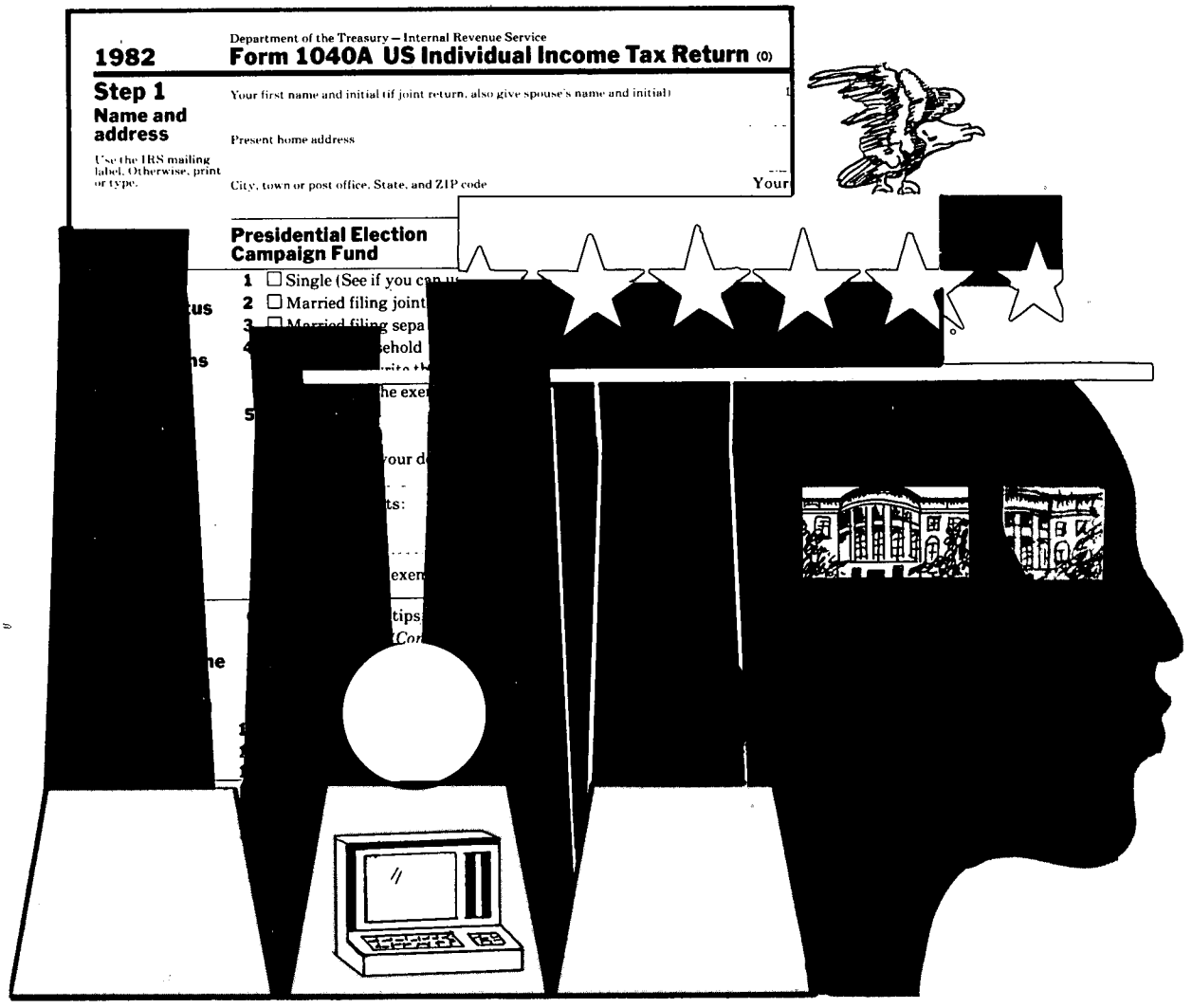
April, 1983 Volume 11, No. 4

# FOCUS




## The Outlook for a Black Presidential Candidacy

*How much clout do black Democrats have? How can they put it to use?*

## The Industrial Policy Debate

*Now is the time for blacks to get involved in a critical issue for the 1984 primaries.*

## Reforming the Individual Income Tax System

*Among proposals for tax reform, reducing tax expenditures would be the most efficient and equitable.*

Joint Center for Political Studies

# Perspective

*The Joint Center's sixth annual dinner, held on March 30, honored Mrs. George Bush for her contribution to the fight against adult illiteracy in the United States. One of the main obstacles in this fight is that most Americans do not recognize the magnitude or the implications of the problem. I shall therefore devote this column to presenting some of the disquieting information on illiteracy the Joint Center circulated at the dinner.*

Illiteracy is a social disease. It is both the cause and the effect of a host of social and economic problems. It deprives more than a third of the world's population of opportunities for personal growth and economic advancement.

Illiteracy is not only a problem for developing countries. It is a major American problem as well.

- 1.5 million Americans are fundamentally illiterate, unable to read and write. Another 24 million are functional illiterates, with insufficient skills to function effectively in the society. An additional 46 million are marginally literate.
- 16 percent of adult whites, 44 percent of adult blacks, and 56 percent of adult Hispanics are functionally illiterate.
- 47 percent of urban black youth 17 years of age are functionally illiterate.
- 85 percent of all juveniles who go to court are functionally illiterate, as are over 60 percent of all inmates of correctional institutions.
- 33 percent of welfare recipients are functionally illiterate.

## The Consequences of Illiteracy

Illiteracy is debilitating to the society as well as to the individuals who are illiterate. The costs of our high illiteracy rate cannot be fully counted, but many of them are readily apparent:

- Illiteracy undermines our democracy. It limits informed participation in politics, leaving citizens vulnerable to exploitation and reluctant to get involved.
- Illiteracy deprives the economy of human resources needed to meet the challenges of rapid technological change and growing global competition.
- Illiteracy produces and perpetuates poverty, dependence, and deviant behavior.
- Illiteracy deprives individuals of the advantages the society has to offer.

## Some Causes of Illiteracy

How can illiteracy exist and even thrive in a modern, affluent society with mandatory schooling for all children?

- Illiteracy results from a failure of our schools to guarantee that all children learn to understand and perform the basic tasks of adult life in America.
- Illiteracy is a legacy of segregation and discrimination in the educational system.
- Illiteracy is a product of poverty: underfed and underprivileged children are handicapped in learning.
- Illiteracy breeds illiteracy: children of illiterate parents are much more likely than others to be illiterate.
- Illiteracy persists because too many Americans ignore its existence.

## What Is Being Done

Surprisingly few resources have been devoted to solving the problem of adult illiteracy at any level of government.

- In spite of the Economic Opportunity Act of 1964 and the Adult Education Act of 1966, the federal government has reached only a small fraction of the afflicted population.
- Only a few state and local governments have established programs to provide basic literacy skills to adults, and what efforts there are have been inadequately funded.
- National and community-based volunteer efforts are increasing, but they cannot fight the battle alone.

All the literacy programs now in operation reach no more than 4 million of the country's illiterates annually. Meanwhile, the illiterate population continues to increase.

