

EDITORIAL/OPINION

Williams' loss, Penthouse's gain

With a voyeur's curiosity, America is experiencing Vanessa Williams' personal mistake and embarrassment while *Penthouse* magazine laughs all the way to the bank at her expense.

Penthouse's callousness is the "pornographic rape" of Miss Williams who shared the triumph of being the first Black Miss America. Now she shares the disgrace of being the first to resign her crown after the publication of nude, sexually explicit photographs.

Penthouse showed extremely poor taste by printing the pornographic photos of two years ago next to photos of her current accomplishments, belittling her in a very significant way. They put salt in an open wound by infecting Miss Williams with pornographic V.D. in the pursuit of making a buck.

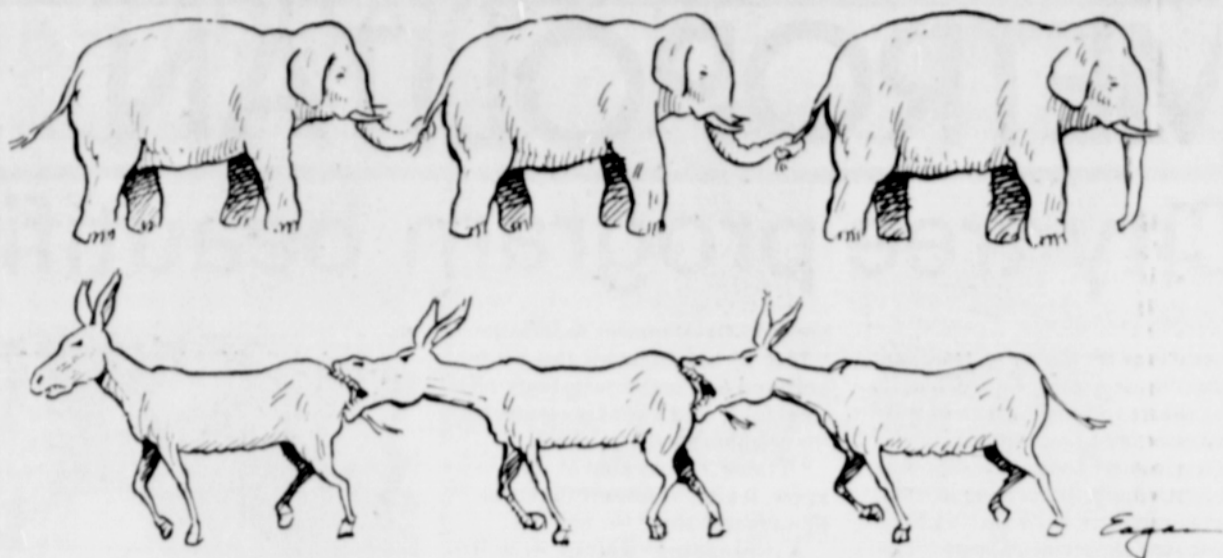
Hindsight is always 20/20, and Miss Williams will be more the wiser tomorrow because of a

poor decision she made yesterday. An overview of this thought has a lesson for us all. Those who have goals must be consistent and irreplaceable as they stride toward success.

There is a responsibility to oneself that should be over and above ambition. As you step toward each goal, there will be people who will not have your best interests at heart. Miss Williams ran into two—the magazine and the photographer.

Make sure the career decisions you make today will not pop up tomorrow to embarrass, hinder or destroy what you worked hard to attain.

As the public feathers *Penthouse's* nest, let wisdom guide your judgment. Remember, the one finger you point at Miss Williams leaves three pointing back at you.



The *Observer* was provided this cartoon by the artist, Tim Eagan, who works with the Santa Cruz, CA, *Express*. Eagan was at the Democratic National Convention in San Francisco last week and also had some of his work at a political cartoon exhibit at the Braunstein Gallery there. He

said this drawing exemplified the Republican tendency to follow along and the Democrats to fuss and fight with each other. Eagan is now working on drawing vice-presidential candidate Geraldine Ferraro, who he said has the "Kennedy wind-swept hair" look.

Complicity underlies session

Oregonians were treated to a graphic display recently of the cozy relationship in the state between business and government. It makes one wonder where all the talk about Oregon's "anti-business" climate comes from.

Governor Atiyeh and business leaders have been badmouthing the state's unitary method of computing corporate taxes for some time. In order to present a unitary tax-less image to Pacific Rim nations when he visits there in September, Atiyeh wants to have the troublesome regulation off the books by then. The answer was to call a special session of the Legislature, which will meet Monday, July 30th, in Salem.

