

EDITORIAL/OPINION

Study ignores crisis causes

The state of education in the U.S. is fast becoming one of the major issues of the upcoming presidential election. While calling for a return to basics, Ronald Reagan is refusing to consider more federal aid to education.

With his dismal record on education, one might wonder why Reagan would have appointed a National Commission on Education in the first place. It was not done in the interest of educating young people to be creative citizens. No, the study was undertaken under pressure from business and the military. The Navy said 25% of its new recruits cannot read at the 9th grade level. Business and the military complain that students are not equipped for advanced technology.

The study — "A Nation At Risk" — found that 23 million adults and 13 percent of the 17-year-olds are functionally illiterate. However, it made no mention of some of the significant causes of the failure of the public schools.

- No mention was made of federal and state funding cuts, yet all over the nation school systems have been forced to the brink of bankruptcy.
- The report does not mention the inequities

in financing schools across the country.

- No mention is made of the current economic crisis and the devastating affect in regions of high unemployment and plant closure.
- There is no mention of the role racism has played, the effects of segregation, or of differences between schools in black and white communities.

In light of these omissions it is necessary to conclude that the study is a cover-up of the real causes of educational decline and of those who are responsible. The Commission's solution is for state and local government and private citizens to provide financial support and stability to bring about reform.

It is ironic that the groups that requested the study are the ones responsible for siphoning funds from the educational system. The military has demanded more and more money while business and banking have sought greater tax breaks.

Only massive federal aid can save the public education system and that must come through setting priorities and insuring that the business world pay its share and through cutting the military budget.

Fadeley fights for principles

A constitutional amendment requiring a sales tax has been adopted by the Oregon House, along with a constitutional limit on state and local spending. The whole package was sold as "property tax relief." Its ultimate result would be to reduce (at least temporarily) not only the property tax on homes but also on large corporate land holdings and potentially even to reduce income taxes. Thus, it would shift the tax burden from the large landholders and big business to those of moderate income who spend the largest portion of their earnings on consumer goods.

The blame for this tax must rest squarely on House Speaker Grattan Kerans and many of the "liberal" Democrats who, although they voted against it in the end, endorsed the idea of referring a sales tax to the people throughout the session. These people could have stopped the push for a sales tax in January, which would have allowed the Revenue Committee to develop acceptable alternatives.

Unfortunately, Revenue Committee Chairman Throop's only interest was forcing through a sales tax. After he wasted five months trying to do the impossible and could not get the sales tax

through the Revenue Committee, Kerans gave him a new committee that would do his bidding.

Also at fault are the "liberals" who voted for the sales tax — Barbara Roberts, Vera Katz, Jim Hill, Hardy Myers and Tom Mason. Some of those who voted for the sales tax say they are against it but that it should go to a vote of the people. If this bill ever gets to the ballot and is voted down, those Legislators who voted for it — no matter what their motives — will be responsible for the consequences.

The measure now passes to the Senate, where Senate President Ed Fadeley will take a different tack. Rather than pussy-footing around with an unjust measure, attempting to justify aiding a bill he is morally and intellectually opposed to, Fadeley will do everything in his power to kill it. Fadeley will borrow a trick from Kerans: rather than appoint an unprecedented "select committee" to insure the tax's survival, Fadeley will appoint a select committee to kill it.

Fadeley's is a more honest approach and, hopefully, will save the people of Oregon from a fiasco at the polls and the expensive special sessions and special elections that would have to follow.

SALEM — After Saturday's house vote sending the sales tax on to the Senate, a member of the upper chamber's revenue committee paused as we passed through the empty Senate chamber. Motioning to the silent floor, the member offered this prediction: that's where the sales tax will be stopped.

Seems she is convinced that the sales tax measure will escape the Revenue Committee only to die a deserved death before the full body.

"The president is very much opposed to the sales tax and that seems to be the majority feeling on the floor."

As you've undoubtedly heard, it looked like the Senate wouldn't have to deal with the measure at all. On the initial House vote last Saturday, the measure fell one vote short of the 31 any legislation needs to carry in the 60-member body. Then, Republican leader Larry Campbell changed his vote to aye, pushing the measure over the constitutionally-established threshold of 31.

From this perspective, Campbell's stated reason for changing his vote is faulty. The minority leader told the House that he felt compelled to change his vote and allow the sales tax to pass so the hundreds of hours put into drafting the measure wouldn't go for naught.

A poor justification, Representative.

If, as this writer is convinced and Campbell seemed to be saying, the sales tax is poor public policy, the fact that the House Revenue Com-

mittee has wasted the last five months futilely fashioning a bill that flies in the face of logic and Oregon tradition is no reason to hold your nose and vote yes.

However, what's done is done and there's no sense crying over spilled milk 'cause it wouldn't be taxed anyway. The focus has shifted to the other legislative chamber.

With that shift comes the first real test of the presidency of Sen. Ed Fadeley (D-Eugene). As stated above, Fadeley is on record, at times vehemently, against a sales tax. Following the House vote, he released a statement calling on the legislature to "rid itself of the albatross around its neck and turn to the pursuit of true property tax relief."