**Eddie N. Williams**
**President**

FOCUS

Copyright © 1983 Joint Center for Political Studies, Inc. The monthly newsletter of the **Joint Center for Political Studies,** 1301 Pa. Ave., N.W., Suite 400, Washington, D.C. 20004, (202) 626-3500. *The Joint Center for Political Studies is a national, nonprofit, tax-exempt institution that conducts research on public policy issues of special concern to black Americans and promotes informed and effective involvement of blacks in the governmental process. Founded in 1970, the Joint Center provides independent and nonpartisan analyses through research, publication, and outreach programs. The Joint Center does not fund or participate in voter registration, lobbying or campaigning. JCPS is funded by foundations, other organizations, and private gifts. Signed FOCUS articles are presented solely for the information of readers, and they do not necessarily represent the views of the Joint Center for Political Studies. FOCUS is published monthly, $12.00 per year by JCPS, Inc.*

**president:** Eddie N. Williams
**vice president:** Eleanor Farrar
**director of development:** Kathleen Vander Horst
**director of finance:** Brenda Watkins Noel
**director of information resources:** Auriel Pilgrim
**director of publications:** Catherine Iino
**director of research:** Milton Morris
**editorial assistant:** Constance B. Toliver

**Board of Governors**

**Wendell Freeland,** *Chairman,* Attorney at Law
**William B. Boyd,** Johnson Foundation
**Kenneth B. Clark,** Clark, Phipps, Clark & Harris
**Hortense Williams Dixon**
**Mervyn Dymally,** U.S. House of Representatives
**Jayne Brumley Ikard**
**Louis E. Martin,** Howard University
**Percy E. Sutton,** Board of Inner City Broadcasting Corp.
**Eddie N. Williams,** Joint Center for Political Studies
**James D. Wolfensohn,** James D. Wolfensohn, Inc.

# Blacks and the Industrial Policy Debate

**by Ernest J. Wilson III**

*(The author is assistant professor in the Department of Political Science and the Institute of Public Policy Studies at the University of Michigan and a member of the Joint Center's Research Advisory Council.)*

Industrial policy is an issue that no major black organization can afford to ignore. In the 1984 presidential and congressional elections, the economic debate will be formulated by the "supply siders" and the "reindustrializers" of various persuasions. The Democratic presidential hopefuls are staking out positions, and think-tank papers multiply. A growing number of political and economic interests are trying to mold the industrialization debate to reflect their own purposes and concerns. The most effective ones will no doubt help to shape the 1984 platforms and policy agendas; the least effective ones will find their concerns further down the list of national priorities.

The surge of interest in industrial policy comes from a sense that America needs to redefine certain key relationships: between public sector and private, between labor and management, between Snowbelt and Sunbelt, and even between the United States and its competitors in the industrial world and the supplier and market countries in the Third World.

If the industrial policy rhetoric is converted into party platforms, and the platforms become policy, then the ensuing shifts in the structure of national opportunity will dramatically affect black employment opportunities, prospects for education and training, access to business and personal credit, and a host of other aspects of black economic and social life. Yet the current protagonists in the debate have been disconcertingly silent on the issues traditionally of concern to black Americans, and the major black organizations have not joined in the debate.

If industrial policy is a critical issue, however, there is no neat and unambiguously positive package that blacks can buy off the shelf. Much in the various versions of industrial policy may be of use to the black community; but first there is a need to study the issues seriously and to thrash out organizational and community positions before joining the debate.

## What Is Industrial Policy?

The term *industrial policy* has two aspects, one technical, the other highly political.

Technically, industrial policy is a major branch of public policy, like fiscal policy or monetary policy. But whereas fiscal policy deals with taxes and monetary policy deals with money supply, industrial policy deals with government intervention in the market to guide economic change. Industrial policy deliberately shapes the strategic environment of firms, banks, and workers to get them to behave in ways that they might not otherwise. Means of shaping the environment include, for example, rewarding firms that devote more revenues to research and development, penalizing companies that close without notifying their work force in advance, subsidizing company retraining programs, and guiding whole industries to be more internationally competitive through government-promoted reorganizations.

Industrial policy has been used very effectively in Western Europe and Japan for at least a generation. This is part of the reason there are so many current references to the Japanese or German ways of doing things.

In those countries, certain sectors, industries, firms, and regions are determined to be especially worthy of government support. The government offers subsidies or other benefits to the targeted industries or firms, *in return for which* the recipients behave according to well-specified guidelines—e.g., they invest in certain areas or agree to sell more products overseas. In principle, these basic guidelines are *negotiated* among government, labor, and industry, in order to reach a "tripartite" consensus that promotes cooperation and joint participation in subsequent policies to modernize, or even cut back, certain economic activities while expanding others. Conflicts over means and ends are thus institutionalized and may be channeled constructively.

Politically, industrial policy is a rhetorical rallying cry for interest groups seeking alliances and influence, and for leaders and would-be leaders seeking constituencies and influence. Economists such as Barry Bluestone, Lester Thurow, and Robert Reich; politicians such as Senator Gary Hart of Colorado and Paul Tsongas of Massachusetts; bankers such as Felix Rohatyn; and labor leaders such as AFL-CIO President Lane Kirkland, all call for the establishment of a U.S. industrial policy. Yet they disagree over the reasons for the current economic crisis and thus over the cure.

Some emphasize support for declining, *sunset* or *smokestack* industries. Others prescribe aid for new, *sunrise* industries. Some see international competition as the main culprit of poor U.S. economic performance; others blame American management styles, and still others blame U.S. workers. Most see some kind of new financial institution as an important component of their solution.

The point is that many of the major actors, especially but not exclusively within the Democratic party, are staking out their turf in the area of industrial policy.

## Black Americans and Industrial Policy

The intersection between traditional black concerns about economic and social policy and the typical concerns of those espousing industrial policy is not obvious. A quick glance at the issues and topics addressed by major black organizations shows a strong and legitimate concern with housing, education, employment, and welfare. The annual publication of the National Urban League, *The State of Black America,* is a testament to the kinds of concerns that blacks have raised in the past and should continue to struggle for in the future.

But no one concerned with the economic health of America can afford to sit on the sidelines of the industrial policy debate. Blacks, especially, need to

*(Continued on page 4)*

# . . . Industrial Policy Debate

*(Continued from page 3)*

affect both the underlying terms of the debate and the policy outcomes that will flow from them to shape the allocation of public and private resources over the next quarter century. The proverbial window of opportunity on this issue is still half open, but it is closing rapidly. If black organizations do not act before ideas on the subject have crystallized, they may well be too late to help shape the premises and terms of the debate. Blacks will be left to cavil and pick away at a framework wrought by others.

If there are high costs in ignoring the industrial policy debate, there are also dangers in uncritically embracing the notion of industrial policy.

First, there is a danger that industrial policy might be used as a "cover" for conservative and neoliberal interests to cut back even further the progressive social programs of the Great Society and the New Deal. They would be sacrificed to help finance high technology reindustrialization programs.

Second, industrial policy, depending on how it is formulated, may be irrelevant to the needs of the poorest in our society, a group that is disproportionately black.