The path to calling the special session was not free of obstacles, however. One major one was State Senator Ed Fadeley, D-Eugene, who is best known (and loved or hated) by observers for his vehement opposition to the sales tax proposal passed by last year's legislature and jettisoned by the courts after the ballot access process was deemed unconstitutional. Fadeley decided if a special session were called, it presented an excellent opportunity to discuss the measured business telephone rates then due for implementation October 1 at the request of Pacific Northwest Bell. The new rate system, which would charge for each outgoing call from a business phone, was gaining opposition daily from customers who envisioned their phone bills

skyrocketing, and Fadeley saw a chance to do something about it.

Unitary tax foes, meanwhile, saw a can of worms opening and moved to close it. The last thing they wanted was to take up additional agenda items at a special session and cloud their issue. To the rescue came Public Utility Commissioner Gene Maudlin and Larry Wolfard of Pacific Northwest Bell.

Maudlin has sole authority to grant utility rate hikes in Oregon. He had already postponed PNB's measured business rates once so the PUC staff could hold a series of informational meetings to explain the complicated changes. He and Wolfard, coincidentally also chairman of the state's Economic Development Commission, saw their opportunity to be of service and the measured business rates met a fate similar to the sales tax. PNB agreed to postpone its rate change request for one year.

All concerned have denied any complicity in this series of events. Now the coast is clear for the unitary method of taxation to be repealed, and presumably, domestic and foreign corporations will be jostling in line to get a plant located in Oregon.

It isn't clear where the state will make up the estimated \$22 million it receives through the unitary tax. It is clear that businesses won't be worrying about that. That's the government's problem.

Tax giveaways fuel deficit

Editor's note:

The following analysis originally appeared in *Economic Notes*, a publication of Labor Research Association.

The federal deficit is on everyone's mind this election year. Republicans and Democrats spend hours in Congressional chambers seeking ways to trim the deficit. Yet no serious proposals have emerged. Meanwhile, not a word is heard about the \$200 billion that is handed over to big business each year in the form of tax subsidies. Rather, advocates of Industrial Policy argue that corporations require more subsidies as "incentives" to invest.

Since 1983, the corporate share of the federal taxes has fallen from 30% to 8%. The Congressional Budget Office predicts that the corporate share will fall well below that figure in the next two years. The Reagan tax cuts of 1981 fed billions into the coffers of the corporations and drained the federal treasury. This was primarily due to increasingly generous tax write-offs for plants and equipment.

As older plants and equipment become obsolete, they fall under the provisions of the new tax laws. The result is that most equipment can be written off in three to five years. This has accelerated plant shut-downs. As old equipment is thrown out and new equipment installed, the tax rates on income derived

from corporate investment move towards zero.

In 1983, corporations received over \$200 billion in tax subsidies. These subsidies take the form of tax credits, accelerated depreciation, exemptions of certain forms of income from taxation, and depletion allowances.

In 1983, the U.S. government provided \$66 billion in direct tax subsidies to corporations. Across-the-board subsidies to all corporations accounted for 73% of the direct subsidies, or \$47.7 billion. These include deductions for loan losses, capital gains tax exemptions on securities held by corporations, accelerated depreciation on machinery and rental properties, safe harbor leasing rules, and investment tax credits.

Subsidies to the energy industry in the form of oil depletion allowances and other mechanisms amounted to \$2.4 billion. Credits for foreign investments and income derived from exports yielded \$2.3 billion for the corporations. Tax credits for scientific and military-related research came to \$2.5 billion. Credits for job training and education amounted to \$3.8 billion. Tax credits on loans to state and local governmental bodies came to \$4.6 billion. Credits for investments in natural resource industries came to \$1.1 billion.

Corporations also came away with billions in the form of credits on benefit payments to employees.

For example, in 1983, employers received \$67 billion in tax exclusions due to pension contributions. They received another \$25 billion in exclusions from contributions to employee insurance plans. They received more billions from employer-provided child care, employee meals and lodging, and other payments.

If we include tax deductions for the rich in the form of capital gains exclusions and deductions for a percentage of mortgages and property taxes, among other things, we find that in 1983, the wealthy received over \$50 billion in tax giveaways from the federal government.

The tax giveaways to corporations and the rich, who own the large corporations, total well over \$200 billion a year, or more than the size of the annual federal budget deficits under the Reagan administration. If these subsidies were ended and the military budget reduced by one-half, or about \$100 billion, the budget deficit would be erased and there would be a sizable budget surplus to finance social programs.

