharply and total employment declined the next year. The recession of 1979-1981 resulted in a projected tax revenue shortfall of \$309 million. To balance the budgets the Legislature met in special session in 1980, raised taxes by \$100 million and cut \$128 million from the budget.

The state now faces a \$237 million shortfall and is prevented by its

Constitution from borrowing to cover general fund appropriations. The Legislature will meet in special session beginning January 18th to determine how to further cut budgets or raise additional funds.

Among the Governor's proposed cuts are:

Education: Maintain 36 per cent school support but reduce payment by \$16.3 million (because there are fewer children).

Higher education: Adds surcharge of \$12 to tuition, makes program reductions. Reduces services to public of the medical school clinic and hospitals, eliminates aid to public libraries, eliminates day-time instructional television, reduces tuition grants.

Human Resources: Maintains public assistance standards but stiffens eligibility requirements; reduces

medical assistance; reduces investigation of child-care homes; eliminates funding of 4-C Councils; eliminates dental health program; reduces children's hearing tests; terminates mental health activity centers for clients 60 and older and nursing home clients; reduces funds for vocational rehabilitation.

Natural Resources: Reduces funds for noise control, industrial waste and air pollution; reduces forest fire prevention; reduces over-seeing of commercial activities.

State Police: Adds 59 trooper positions.

Transportation: Reduces scenic waterway program and eliminates enforcement; reduces port rehabilitation; shortens season for day-use facilities.

This budget includes the elimination of 1,100 more state positions.

The economic foundations of Reaganism

by Manning Marable

As the current recession deepens this winter, many Americans have begun to question the economic philosophy of Ronald Reagan. Republicans and conservative Democrats embraced "supply-side" economics, giving billions to special corporate interests and upper income groups. We have not yet understood, however, the basic economic foundations or reasons for Reagan's current policies, and the authoritarian nature of these policies.

In economic terms, the early 1980s are characterized in part by the crisis of capital accumulation and the steady erosion in the standard of living of the white middle class. The number of small business failures, to cite one example, has reached epidemic proportions. During the first week of October, 1981, 468 U.S. companies—dry cleaners, lumber mills, restaurants, retail stores—closed permanently. From September, 1980 to September, 1981, commercial and industrial failures exceeded 12,600, a 250 per cent increase over the bankruptcy rate of 1978. The number of business failures in 1982 may exceed those in 1982 when 22,909 firms were shut. Median U.S. family incomes have grown from \$7,500 in the mid-1960s to over \$22,000 in 1981. But inflation climbed from only 2 per cent in 1965 to over 12 per cent in 1980, negating any real income gains. As a result, many "middle class" whites believe that the federal government's deficit spending, Keynesian economic policies since the Great Depression, and national, state and local taxes are the reasons for their economic plight.

A series of major bankruptcies and near-bankruptcies threatened to produce a chain of economic disas-

ters, from Penn Central in 1970 to Chrysler, First Pennsylvania Bank and the Hunt brothers in 1980. For the automotive retail industry, including parts suppliers, service stations, new and used car dealers and repair shops, bankruptcies in 1980 rose more than 96 per cent. Personal bankruptcies in the U.S. increased from 179,223 in 1977 to over 450,000 in 1981, with projected losses to creditors in excess of \$6.4 billion. For white middle class families, even their solitary hedge against inflation, the home, ceased to provide any real security in the early 1980s. After adjustment for inflation and financing discounts, the average price of homes fell 10 per cent in 1981, "the steepest drop since the Depression," according to the *New York Times*. The number of mortgage foreclosures instituted on homes financed by the Federal Housing Administration was over 2,000 each month in 1981, a 30 per cent increase over 1980.

The economic crisis is expressed within racial relations as a public repudiation of civil rights legislation passed in the 1960s and a vicious posture towards health care, welfare, job training and social service programs which benefit large numbers of Blacks and Hispanics. A decade ago, even so malignant a politician as Richard Nixon was forced to promote "Black Capitalism" by releasing federal reserve funds to Black-owned banks, appointing a Civil Rights leader, James Farmer, to his Cabinet, and expanding welfare and some social service programs. Under Reagan, all stops have been pulled. Daniel Moynihan's infamous 1970 memorandum to Nixon, justifying "benign neglect" of Blacks, has succumbed to a public policy posture which threatens to smash affirmative action, vocational programs, food stamps and a host of projects

won by the Black masses over the half century of struggle.

The rise of Reaganism in electoral politics now has permitted the Right to openly question the utility of democracy for the 1980s. Whether Reagan's supply side version of restoring corporate profits or an alternative state-directed/corporatist strategy emerges which calls for the state to regulate prices and allocate government contracts to corporations which agree to reorganize themselves is almost a moot question. Economist Sam Bowles was one of the first observers to note that either public policy strategy would be forced to impose massive political repression and civil terror upon workers.