Third, industrial policy could lead to a dangerously "technocratic" approach to public policy. Will a new class of bureaucratic mandarins do what is "best for us" in the absence of democratic controls and popular criticisms?

Fourth, most of the proposals for an American industrial policy have been curiously and neglectfully "color-blind," in their "targeting" and their recommendations—despite the unique situation and needs of black Americans.

Fifth, again on the political side, the technocratic orientation of many industrial policy advocates leads to arguments based mostly on efficiency grounds and almost never on moral or equity grounds—a strategy that runs against the thrust of recent black political history.

Nevertheless, the industrial policy debate may be the only show in town in 1984. If blacks are to be active in this debate, they must join it at an early stage. At the same time, by considering industrial policy, black leaders may see the need to open their own agenda to new issues and new approaches.

### What Should Black Organizations Do?

What, then, should black organizations do about the issue of industrial policy? All organizations can take several steps:

- Put industrial policy on their agendas for attention and discussion.
- Assign at least one staff person to "track" industrial policy issues: at least one individual in the organization—or a committee or task force—must be on top of the debate.
- Sensitize local chapters and membership to industrial policy issues.
- Develop a position on the major issues of industrial policy *within* the organization, and lobby for them at the state, local, and national levels.
- Explore alliances with other like-minded organizations, black and white, on issues of industrial policy.
- Press actual and potential political candidates on their stands on such issues, and press for the consideration of black concerns in the formulation of industrial policy.

Clearly, an interest in industrial policy in no way precludes either continuing pressure in other policy areas or the traditional mobilization activities of black organizations. On the contrary, such activities as voter registration, lobbying, and campaigning, which organize the black community politically at the grass roots, will all help to make black voices heard on industrial policy as on other issues.

Finally, let me mention some substantive issues that typically arise in discussions of industrial policy:

- *Job retraining* for a computerized service economy in which many of the old industries will remain, but as a smaller percentage of GNP.
- *Regional development banks* to channel pension funds from public and private businesses into financial agencies more rooted in local and regional needs than the major New York investment banks.
- *Targeting* government incentives to areas most in need of revitalization, e.g., urban areas.
- Improved *regional infrastructures.*
- Increased *aid to education* in all fields, but especially in math, the sciences, and the more technical areas.
- Support for *small businesses,* which create most *new jobs.*
- *Participation* in the formation of industrial policy: Will poor and minority interests be served automatically by a "tripartite" arrangement of government, business, and labor?

A prominent organization should call a national conference to develop a coherent black position on these and other industrial policy issues. To begin with, blacks should insist that the current *either/or* terms of the debate are politically naive and economically undesirable. The sunrise/sunset distinction is a false dichotomy. While it is clear that priorities need to be set, a sensible discussion would examine ways of easing the transition from older to newer industries for workers and firms, and of *ensuring a structurally balanced economy.*

An implicit assumption running through the rhetoric is that the United States will catch up with the Japanese and the Germans by emulating their patterns of public sector-private sector relations. The United States, however, is unique in many ways, including the diversity and history of its population and range of opinions among its citizens about the role of government. If a national consensus is to be achieved in this country, the interests of the various racial and ethnic groups will have to be considered, along with the interests of labor and management and the public and private sectors.

If black groups do not move quickly to make their views known, black interests will be interpreted by other groups or they will be ignored. Neither alternative would bode well for the black community or for public policy in the 1980s and 1990s.

# Outlook for a Black Presidential Candidacy

*(During the past several months, black leaders have been discussing the pros and cons of fielding a black candidate for the Democratic presidential nomination. The following special report analyzes some of the considerations that figure prominently in the decision making process.*

*As in the past, the Joint Center will issue guides to the delegate selection processes in both the Democratic and Republican parties once plans are firm.)*

This paper examines some of the considerations relevant to launching a black candidacy for the 1984 Democratic presidential nomination. It reviews the Hunt Commission rules, the distribution of delegates by state, the delegate selection schedule, and the implications of these procedures for a black candidacy.

Each state party is required to submit a delegate selection plan to the Democratic party's Compliance Review Commission (CRC), along with an affirmative action plan, by April 15, 1983. As many as half the state parties are expected to request extensions beyond that deadline. Black Democrats should thoroughly familiarize themselves with the provisions of their state party's delegate selection and affirmative action plans.

**The Hunt Commission Rules**

One of the chief mandates of the Hunt Commission was to increase the influence of Democratic elected officials in the selection of a presidential nominee. This has been accomplished by revising the delegate selection procedures and increasing the number of delegates to include more elected officials. These and other changes in the delegate selection process will affect the participation of blacks as delegates or as candidates for the Democratic party's nomination.

The basic features of the 1980 delegate allocation system have been retained. Each state is accorded a base delegation, 75 percent of which is elected by districts and 25 percent, at large. Each state is also accorded an "add-on"—reserved for party and elected officials—which is equivalent to 10 percent of the base delegation. All of these delegates must be "pledged," that is, they must publicly declare a candidate preference or announce that they are uncommitted.

The major change since 1980 is another "add-on" of *unpledged* delegates, also reserved for party and elected officials. This second add-on is intended to provide a pool of party leaders to exert leverage over the nomination in the event that the primaries do not produce a nominee. Of course, the availability of this pool may encourage strategies designed to produce a brokered convention.

The delegates will be selected in four rounds in each state.

- In the first round, 2,301 pledged district delegates (58.7 percent of the total number of delegates) will be selected.
- In the second round, 449 unpledged party and elected officials will be selected. The 112 state party chairs and vice-chairs will also serve, *ex officio,* as part of this unpledged add-on, for a total of 561 delegates (14.3 percent of total).
- In the third round, 305 pledged party and elected officials (7.8 percent of the total) will be selected.
- The fourth and final round will select 756 pledged at-large delegates (19.3 percent of the total), allocated to each candidate in proportion to his or her share of the district delegates selected earlier in that state.

Rules 7, 8, and 9 are the key Hunt Commission rules governing the mechanics of the selection methods for each round. The state parties are given considerable leeway in devising selection methods.

Under Rule 7A, state parties can choose from among four formulas for apportioning delegates to districts. The first formula averages the number of Democratic votes cast with total population. The other three formulas rely heavily or exclusively on the number of Democratic votes cast. The effects of the different formulas on the allocation of delegates to heavily black districts vary considerably from state to state. Note that Rule 6E specifically forbids racial gerrymandering in the drawing of districts.

The fourth round of selection, when the at-large delegates are chosen, is particularly important to blacks, because Rule 9A specifies, "The election of at-large delegates shall be used, if necessary, to achieve the equal division of positions between men and women and the representation goals established in the state party's Affirmative Action Plan." Women are guaranteed half of all convention delegate seats. Because minority quotas are disallowed, representation of blacks and other minorities is ensured only through "goals and timetables" established by the state parties. Any underrepresentation is to be remedied in the fourth and final round, when candidate manipulation of the process will likely be intense.

In addition to setting goals and timetables, the affirmative action plan must include outreach provisions and a specific plan to help defray the expenses of attending the party convention for low- and moderate-income persons. Finally, an affirmative action committee must be established to oversee the mandated programs.

