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Two Sections



Oregon National Guardsman PFC Al Richmond takes a break from training and chats with his Honduran counterparts during a two week deployment to Honduras. Photo Richard J. Brown

High Insurance Premiums Threat to Small Business

by Jerry Garner

Many small businesses in Oregon and across the U.S. could go under this year if a recent trend in rising liability insurance rates continues unabated. "Insurance costs were traditionally a fixed cost of doing business, but that is no longer true," said Jim Bernau, Director of Governmental Relations for the National Federation of Independent Businesses/Oregon. Rates for all types of insurance are going up, including general liability, product liability, property and casualty coverage and workers' compensation.

"Rates have doubled and tripled since last year for many small-business owners", added Bernau. Joyce L. Brown of Brofam Oil, said their insurance premiums have tripled in the past year.

Some blame the high insurance premiums on the increased litigation explosion in the nation's courts and the insurance crisis. For example, in 1984 there was one civil lawsuit for every 15 Americans. A record 12 million lawsuits were filed in state courts between 1978 and 1983. The average product liability award has increased from \$345,000 to more than \$1 million in 10 years.

Chuck Sides (R. District 32) said that many small businesses are closing down because they can't afford the insurance. Sides said recent excessively high settlements have forced insurance companies to establish large reserves for claims that may not happen until 15 years down the road.

"Small business is being discriminated against because it is small and those who pay less than \$25,000 in annual premiums are considered too risky", Sides added. Consequently, those businesses get thrown in with a high risk group paying substantially higher annual premiums. This results in many small companies not carrying any liability insurance.

In an effort to address the problem of high insurance rates, those businesses are seeking reform of the civil justice system. They allege that the practice of compensating lawyers through contingency fees, which are based on the amount of damages awards they win for their clients. Critics say that this practice encourages lawsuits on a no-lose basis — the client incurs no cost if the lawyer does not win an award.

Others blame greed on the behalf of insurance companies. According to the National Insurance Consumer Organization, premiums for property and casualty coverage rose from \$117 billion to \$142.2 billion in 1985, an in-

crease of \$105 per person, while companies were sharply cutting back coverage and canceling policies. Insurance companies have blamed the price increases and cancellations on heavy operating losses, which were estimated at \$5.5 billion in 1985.

Consumer advocate Ralph Nader charged that insurers overestimated losses while raising prices and pushing

state and federal legislators to change liability laws to make it harder for injured consumers to get into court or win settlements. He called high premiums by insurance companies a "staggering rip-off". Nader is scheduled to make a visit to Portland in April. During his appearance, he is to meet with small business owners on how to fight back against high insurance rates.

Black High School Graduates at Record High, Census Bureau Says

Three-fourths of young Blacks — nearly 3 million — were high school graduates in 1984, according to a report from the Commerce Department's Census Bureau.

The rate of high school completions has improved for Blacks age 18 to 24, from 56 percent and 1.3 million graduates in 1967 when such statistics were first tabulated.

The number of young Blacks enrolled in college also grew in the period, from 300,000 to 800,000. Twenty-seven percent of the graduates were enrolled in college in 1984, four per-

centage points higher than in 1967. One of the highest college attendance rates for Black high school graduates was in 1976, when one-third were enrolled.

For Whites the proportion who were high school graduates rose from 78 percent in 1967 to 83 percent in 1984, and the proportion of graduates enrolled in college remained near one-third.

The proportion of the Spanish origin population age 18 to 24 who were high school graduates rose from one-half in 1972 when the data first were tabulated to 60 percent in 1984. The proportion enrolled in college did not vary from 30 percent.



New York playwright Oyama speaks to cast and audience following the Sunday performance of his play *The Resurrection of Lady Lester* at the IFCC Theater. Oyama spoke on the challenge of being a truthful Black American artist in the neo-conservative America of the 1980s.

Photo by Richard J. Brown

Oregon National Guard Back From Honduras

by Bob Lothian

A company of Oregon National Guardsmen sent to Honduras for a controversial two-week training exercise returned home Saturday night.

The 177 Guardsmen debarked from giant C 141 military jet transport planes in a driving rainstorm at Portland Air Base. Dressed in full combat gear, and with sunburned faces, the Guardsmen had nothing but positive comments about their experience training with 150 Honduran soldiers.

"They were very friendly, they accepted us very well," said Corporal Rodney Scott, 30, from Portland, head of a seven-man mortar crew.