Following this line of reasoning, California State Senator John Schmitz, a former Congressman and colonel in the Marine Corps reserves, openly advanced the probability of a military coup in the U.S. as "the best we could hope for." In the October 30, 1981 issue of the *Los Angeles Times*, Schmitz sketched the following scenario: "Reagan's programs fail, the economy disintegrates, people are rioting in the streets, the Russians plan an invasion to take advantage of the domestic strife, the military recognizes the threat and the coup occurs." Schmitz stated that the coup will happen within several years, "definitely by 1986."

The current economic crisis can only be resolved by Reagan at the expense of the civil rights and economic opportunities of Blacks, Latinos and labor. Unless new economic strategies are forthcoming from these groups, the logic of Reaganomics must inevitably move toward a wide-scale reduction in our freedoms. Schmitz's prediction, which may seem irrational, might become true.

From resistance to sabotage

(Continued from page 1 column 4) hovering over the area, and in the cities columns of tanks passed regularly to and from the mines.

Sources in the area report that everybody living close to the mines has been evacuated, leaving the miners isolated in the shafts. For the first ten days their only contact to the world outside—except for the army's negotiators—was a priest, who has been lowered into the mines once a day to say the mass and deliver the sacrament.

No one dared guess how the situation would end or when the striking workers will have to give up from lack of food and water. Five days earlier the same city was the scene of regular fights between striking coal miners from the Wujek mine in the center of Katowice and members of the para-military security forces, the so-called "ZOMOs."

The fights around the Wujek mine are the only case where the army has officially admitted killing workers. But no details of the fight have been released.

According to local residents the Wujek strike began December 13, immediately after the military takeover, as 5,000 workers occupied the mine. For the first two days the army tried to handle the situation. But by December 15, the hated security force, the ZOMO, took charge of the situation. Fights broke out within hours.

The ZOMOs smashed the barricades and the walls around the mine with tanks and armoured cars and started attacking the workers. Expecting a violent assault, the coal miners fought back with iron poles and homemade spears in a bloody siege that lasted six hours.

Polish sources who have spoken to doctors and other hospital personnel that treated wounded ZOMOs say that the police were under heavy influence of alcohol and possibly drugs. All eyewitnesses agree that the ZOMOs acted with immense brutality, even dragging out seriously wounded workers from the ambulances to continue kicking and beating them.

When the battle had ended, seven people were dead, and later four more died in the hospital from their wounds. Several more were reportedly seriously wounded and undergoing treatment.

Throughout Poland, the most obvious feeling among people is fear. Several persons I talked to cried. Those who had family in western

countries asked me to mail letters to them when I returned home. Always, the contents of the letters were the same: "Do not come back. Stay where you are. Things are terrible in Poland now."

"Pray for us," a priest said. "That is the only thing to do at the moment. Pray that all arrested people will get out again and that no more will get killed..."

Everybody was afraid to speak and during all conversations they kept saying: "Do remember to change all names and titles, so that we are not recognized."

Twice people whom I was to meet "forgot" an appointment—from fear of being seen with a foreigner. Only the children seemed to overcome their fears as they begged for chocolate, candy and fruits.

Everywhere people fear the arrests will continue, though perhaps on a reduced scale.

In Poznan, a city of some half-million people, sources connected to Solidarity claimed that about 1,000 local members of the union are locked up in an old Nazi prison situated in the swamps around the town of Wronki, north of Poznan.

In the Katowice area, where about 2 million people live, all sources say that the number of people arrested is "at least 2,000." Many claim that the prisoners were first gathered at the city stadium and that some of them are still there, living in tents because the prisons are crammed. While no reports on the prisoners' condition have been confirmed, it is known that the stadium is heavily guarded, a peculiar fact in itself since the army has prohibited all public sports events.

A Danish photographer, Heine Petersen, who was arrested December 21 when he took pictures of

tanks standing in a square in Katowice, said that the arrested people were far from giving up hope: "At one time the others in the cell shouted 'facists' and 'bandits' at the guards, and one of them constantly refused to eat food handed out by the guards."

"It was difficult to talk to the four people with whom I shared a three-person cell, but one of them spoke a little German, so we got along fine by means of signs and gestures."

"Once [when] I came back to the cell after an interrogation, one of the others asked if I had been beaten. I said no, but many of the others told that they had," Petersen said. He was released after 24 hours, having paid a fine of 5,000 zloty (\$150).

Prisoners are not allowed to contact their families and not even priests are permitted to enter the prisons at the moment. Nobody knows for sure where the arrested people are, but in Katowice the military command has officially guaranteed the local bishop, Bednorz, that all prisoners are still in Poland and that almost all of them remain in the local area.

However hopeless the situation seems now, there remains among the Poles an abiding belief that in the long run the people in power cannot refuse to continue some of the reforms that Solidarity has put through.

A journalist expressed that common attitude when he said: "Things will never be the way they were three or four years ago. People learned things they will remember no matter how the situation develops. Now we will have to live with this new situation and see what happens. Solidarity was the voice of the nation. That voice no longer exists, but the ideas and the visions are still there."

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