A few of the implications of the Hunt rules have particular significance for blacks:

- Since one-half of the delegates are to be women, black women will be important to black representation at the convention.
- The state outreach programs for low- and moderate-income persons provide a potential point of entry for black participation.
- Rule 6A states that the goal of affirmative action plans will be "to encourage participation in delegate selection processes . . . at all levels" by blacks and other targeted groups "as indicated by their presence in the Democratic electorate." This is a much more advantageous provision than representation in proportion to population, because *blacks have comprised about 20 percent of the total Democratic vote in the last three presidential elections.*
- Black party and elected officials should be aware of their eligibility for the second and third rounds of delegate selection. Members of Congress, statewide elected officials, state legislators, and mayors of large cities are specifically targeted, and local and county officials are also eligible.

**The Distribution of Delegate Votes**

There will be a total of 3,923 delegate votes at the 1984 convention. This represents an increase of 592 over the 1980 total of 3,331. Almost half of the increase (262

delegate votes) is concentrated in the South, which also contains about half of the black population in the United States. In the seven states where blacks comprise 20 percent or more of the voting-age population,* there will be an increase of 109 delegate votes. Thus, the new delegate apportionment opens up significant opportunities for improving black representation at the convention.

Final, official information on the 1984 delegate selection procedures and calendars is not yet available. The accompanying table presents the plans of the state parties as of press time. Most of these plans have *not* yet been approved by the Compliance Review Commission and thus are subject to change.

Most states use the congressional district as the basic unit of representation. Blacks comprise 20 percent or more of the total population in 86 congressional districts (see *Focus,* September 1982). The 20 percent level is important because of the threshold provision in the Hunt rules. While the threshold level varies somewhat from state to state according to the number of delegates per district, in general it will be difficult for any candidate to receive representation without obtaining about 20 percent of the vote in a congressional district. Thus, the 86 congressional districts in this category are the areas in which a black presidential candidacy would be most viable. Only 29 of these districts are located in northern urban areas, while 57 are in the South, underscoring the importance of the South in projections of black delegate strength in 1984.

The number of black delegates elected in 1980 (481, or 14.4 percent) offers both an indication of the recent track record in electing blacks as delegates and a likely floor for black strength at the 1984 convention. If blacks are represented in rough proportion to their share of the Democratic electorate nationwide, a total of 778 black delegates might be expected. The potential number of black delegates in each state (shown in the seventh column of the table) can be estimated by doubling the black proportion of the voting-age population in the state (to reflect the fact that blacks comprise about 20 to 22 percent of the Democratic electorate nationwide, roughly double their 10.5 percent share of the voting-age population) and multiplying by the state's number of delegate votes.

The possible total of 778 black delegate votes would include supporters for *all* candidates. A black presidential candidate would probably control no more than 100 to 250 of these delegates.

States with low black registration rates and a high proportion of blacks in the voting-age population should be the focus of intensive voter registration campaigns beginning in mid-1983, to add blacks to the rolls in time for the 1984 primaries or caucuses. The key states in this category are Massachusetts, New Jersey, New York, North Carolina, and Virginia.

### The Delegate Selection Schedule

There appears to be a growing trend toward "front-loading" the delegate selection calendar—that is, more states are attempting to influence the winnowing of candidates by holding their primaries or caucuses in the first few weeks of the primary season. This early bunching is also being encouraged by the Democratic National Committee's desire to shorten the campaign by squeezing all of the states into a "window" from late February until early June.

The traditional emphasis of the early schedule has shifted from the Northeast to the South. In particular, the March 13 Massachusetts primary and the non-binding "beauty contest" in neighboring Vermont are likely to be overshadowed in media coverage on that day by the mini-regional primary in Alabama, Florida, and Georgia. These will be followed by caucuses in five southern states—Arkansas, Kentucky, Mississippi, South Carolina, and Tennessee—on March 17. Other early activity will be the Illinois primary on March 20, the Virginia caucuses on March 23, the New York primary on April 3, and the Louisiana primary on April 7.

If a black candidacy were to be undertaken, these states would have to be given high priority in black organizing efforts. If that candidacy did not succeed in these states, adverse media coverage would probably cripple such an effort in states selecting delegates later in the schedule.

The "front-loading" of the delegate selection calendar will place enormous demands on fund-raising and organizational capacity. Either candidates will have to scatter their efforts widely, in the hope of accumulating moderate numbers of delegates in a lot of states under the proportional representation rules, or they will have to target a few states for maximum effort in order to gain media visibility through an upset victory.

The front runners (Walter Mondale and John Glenn) will probably lean toward the first strategy ("run everywhere"), while the other candidates (Reubin Askew, Alan Cranston, Gary Hart, and Ernest Hollings) will probably lean toward the second.

Should one of the major candidates sweep the early southern primaries and caucuses, this would probably eliminate the southern candidates and set the stage for decisive showdowns between the remaining candidates in Illinois and New York. On the other hand, a series of favorite-son victories in some early races (such as Askew in Florida, Mondale in Minnesota, and Hollings in South Carolina) and a variety of winners in others (such as Iowa, New Hampshire, New York, and Illinois) might prevent any candidate from emerging as the front-runner in the early stages of the nomination race.

Some states are reacting to this possibility by giving thought to breaking up their delegate selection process into several stages. For example, Massachusetts may elect some of its delegates in the traditional March primary and then elect the rest in May or June caucuses. Similarly, California may hold caucuses in March (which would benefit Cranston because of his support from local officeholders) and elect the remainder of its delegates in the usual end-of-the-calendar primary in the first week in June. If other states follow this pattern, the result would be further fragmentation, increasing the importance of the at-large delegates and the chances for a brokered convention.

### Scenarios for a Black Candidacy

Blacks are in a very strong position to exert leverage over the nomination of the Democratic party's candidate for president in 1984 and for the election of that candidate. In the past six presidential elections, the most closely contested states clustered into two groups: Frost Belt in-

*Alabama, Georgia, Louisiana, Maryland, Mississippi, North Carolina, South Carolina.

dustrial states (the so-called "Rust Bowl") and the South. In almost all the states in these two groups, blacks are a relatively high percentage of the voting-age population and thus are in a position to serve as a crucial swing vote. In other words, a Democratic presidential victory in 1984 is inconceivable without a strong black showing in northern cities and the South.

This consideration reduces somewhat the risk of a rift with the Democratic nominee in the event of a black presidential nomination bid. Whoever wins the Democratic nomination cannot afford to alienate the black vote, and will have to cultivate some black support *prior* to the convention if an appeal for black votes is to have any credibility in the general presidential campaign. Thus, it will be in the interest of all candidates to include some visible black representation in their delegate slates and campaign organizations.