Carrying the company flag was Private Tom Waller, 19, from Newburg. Even though they had to train hard in ninety degree heat, working with the Hondurans "was a really great experience, Waller said. "We all got along."

Private Osvaldo Vielles, 23, from Northeast Portland, said he was chosen as translator since he speaks Spanish. "If it wasn't for me, my platoon would have been nowhere," he said.

Camping out, drinking chlorine-treated water and eating rations was "rough," said Vielles. "We had warm beer and a cold swimming pool," he

said.

One Guardsman showed off the souvenir machete he brought back from Honduras in front of television cameras.

The Guard training involved assaults with live ammunition, ambush planning and rappelling with ropes in mountainous terrain about 50 miles from the Nicaraguan border. Two thousand Guardsmen from several states are participating in Honduran maneuvers which will last six months.

The Oregon Guardsmen took part in a DFT, or Deployment For Training exercise, which means they carried with them trucks, kitchen equipment and everything else needed to be self-sufficient, said H. Gordon Waite, public affairs officer with the Oregon Military Dept.

"It had nothing to do with the political situation down there. It was a training exercise, period," said Waite.

However, three Oregon legislators who went to Honduras to view the exercises charged that the Oregon Guard was used as part of a campaign by the Reagan Administration to intimidate Nicaragua. Sens. Jeannette Hamby,

R-Hillsboro, and Frank Roberts, D-Portland, and Rep. Mike Burton,

D-Portland, criticized the trip as an "adventure" for the unwitting Guardsmen being used in the covert war against Nicaragua. The Senate President and House Speaker also opposed the trip in a letter to Gov. Atiyeh, as did Oregon's Catholic Bishops.

Asked what his thoughts were about the possibility of being sent to fight in Central America, Scott replied: "I'll fulfill my military obligations."

"As far as war," he said, "nobody likes war, but if it comes to it, I'm sure the Guard would fulfill its obligations."

"I'm a soldier, not a politician," said Vielles. "Who I fight is up to the politicians."

Some of the Oregon Guardsmen sent to Honduras are still in high school, according to Waite. No further Oregon Guard training in Central America is planned, he said. Waite said the Oregon unit could be called up for active service in Central America within 30 days after its parent unit, the First Army Corps based at Fort Lewis, is called to action.

Nearly 70 Percent of Black Children Receive Benefits, Census Bureau Reports

About seven of every 10 Black children under age 18 — some 6.5 million — were in households that received means-tested benefits during the fourth quarter of 1984, according to a survey by the Commerce Department's Census Bureau.

Means-tested programs are based on specific income and asset guidelines. They include Aid to Families with Dependent Children (AFDC) and other cash assistance; Supplemental Security Income (SSI); food stamps; Special Supplemental Food Program for Women, Infants, and Children (WIC); free or reduced-price school meals; Medicaid; VA pensions; public or subsidized rental housing; and energy assistance.

About half of the nation's 9.5 million Black children lived in households that participated in free and reduced-price school meals. Proportions for other programs were about one-third each in food stamps, Medicaid, and cash public assistance; 17 percent in public or subsidized rental housing; and 11 percent in WIC programs.

About one of every four White children and three out of five Hispanic children were in households receiving benefits. The highest participation rate for both groups was in free and reduced-price school meals — 17 percent for Whites and 48 percent for Hispanics.

The proportions of Black and Hispanic children in households receiving benefits were about 85 percent in female families and half in married-couple families. Those for White children were 58 percent and 18 percent.

Here are other highlights:

- The average monthly household income for Black children was \$1,500 compared with \$2,650 for White children. The average for Spanish children was also much lower than for White children.
- Only half of Black and Hispanic children were covered by private health insurance compared with three-fourths for White children.
- About one out of five Black children lived in a household where no member was in the labor force — 83 percent of them in female families. Other proportions were 5 percent of White and 13 percent of Hispanic children.
- The survey showed 9.5 million Blacks, 49.3 million Whites, and 4.9 million Hispanics under age 18. The proportions living in female-family households without a father present varied widely — 46 percent for Blacks, 14 percent for Whites, and 24 percent for Hispanics.

The Census Bureau cautions that these estimates are not adjusted for seasonal variations, and may be revised. The data also are subject to sampling variability and other sources of error.

Copies of the report, Economic

Characteristics of Households in the United States: Fourth Quarter 1984, Series P-70, No. 6, are available from

the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.



Sp4 Osvaldo Vielles relays information during mock attack in the Honduran Hills.

Photo Richard J. Brown