

Report: Nebraska economy declining

Even though Nebraska cities along Interstate 80 are doing better financially than last year, the state is in a recession, according to a report by the UNL College of Business Administration.

In the latest issue of *Business in Nebraska*, a monthly publication, Edgar Z. Palmer, a retired economics professor, wrote that some cities along the interstate had an increase in taxable retail sales volume this year compared to last. Those cities showing an increase retail sales tax volume were York, Grand Island, Kearney, Holdrege, Lexington and Ogallala, according to the report.

Palmer based the percentages in the report on statistics for the calendar year from January through November of 1974.

About two-thirds of Nebraska's cities, however, showed a decline in taxable retail sales, according to the report. The overall decline in sales tax revenue was five per cent, which is an indication of a recession, Palmer wrote.

Banking activity declines

Another sign of a recession is the 15 per cent decline in banking activity, he wrote. He called the banking volume, which is a measure of the volume of checks charged against individual and corporate accounts, the most definite indication of a recession.

Wallace C. Peterson, chairman of UNL economics department, said he thought the unemployment rate of 8.2 per cent was an important indicator of the recession the country

is experiencing. He added that the unemployment rate is actually higher than government statistics indicate.

Peterson reported that 7.5 million persons were out of work in February, but another 600,000 persons decided not to seek employment. The number of unemployed persons and the persons who decided not to seek work can be coupled with a decrease of 500,000 jobs in February to produce an unemployment rate of about nine per cent, he said.

No increase in output

If the United States is experiencing a recession, there will not be any increase in industrial production or total output, Peterson said. He said there is no way to predict when the volume of business investment and consumer spending will increase to end the recession. Consumers are cautious about spending money and business investment has not begun to increase, he added.

Peterson said a federal tax cut is needed to offset the effects of decreases in business activity. Congress is attempting to legislate a tax cut.

While the federal government is contemplating anti-recession measures, state governments also feel the effects of the recession, Peterson said.

"There is little that state governments can do to offset the effects of a recession," Peterson said. "State governments are cutting back on spending, which helps to feed the recession."

Grocery store liquor' discussed

Nebraskans would pay higher prices for liquor sold in some retail businesses if a bill pending in the Legislature's Miscellaneous Subjects Committee is passed.

The bill, LB204, primarily affects supermarkets and other retail businesses that do not strictly market liquor, James Moylan, attorney for the Nebraska Licensed Beverages Association, said. Moylan testified in committee Thursday for the bill, introduced by Neleigh Sen. John DeCamp.

Moylan said many supermarkets sell alcoholic beverages at or below the wholesale price, which gives them an unfair advantage.

"Supermarkets that sell packaged beer and other liquor are only doing it to attract customers to the store," Moylan said. "They aren't selling liquor to make a profit."

On the other hand, liquor retailers depend on their sales to pay all overhead costs incurred in operating a business, Moylan said. Liquor store owners cannot afford to lower their prices to compete with the supermarket that sells alcoholic beverages as a service to its customers, he added.

Another bill reviewed by the committee would allow 16-year-olds to handle package liquor when working at a retail store. The bill, LB143, would change the present provision prohibiting a minor to have in his possession or physical control any alcoholic liquor.

Moylan asked the committee members to amend the measure to allow 16-year-olds to make sales to customers.

"Young persons working at liquor retail stores would be more of an asset to the owners if they could carry out packaged liquor," Moylan explained. "Under present law, a young person is limited in what jobs he may perform at liquor establishments."

Other bills heard in the committee were:

-LB68, which would limit the number of retail alcoholic liquor licenses issued in each county to one for each 1,500 residents.

-LB421, which would permit cities and villages to have beneficial interest in more than two liquor licenses.

Kurtenbach: council awes Lincolmites

By Ron Wylie

Most Lincolmites are awed by the city's business establishment, City Council candidate Ron Kurtenbach said Thursday.

"With this lack of public skepticism," he contended, "they are unprepared to develop any regulations of Lincoln's commercial interests."

Kurtenbach, 32, a UNL janitor, is one of the 15 candidates in Lincoln's April 8 primary. He publishes *The Lincoln Gazette* and is on the board of directors of the Sunrise Communications Corp., a nonprofit radio enterprise.

Council's attitude

Kurtenbach said the City Council's attitude toward cable television first attracted his attention to city government, and added that lack of city responsiveness to a range of public issues provoked him to run for office.

"I wanted to challenge them in a public arena," he said. "I'm not likely to be successful, but I might be, and it's important that people have a chance to elect progressive officials."

Kurtenbach referred to himself as a Christian Socialist and said

he is working for a classless society.

"I think we need democratic control of the means of production," he said.

As a councilman, Kurtenbach said, he could offer support for democratic union activities and be supportive of city workers' efforts in negotiations with the city.

Kurtenbach also said he favors a city originated policy of rent control to "regulate price fluctuations and excesses in profits by renters."

Sales tax replacement

Kurtenbach also said he wants to replace the sales tax with some system of progressive income or property taxes, but he added "a sales tax on luxury items might be feasible, as long as there's no added burden to the low and middle income people."

Considering Lincoln's Alcohol Safety Action Program (ASAP), he said, "drunken drivers should be stopped and removed from our streets, but I think there are ways to do that without taking away their civil liberties."

Kurtenbach said he opposes the part of the ASAP program which compels people to take an anti-alcohol drug (antibuse). "This is unfair, and not rightfully something a society should have the power to do," he said.

"Policemen tend to have authoritarian attitudes," he said, "and that is not really necessary for good law enforcement."

Kurtenbach, a native of Mitchell, S.D., and a graduate of Wayne State College, has been active in anti-war and draft counseling movements. He served as a VISTA volunteer in Newark, N.J., in fulfillment of his alternative service obligations. Kurtenbach is a conscientious objector.

Kurtenbach said his campaign is very low key.

"What we're doing is very minimal. We're trying to share information about the issues," he said.

Press releases and public meetings are the major means of campaign communication in his informal effort.

"We don't have a lot to spend and wouldn't spend a lot of money anyway, because it's not one of our priorities," he said.

Media access

A recurring campaign problem, he said, is access to the media. "But that's a problem the people have all the time; that's why we publish *The Gazette*."

Kurtenbach said he respects fellow-candidate Steve Tiwald, but said he fears, "Steve's playing too safe of a game."

If elected, Kurtenbach said, he hopes to exert a progressive influence in city government. "At least," he added, "maybe we can have some influence on the city election and the issues."

Kurtenbach is married and the father of a 4-year-old boy, Aaron. Before coming to Lincoln as a graduate student in English in 1970, he taught in Sioux Falls, S.D., and worked in a settlement house in Philadelphia, Pa.



Photo by Ted Kirk

Ron Kurtenbach, Lincoln city council candidate

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