Nevertheless, the entry of a black candidate for the Democratic nomination is likely to have profound effects on the selection of a Democratic candidate and on the future of black politics. The likely benefits and costs of such an undertaking therefore need to be considered carefully. Among the likely benefits of such a race are:

- *Giving prominence to issues of special concern to blacks.* In an era of general retreat from national policies to enhance the quality of life and to increase economic opportunities for the poor and minorities, no candidate is likely to argue forcefully for progressive economic and social policies vital to the future well-being of black Americans. A black candidate could inject these issues into the presidential campaign debate.
- *Encouraging black voter registration.* Blacks are most likely to register and vote when they have a credible black candidate to vote for. Black voters added to the rolls during the primary campaign could be a potent force in supporting local black candidates and others supportive of black interests in November 1984 and beyond.
- *Assembling a cohesive black delegate bloc.* A black candidate in control of 200 or more delegates could play an important role in picking a compromise candidate in a brokered convention. Such a bloc could also exert some pressure in the drafting and consideration of the platform.
- *Serving as a trial run for a future black candidacy.* The experience gained in 1984 in fund raising, grass-roots organizing, establishing a national organization, and devising strategy could prove invaluable to any future effort to nominate a black presidential candidate, should a viable contender emerge.

However, there are also major risks or costs in pursuing a black presidential candidacy in 1984:

- *Taking delegates from the more desirable of the viable candidates.* A black candidacy would draw black votes away from the candidate who, in the absence of a black, would be the most attractive nominee to blacks. Indeed, the stronger the black candidate's showing, the greater the likely damage to that otherwise acceptable candidate. This is especially likely in the critical early primaries in the South and the Northeast.
- *Reducing the eventual nominee's responsiveness to black concerns.* If black support goes overwhelmingly to a black candidate, the eventual nominee may not feel obligated to blacks for helping him win the nomination, and the nominee might be less responsive to black concerns as a result.
- *Failing to elect a significant number of black delegates.* A black candidacy might backfire if either the candidate fails to excite potential black voters or the black vote fragments between the black candidate and several whites. The end result might be the failure of many black delegate slates to clear the threshold hurdle, with a net reduction in black representation at the convention. This might prove highly embarrassing if the media concoct a theme of black political activism fizzling out well before November.
- *Making the Democratic nominee appear the captive of blacks and other "special interest groups."* The Democratic party has been criticized recently for being merely a coalition of labor, feminists, pro-Israelis, blacks, anti-nuclear activists, and government employees, with no broader vision of the national interest. A visible black presidential effort might heighten the liability of this issue for the Democratic nominee.
- *Intensifying racial polarization in the electorate.* Support for a black presidential candidate might increase racial polarization of the electorate, complicate efforts of black candidates for other offices to appeal to the white electorate, and adversely affect pursuit of a broad range of black political interests.
- *Fragmenting rather than unifying black political leadership.* The choice of candidate and the formulation of an agenda that is both widely accepted across the leadership spectrum and a basis for appealing to the larger electorate may prove extremely difficult to achieve and could become a source of conflict among black leaders.

**One Candidate or Several**

Considerable discussion has been heard about whether a single black candidate should run nationwide, or a series of regional candidacies should be launched to take advantage of local black organization strength. Grass roots organization strength is more potent in caucus/convention states than in media and money-saturated major primary states. Thus, favorite son candidacies would be most likely to succeed in caucus states. Mississippi, South Carolina, Tennessee, Virginia, and the urban areas of Michigan, Missouri, and Texas would be the most promising areas in which to launch caucus-based favorite son candidacies. This option may also be viable in primary states with black-majority congressional districts and popular black officeholders, such as Georgia, Illinois, Maryland, New Jersey, New York, Ohio, and Pennsylvania.

However, the bandwagon psychology of the primary schedule probably makes a single nationwide candidacy a more dependable means of amassing black delegates in primary states.

The large number of at-large "set-aside" delegates may encourage last-minute favorite son candidacies by governors or other elected officials in several states if there is a serious possibility of a deadlocked convention. However, it is unlikely that the officeholders and other politicos selected at large would be very responsive to *black* favorite son candidacies. Moreover, blacks selected as set-aside delegates will probably owe their seats to white politicians and may not be particularly responsive to overtures to support a black candidate as a result. In a brokered convention, patronage and self-advancement opportunities are likely to be a more potent determinant of candidate preference than skin color.

# Democratic Delegate Selection and Demographic Information by State

| State | 1984 delegate votes | 1984 selection method* | 1984 date of selection* | Percentage black voting-age population | 1980 black delegates | 1984 black delegate potential | Partisan outlook† |
|---|---|---|---|---|---|---|---|
| **Northeast** | **982** | | | | **127** | **201** | |
| Connecticut | 60 | Primary | March 27 | 6.0 | 6 | 7 | Tossup |
| Delaware | 18 | Caucus | March 14 | 14.2 | 2 | 5 | Tossup |
| Dist. of Col. | 19 | Primary | May 8 | 65.8 | 12 | 19 | Safe D |
| Maine | 27 | Caucus | March 6 | 0.3 | 0 | 0 | Tossup |
| Maryland | 74 | Primary | May 15 | 20.8 | 12 | 31 | Leans D |
| Massachusetts | 116 | Primary | March 13 | 3.4 | 6 | 8 | Safe D |
| New Hampshire | 22 | Primary | March 6 | 0.4 | 0 | 0 | Strong R |
| New Jersey | 122 | Primary | June 5 | 11.0 | 20 | 27 | Tossup |
| New York | 285 | Primary | April 3 | 12.4 | 48 | 71 | Leans D |
| Pennsylvania | 195 | Primary | April 24 | 8.1 | 21 | 32 | Tossup |
| Rhode Island | 27 | Primary | June 5 | 2.5 | 0 | 1 | Safe D |
| Vermont | 17 | Caucus | April 24 | 0.2 | 0 | 0 | Strong R |
| **South** | **1,090** | | | | **177** | **347** | |
| Alabama | 62 | Primary | March 13 | 22.9 | 17 | 28 | Tossup |
| Arkansas | 42 | Caucus | March 17 | 14.1 | 7 | 12 | Tossup |
| Florida | 143 | Primary | March 13 | 11.3 | 18 | 32 | Leans R |
| Georgia | 82 | Primary | March 13 | 24.3 | 14 | 40 | Leans D |
| Kentucky | 63 | Caucus | March 17 | 6.7 | 2 | 8 | Tossup |
| Louisiana | 68 | Primary | April 7 | 26.6 | 19 | 36 | Tossup |
| Mississippi | 43 | Caucus | March 17 | 31.0 | 11 | 27 | Tossup |
| North Carolina | 88 | Primary | May 8 | 20.3 | 16 | 36 | Tossup |
| Oklahoma | 53 | Caucus | March 13 | 6.0 | 6 | 6 | Safe R |
| South Carolina | 48 | Caucus | March 17 | 27.3 | 16 | 26 | Leans R |
| Tennessee | 76 | Caucus | March 17 | 14.2 | 9 | 22 | Tossup |
| Texas | 200 | Caucus | May 5 | 11.1 | 24 | 44 | Tossup |
| Virginia | 78 | Caucus | March 24 | 17.5 | 17 | 27 | Strong R |
| West Virginia | 44 | Primary | June 5 | 3.2 | 1 | 3 | Leans D |
| **Midwest** | **1,042** | | | | **119** | **161** | |
| Illinois | 194 | Primary | March 20 | 12.9 | 28 | 50 | Tossup |
| Indiana | 88 | Primary | May 8 | 6.8 | 9 | 12 | Strong R |
| Iowa | 58 | Caucus | Feb. 27 | 1.2 | 4 | 1 | Strong R |
| Kansas | 44 | Caucus | March 17 | 4.8 | 2 | 4 | Safe R |
| Michigan | 155 | Caucus | April 24 | 11.7 | 28 | 36 | Tossup |
| Minnesota | 86 | Caucus | March 13 | 1.1 | 5 | 2 | Strong D |
| Missouri | 86 | Caucus | April 24 | 9.3 | 10 | 16 | Tossup |
| Nebraska | 30 | Primary | May 15 | 2.6 | 2 | 2 | Safe R |
| North Dakota | 18 | Primary | June 5 | 0.4 | 0 | 0 | Strong R |
| Ohio | 175 | Primary | June 5 | 9.2 | 23 | 32 | Leans R |
| South Dakota | 19 | Primary | June 5 | 0.3 | 0 | 0 | Strong R |
| Wisconsin | 89 | Caucus | April 3 | 3.2 | 8 | 6 | Tossup |
| **West** | **733** | | | | **56** | **63** | |
| Alaska | 14 | Caucus | March 13 | 3.4 | 0 | 1 | Strong R |
| Arizona | 39 | Caucus | April 14 | 2.5 | 3 | 2 | Safe R |
| California | 345 | Primary | June 5 | 7.1 | 38 | 49 | Tossup |
| Colorado | 51 | Caucus | May 7 | 3.2 | 2 | 3 | Strong R |
| Hawaii | 27 | Caucus | March 13 | 1.9 | 0 | 1 | Tossup |
| Idaho | 22 | Caucus | April 19 | 0.3 | 0 | 0 | Safe R |
| Montana | 25 | Primary | June 5 | 0.2 | 0 | 0 | Strong R |
| Nevada | 20 | Caucus | May 29 | 5.3 | 1 | 2 | Leans R |
| New Mexico | 28 | Primary | June 5 | 1.7 | 0 | 1 | Leans R |
| Oregon | 50 | Primary | May 22 | 1.2 | 1 | 1 | Leans R |
| Utah | 27 | Caucus | May 21 | 0.7 | 0 | 0 | Safe R |
| Washington | 70 | Caucus | March 13 | 2.4 | 10 | 3 | Tossup |
| Wyoming | 15 | Caucus | March 17 | 0.7 | 1 | 0 | Safe R |
| **Territories** | **76** | | | | **2** | **6** | |
| Democrats Abroad | 5 | Primary | March 13 | n.a. | n.a. | n.a. | |
| Guam | 7 | Caucus | May 5 | n.a. | n.a. | n.a. | |
| Latin America | 5 | Caucus | June 9 | n.a. | n.a. | n.a. | |
| Puerto Rico | 53 | Primary | March 18 | n.a. | n.a. | n.a. | |
| Virgin Islands | 6 | Caucus | June 9 | n.a. | 2 | 6 | |
| **Total** | **3,923** | | | **10.5** | **481** | **778** | |