If the deficit and the related economic problems are to be eliminated, a challenge to corporate profits must occur. The only other options are for increased taxes on working people, or an intensification of the instability of the U.S. economy.

Letters to the Editor

Keep unitary tax

To the Editor:

As the state legislature rushes off to yet another expensive special session, Oregon taxpayers should ask, "Just what is the big hurry on eliminating the unitary tax method?"

The unitary tax approach is really a matter of common sense. All it means is that the Oregon proportion of a company's overall operations is subject to taxation.

Under unitary taxation, multi-state or international corporations pay their fair share, instead of shifting profits to low-tax areas and forcing the rest of us to pay higher

taxes. By creating a "level playing field" for all sizes of companies, it is fair to Oregon-only businesses as well. Finally, it allows us to avoid a disastrous tax-cut competition with other states, a battle Oregon cannot win.

This special session has nothing to do with Japanese manufacturers who claim to be upset about the unitary tax. The real windfall will be for American companies with existing Oregon operations. Abandonment of the unitary method will give them a no-strings-attached subsidy. We, the individual taxpayers, eventually will have to make up the \$20 million or so involved.

One really must wonder about the

real motive of the Governor, key legislators and opinion-makers in calling for a special session on the unitary tax question during this election year.

Why are we trying to get rid of a system that's working fine? Let's not go off the deep end on the unitary tax.

Fred Heutte

End flesh peddling

To the Editor:

As director and founder of one of the oldest pageants for young Afro-American women, the Miss Tan

Pageant and father of three outstanding women, I strongly feel Vanessa Williams did the right thing by relinquishing her crown as Miss America because she violated the morals clause in the pageant contract.

Miss Williams' actions of posing for sexually explicit photographs does not represent the epitome of the wholesome All-American girl that our little girls aspire to emulate. We must set high standards for all of our youth and her actions fall far short. Public figures, and especially those who are Black, have a mandate to reflect the highest moral standards possible. We must raise the standard that beauty is more than skin-deep, inner beauty is moral integrity and virtue. A good name cannot be bought, only sold.

In this day, when American women are coming into their own based on their competence, character, intellect, moral fiber and inner beauty, there is no need to "peddle flesh."

The Miss America title is rightly bestowed upon the first runner-up, Suzette Charles. May her God bless her.

Jimmy Bang-Bang Walker

white jury.

By virtue of the difference in upbringing that exists between minorities and most whites, there can be no fair trial when a verdict rests upon facts or charges that an all-white jury is culturally unprepared to understand. Most of us (minorities) have never met "Officer Friendly" and, therefore, take an entirely different outlook towards dealing with police than those that sit on our juries.

The concept of a fair trial is even further abused when you place an unsuspecting white jury in the hands of an assistant D.A. who has been trained to manipulate the feelings and sub-conscious prejudices the average juror may unknowingly possess.

It is time to let the elected officials know that Blacks, and other minorities are concerned about the quality of the court system we so often fall victim to. It is time to show our concern for a system that covers 36 counties, and has over 150 judges, and yet, has only 2 judges from minority ethnic groups. It is time to stop the police dept. from slanting their "investigations" in favor of the D.A.'s office. Become involved before you stand as the

only person of color in an all-white court room.

Robert W. Fentress
Business Manager, UHURU

Runyan's open

To the Editor:

No, Runyan's 88¢ Store is not closed. Yes, we're open and we need your support. You are what has kept the store open and you are what has made the store. We would like to think you need the store in the community.

The store has been here for 25 years, and we would like for it to stay, but without the help of the neighborhood, we cannot do it alone. So come look, check out the low prices and new items.

We're open Monday through Saturday, 9 a.m. to 5:45 p.m. at 3716 N.E. Union. Thank you.

Runyan's 88¢ Store

The *Observer* welcomes Letters to the Editor. Letters should be short, and must contain the writer's name and address (addresses are not printed). The *Observer* reserves the right to edit for length.

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No fair trial

To the Editor:

After having the unfortunate experience of being Black and facing an all white judicial system, it comes as no surprise to me that there is need for changes in the court system of Oregon. There is also need for Blacks and other minorities to become aware of, and take a stand against an unfair court system prior to the time that they must face an all

NUCLEAR WAR BALLOT

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I'm sick of waiting.

NO I'd rather wait a little longer.

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