One could argue, then, that it would be a sorry indictment of Fadeley's leadership if the Senate votes to refer the sales tax to the people. A knowledge of Fadeley's personality, his understanding of the legislative process and his acute dislike for being bested would lead the smart money to bet against the sales tax.

Which is not to say that property tax relief won't come. The head of the Senate Revenue Committee, Charles Hanlon (D-Cornelius), is already building consensus for a program where people are provided such relief to the tune of five-dollars-per-thousand-dollars of assessed home valuation.

Hanlon has talked about funding the program through a modified sales tax, but last week told this re-

porter that he believes the fairest tax is a progressive income tax. That leads him to look for ways to fund his relief plan through the income tax mode. His preferred method? Close the loopholes that currently allow people with excess income to shelter that money from the revenue department.

At this writing, Hanlon is most interested in tightening up the capital gains system. Described by one staffer as the Reaganomics of the last decade, the capital gains systems rewards those who make money from long-term investments rather than pulling green-chain down at the local mill. Income qualifying for capital gains is taxed at a rate 50 percent less than normal income. The idea is that to take advantage of the lower tax rates, people with money to spare will make long-term investments that will help the economy as a whole.

However, I find it hard to see how it helps me if someone buys 100 shares of Pacific Northwest Bell, holds it for the required time, sells at a profit but is taxed at a lower rate than those that work for their money.

Under Hanlon's plan, capital gains treatment would be allowed only on investments that would create jobs or spur local industry. Perhaps an exception should be made for the purchase and resale of the home the taxpayer occupies. But, it's an idea being practiced in California with success and one Oregon should consider.

Letters to the Editor

WPPSS decision victory for people

To the Editor:

The statement of June 15th by Governor Atiyeh implying that Oregon ratepayers must bear the responsibility for the WPPSS financial fiasco not only shocked but saddened me. He did nothing more than mimic a recent statement by a New York banker who said "the people of the Northwest have a choice — they can pay now or pay later."

The people have won a great victory with the Washington Supreme Court decision, and the governor should have applauded the efforts of those citizens in the city of Springfield who have brought a similar case to the Oregon Supreme Court. Instead, he assured the citizens of Oregon that they would pay come "hell or high water" for the bonds sold to build WPPSS 4 and 5.

He chose to remind all of us that the default on those bonds will dra-

matically affect everyone's ability to sell bonds here in Oregon. Yet he failed to mention the billions of dollars that would have been extracted from every Oregon family in order to pay for two dead nuclear plants had these court cases not been pursued — dollars that could be used here to create jobs and energy by pursuing conservation.

The governor doesn't understand that when municipal law says you must have a vote of the people in order to indent those people for millions in dollars, and if you don't have that vote, your contract is in jeopardy.

The governor doesn't understand that when the Oregon Constitution says that a city cannot lend its credit to a public or private corporation, and the city has done just that, then the WPPSS contracts are in jeopardy.

The governor doesn't understand that the WPPSS bonding council knew there could be potential violations of municipal and constitutional law before any of the WPPSS 4 and 5 bonds were sold.

With such a lack of understanding of this complex issue, one might be able to understand how the gov-

ernor can criticize the one public official who joined with a few state legislators, like myself, some ten years ago and tried to prevent this financial catastrophe, Congressman Jim Weaver.

But what saddens me the most about the governor's comments is that this state deserves a governor who will lead us on issues that affect Oregonians' pocketbooks so dramatically instead of criticizing those citizens who have tried to prove in a court of law that this debt is unfair and illegal. Instead, our governor defends the New York bondholders and says the people of Oregon will pay.

I disagree with the governor. The people didn't make the agreements to pay and never had the opportunity to vote on the question of whether or not they wanted to pay for WPPSS 4 and 5. I will continue to applaud those citizens who have brought court action on this issue and I will continue to help facilitate an end to these illegal contracts that threaten to bilk billions of dollars from Oregon families.

Grattan Kerans,
Speaker of the House

Cease votes 'No'

To the Editor:

Your editorial of June 8 indicates that I supported Speaker Grattan Kerans' new select committee on property tax relief via the sales tax. That is not accurate. I was excused on the date of that vote, at home, ill with my continued 7-week battle against a particularly tenacious

upper respiratory viral infection. I remain firmly committed to vote against and speak against the sales tax on the floor. If it gets referred to the voters, I will send a mailing to all voters in my district asking them to vote against it.

Jane Cesse
State Representative
District 19

Weapons system

(Continued from page 1 col. 3)

many in the peace movement won't be satisfied with "politicians' platitudes," Solomon said. The nuclear freeze, for example, was reduced to a platitude when the U.S. House voted for the freeze one week, and to fund the MX missile the next, he said.

Ashland, along with three other U.S. cities have declared themselves

nuclear-free zones, prohibiting the production, transport, or storage of nuclear weapons in their city limits. New Clear Vision organizer Chuck Bell promised local activists won't stop until Portland joins the growing list of cities, provinces and nations in the U.S., Canada, Europe, and the Pacific that have declared they will have nothing to do with nuclear weapons.



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