Source: Joint Center for Political Studies
n.a.—not available
* Delegate selection methods and dates are based on unofficial preliminary information and are subject to change.
† Ratings are based on the median two-party margin of victory in the last six presidential elections: a median net margin of 4 percent or less is a *tossup;* a margin between 4 and 8 percent is *leaning;* a margin between 8 and 16 percent is *strong;* and a margin of 14 percent or more is *safe.*

# Reforming the Tax System

**by John Karl Scholz**

*(The author is currently a research assistant at the Brookings Institution.)*

Under present budget policies—including the defense program planned by the Reagan administration—and assuming the economy grows at the rate projected by the administration, the federal deficit will rise from $208 billion in fiscal 1983 to $300 billion in 1988. Even with a projected five consecutive years of sustained economic recovery, the 1988 budget deficit will equal 6.4 percent of the Gross National Product.

In response to these increasing deficits, and to increasing dissatisfaction with the federal income tax system, several approaches to reforming the tax system have been proposed. Three options that will receive much attention in the next few years are tax expenditure reform, the flat tax, and the consumption tax.

Before we examine the merits of the three options, let us look at where the tax system is today.

## Tax Changes under the Reagan Administration

Since President Reagan took office, three major tax bills have been enacted—the Economic Recovery Tax Act of 1981 (ERTA), the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), and the Highway Revenue Act of 1982. TEFRA reversed some of the corporate tax reductions granted in the 1981 Act, and the Highway Revenue Act increased the federal excise tax on gasoline and diesel fuel from 4 to 9 cents a gallon. ERTA is the law with the greatest effect on individual income taxes.

ERTA provided the largest individual income tax reduction in the nation's history. The Act consisted of a three-stage, "across-the-board" tax-rate reduction averaging 23 percent; incentives designed to promote greater savings; and a deduction to moderate the so-called marriage penalty. It reduces tax receipts in FY 1984 by $116 billion, of which the rate cuts account for $105 billion.

ERTA increases the inequity of the distribution of after-tax, disposable income. To those with incomes under $5,000 per year, it provides a percentage increase in disposable income of 0.3 percent, while those earning over $1 million annually received a 26.1 percent increase in disposable income (see Table).

These results differ dramatically from those of the Kennedy tax deductions, to which supply-siders often compare ERTA. In 1964, the percentage increase in disposable income ranged from 2.6 percent in the lowest income brackets to 7.0 percent in the upper income brackets. The relative uniformity of the 1964 act was achieved by establishing a sliding scale of reductions in tax rates rather than using an across-the-board reduction. In 1964, the tax rate cuts ranged from 27.5 percent in the lowest income classes to 6.4 percent in the highest.

## Tax Expenditures

The source of much of the public dissatisfaction with the income tax system is tax expenditures. Tax expenditures are departures from the basic tax structure that are designed to favor a particular activity or group of taxpayers. The 50 percent capital gains exclusion and the mortgage interest deduction are examples of tax expenditures.

Tax expenditures can serve various purposes. For instance, it seems unfair to tax capital gains at increasingly higher rates when the appreciation of the asset represents inflation and not a real increase in value. Partly in response to this problem, Congress enacted the 60 percent capital gains exclusion. Other tax expenditures, such as the mortgage interest deduction, are similar to direct government expenditures in that they are intended to subsidize certain activities or groups of taxpayers.

Virtually all tax expenditures give their largest benefits to the wealthiest members of society. For instance, the mortgage interest and property tax deductions, in effect, have the federal government pay 50 percent of all mortgage interest and property tax for a married couple with more than $200,000 income but only 19 percent for a couple with $20,000 income. For a couple too poor to pay any income tax, no assistance for either mortgage interest or property taxes is provided.

In October 1982, the Treasury Department prepared estimates of the distribution of certain tax expenditures for the Joint Economic Committee. These estimates reveal that fewer than 20 percent of all taxpayers reported earning over $30,000 of annual adjusted gross income, yet this 20 percent receive 90 percent of the subsidy for income earned abroad, 70 percent of the investment credit (other than energy), and 83 percent of the capital gains subsidy.

Total tax expenditures in 1983 are estimated to be over $350 billion, roughly 40 percent of the direct outlay budget and 150 percent of the deficit if all programs remain in place (and the Reagan administration defense requests are enacted). Subsidies delivered through the tax system are increasing far more rapidly than direct subsidies, and for some budget functions, tax expenditures dwarf direct expenditures. For example, in 1981, tax expenditures

*(Continued on page 6)*

**Individual Income Tax under the 1980 Law and the Economic Recovery Tax Act of 1981, Calendar Year 1984**

| Adjusted gross income class (dollars)* | Effective tax rate | | Increase in disposable income |
|---|---|---|---|
| | 1980 law | 1981 law | |
| 0-5,000 | 1.3 | 1.0 | 0.3% |
| 5,000-10,000 | 6.9 | 5.3 | 1.8 |
| 10,000-15,000 | 10.5 | 7.9 | 2.9 |
| 15,000-20,000 | 12.8 | 9.6 | 3.6 |
| 20,000-25,000 | 14.3 | 10.6 | 4.2 |
| 25,000-50,000 | 16.4 | 12.0 | 5.2 |
| 50,000-100,000 | 23.4 | 17.3 | 8.0 |
| 100,000-200,000 | 33.7 | 24.3 | 13.6 |
| 200,000-500,000 | 40.8 | 30.9 | 16.8 |
| 500,000-1,000,000 | 44.9 | 33.4 | 21.0 |
| 1,000,000 and over | 47.2 | 33.5 | 26.1 |
| All classes† | 18.3 | 13.6 | 5.9 |

Source: Calculations based on the Brookings 1977 income tax file.
*As defined in the 1980 law.
†Includes negative adjusted gross income.

# . . . Tax System

(Continued from page 5)

devoted to commerce and housing credit totaled $98 billion; direct outlays in the same area were $4 billion. In the last eight years, tax expenditures devoted to general science, space, and technology increased 236 percent, whereas direct outlays increased 61 percent. Total tax expenditures over this time period have increased 25 percent faster than direct expenditures.

The existence of tax expenditures complicates the operation of the tax system. When the tax system is riddled with tax expenditures, rate increases simply provide stronger incentives to structure private transactions so more nontaxable income is generated. For example, one would expect to see high-salaried workers seek more compensation in the form of untaxed fringe benefits rather than in fully taxed salaries and wages. And many examples of capital movements occur solely to take advantage of tax preferences. These capital flows make little sense by either efficiency or equity criteria.

Reducing tax expenditures would have dramatic effects on both the efficiency and the equity of the economy. Taxpayers of equal economic circumstances would pay equivalent amounts of taxes and investment would be directed toward areas that promise the greatest before-tax rate of return.

### Flat Taxes and Consumption Taxes

Two other tax policy options, the flat tax and the consumption tax, would move sharply away from the progressive income tax we now have. Flat tax plans broaden the tax base by eliminating most (if not all) tax expenditures and replace the present graduated tax rate with a single low rate.

Any flat tax plan will change the present distribution of tax burdens. Currently, average effective tax rates rise steadily throughout the income scale, from 0.7 percent of income in the $0-$5,000 income class to 26.4 percent of expanded income in the $500,000-$1,000,000 income class. Thus, any plan with a flat rate of less than 26 percent would reduce taxes for all taxpayers whose effective tax rates are higher than the flat rate and increase taxes for all taxpayers whose effective rates are lower than the flat rate. Under a typical flat rate scheme, taxpayers earning over $50,000 annually wou'd receive tax reductions. Taxpayers who make over $500,000 annually would receive an average tax cut of $75,000, roughly 40 percent of their total tax liability. As Senator Russell Long said, "If you're rich, you'll love it; if you're not, watch out!"

Under a consumption tax plan, a taxpayer would compute all income he or she earned during the year, deduct the savings accumulated over the years, and pay a tax on the difference between income and savings (namely, consumption). This type of tax would encourage, by not taxing, savings and investment; it would also eliminate some of the more difficult problems of taxing savings under the present income tax system. Since tax rates could still be as progressive as desired, a consumption tax would not be inherently regressive.

But the evidence indicates that the wealthier you are, the greater the proportion of your income you save. The consumption tax eliminates taxation of income from corporate profits, capital gains, dividends, interest, rents—in fact, all property income—as it accumulates. Thus a consumption tax would lead to greater and greater concentration of wealth. Strong estate and gift taxes would counteract this effect. But proposals to toughen estate and gift taxation have not figured prominently in most discussions of the consumption tax, and the historical record of estate and gift taxation on the federal, state, or local level is one of ineffectiveness.

The elderly and the young consume a greater percentage of their income than people in the middle of their life-cycle. Thus a consumption tax would place a greater relative tax burden on the young and elderly than would an income tax that generates the same amount of revenue. Since the elderly and the young are generally regarded as having less ability to pay taxes, this result is unsettling.

In arguing for a shift to a consumption tax, advocates often perceptively analyze the shortcomings of the present tax system. They seldom acknowledge, however, that the same political forces that have created the mortgage interest deduction, solar energy investment credits, exclusions for charitable giving, and other provisions will defend their interests regardless of whether the tax base is consumption or income. And for each exclusion, deduction, or special treatment that is passed, consumption tax rates will rise—higher than income tax rates, since savings are excluded from taxation.

One cannot compare the 70-year-old income tax structure with an ideal consumption tax and conclude that we need a consumption tax. The fact that a consumption tax simplifies the taxation of capital and encourages savings is attractive, but until advocates satisfactorily address the problems of concentration and intergenerational transfers of wealth and demonstrate that the consumption tax base will be more comprehensive than the present income tax base, the consumption tax remains an inappropriate route for change.

### Reforming the Tax System

Reducing tax expenditures promises a more equitable and workable solution to the problems of both deficits and inequity than either of the other proposed revisions of the tax system.

Tax expenditures distort investment decisions and hence are inefficient. They allow taxpayers of similar economic circumstances to be taxed differently and deliver the largest portion of their subsidy to the wealthiest members of society. And they are a large source of funds—considerably larger than the current budget deficit.

Tax reformers have long supported a trade-off whereby marginal tax rates could be reduced using revenues gained from eliminating tax expenditures. Revenues received from tax expenditure reductions cou'd be used to achieve some mix of deficit and marginal rate reductions.

The political obstacles to reducing tax expenditures are formidable because of the multitude of special interests that would be affected. This type of reform, however, would improve the efficiency and equity of the tax system—an outcome all taxpayers could support.

# Statistics and Public Policy

**by William P. O'Hare**

*(The author is senior research associate at the Joint Center.)*

Much of the information used in shaping public policies is produced by what is loosely referred to as the federal statistical system. Data on the unemployment rate, the poverty rate, median income, and the rate of inflation are all products of this system.

Not only are these data important in shaping public policy, they themselves are matters of policy. For example, how often unemployment rates are published, the subgroups or geographic areas for which unemployment rates are calculated, and the quality of the statistics produced are all policy decisions. This area of public policy receives little attention, and it may seem like a rather arcane topic. But the numbers produced by the federal statistical system are used to distribute billions of dollars in federal aid. In fiscal year 1979, for example, statistical data were instrumental in the distribution of $122 billion through over 150 domestic assistance programs. These figures are also the primary method we have for objectively determining whether particular federal programs are succeeding or failing. And reapportionment and redistricting of the U.S. Congress as well as most state and local jurisdictions are based on data from the U.S. Bureau of the Census, a major arm of the federal statistical system. Thus, statistical policy matters are indeed a matter of political importance.

## The Reagan Administration and the Federal Statistical System

Throughout the late seventies, federal statistical policy making and coordination were centered in the Office of Federal Statistical Policy and Standards. The Reagan administration eliminated this office and reduced the statistical staff from around 40 people to 5. Joe Duncan, the long-time director of the statistical unit, left the post in December 1981, and has yet to be replaced. The Office of Management and Budget is looking for someone to fill the newly created post of chief statistician, but most qualified candidates are reluctant to consider the position given the low priority this administration has given statistical policy matters.

Some important statistical series have been jeopardized by recent cuts in agency budgets, and 58 statistical programs have been eliminated or reduced. Courtney Slater, former chief economist for the U.S. Department of Commerce, testified before the House of Representatives in June 1982 that "The president's 1983 budget request for statistical agencies, if enacted, would represent, after adjustment for inflation, about a twenty percent program reduction as compared to 1980." Some of the original cuts have been restored by Congress, but the low priority the administration puts on producing good statistics is clear. Another telling sign is the administration's elimination of the monthly publication *Statistical Reporter,* which was an important vehicle for coordination and information dissemination.

The Paperwork Reduction Act of 1980 vested responsibility for overseeing federal government statistical activities in the Office of Information and Regulatory Affairs in OMB. To date, there is little evidence that OMB takes this responsibility very seriously.

Over 100 federal agencies produce statistics. For a system like this to operate efficiently, a central authority is required. Furthermore, many statistical issues cut across substantive areas. For example, calculation of the Consumer Price Index affects many agency budgets, and the population figures produced by the Census Bureau are used by other federal agencies to calculate various indices and rates. To leave all of these agencies acting independently would be to invite chaos.

## The Effects of Current Statistical Policies

The executive director of the American Statistical Association, Fred Leone, said that "it would not be an overstatement to say that the federal statistical system was in crisis in 1982."

The administration's statistical policy has caused problems in both the private and public sectors. For example, delays in the release of 1980 Census data forced the Department of Education to allocate federal funds for the 1982-83 school year on the basis of 1970 Census data, which clearly do not reflect current school district conditions. Many businesses have had to postpone marketing activities due to delays in the production of government statistics. The cutbacks will have more unfortunate ramifications as time passes.

In several ways, the statistical cutbacks are especially hard on minority interests. For one, reducing sample sizes is often used as means of cutting costs, and when the samples of small groups—such as minority populations—are reduced, the reliability of statistics can be seriously impaired. Another problem is that many previously published reports of statistical information have been eliminated. This limits access to information for those who cannot afford to purchase special tabulations or sophisticated information retrieval systems such as microfiche readers or computers. And some programs of particular interest to those concerned with poverty in America have been canceled. For example, the Bureau of Labor Statistics Family Budget series has been ended; that series provided the most realistic measurements of poverty levels around the country.

The cutbacks in the statistical system may be an attempt to save money in an area with little political clout or organized constituency. For the first time, however, members of diverse professional areas such as education, economics, energy, and business see their common link to the federal statistical system and are rallying to its support. Others concerned about cutbacks in the federal statistical system include state and local governments, which receive federal money based on figures produced by the Census Bureau and other federal agencies and in turn often use these same statistical series to distribute their own resources. The business com-

*(Continued on page 8)*

# Telescope

**National Baptist Convention Sponsors Voter Registration Drive**

The National Baptist Convention, U.S.A., Inc. is sponsoring a nationwide voter registration drive as part of a new effort to become more involved in the political arena. The convention, organized in 1880 in Montgomery, Alabama, has a membership of 6.8 million. Convention President Dr. T. J. Jemison wants to see 3 million new voters registered.

Dr. Jerry Moore, Jr. was recently appointed corresponding secretary of the convention's Home Mission Board, which is organizing the christian registration drive. Pastors who belong to the convention are being urged to see that all eligible members of their churches are registered to vote.

**Black Candidate for Mayor of Boston**

Melvin H. King, a long-time black community activist and former Massachusetts state representative, announced his candidacy for mayor of Boston on March 5. King has previously served as executive director of the Greater Boston Urban League and has taught at M.I.T. and Northeastern University. His 10 years of service in the state legislature ended on a high note in 1982, with the passage (over Governor Edward J. King's veto) of a bill to withdraw public pension funds invested in firms doing business with South Africa.

Unlike most black mayoral candidates in recent years, King will be running in the November election as an independent, rather than competing for the Democratic nomination. Boston is only 22.4 percent black, and his candidacy is regarded as something of a long shot. However, recent financial scandals have left incumbent Mayor Kevin White vulnerable. As many as six candidates may enter the race, creating the possibility of a highly fragmented vote.

**Increased Black Representation in So. Carolina**

Two redistricting controversies in South Carolina are being resolved in ways that will lead to greater representation for blacks.

The South Carolina state senate has abandoned the multi-member district system used to dilute black voting strength since the passage of the Voting Rights Act and has mapped out single-member districts that cross county lines for the first time. The plan, which creates seven black-majority districts out of 48, is expected to be approved in the state house of representatives. At press time, black leaders were pressing the house for adoption of an even more favorable plan that would create nine black-majority districts. South Carolina has not had a black state senator since 1888.

The Columbia, South Carolina, city council has gained black representation in the first elections held since the city gave up its at-large election system. The new election system, known locally as "4-2-1," calls for the election of four district council members, two members at large, and an at-large mayor. Black candidates won two of the four district seats in March elections.

## Statistics and Public Policy

*(Continued from page 7)*

munity is an avid consumer of federal statistics for marketing and site location activity, as are academic researchers. Minority organizations use federal figures to gauge the relative socioeconomic status and progress of their constituencies and to document certain civil rights grievances. All of these constituencies have an interest in maintaining the integrity of statistical information produced and disseminated by the federal government.

This is clearly one function the federal government cannot and should not turn over either to states or to the private sector. While private industry may be able to commission some of its own statistical research, other segments of the society cannot afford to do so. And by limiting the free flow of information, the government is shutting these groups out of the marketplace of ideas.

FOCUS

**Joint Center for Political Studies**

**1301 Pa. Ave., N.W., Suite 400**
**Washington, D.C. 20004**
**(202) 626-3500**

**ADDRESS CORRECTION REQUESTED**
**Postmaster:**
**Form 3547 requested**

PRICE $1.25

**NOTICE TO READERS: Please notify FOCUS of any change of address or title. YOU MUST ATTACH THE MAILING LABEL FROM THE BACK COVER when writing about service or change of address. No change can be made without this information. Allow 6 weeks for change of address to take effect. Thank you.**

NON-PROFIT
U.S. POSTAGE
**PAID**
PERMIT No. 44958
Washington, D.C.