

## 2nd and 3rd district candidates

# Inflation, taxes are candidates' concerns

By L. Kent Wolgamott

The state of the economy and the nation-wide tax revolt begun by the passage of Proposition 13 in California are the major issues in the 2nd District Congressional race between incumbent Rep. John Cavanaugh and Hal Daub.

Democrat Cavanaugh stresses his record as an indication of his attitude toward stopping inflation.

He says he attacked wasteful spending in his votes on appropriations and federal agencies.

Cavanaugh said absolute limitations on federal spending are impossible and ineffective. But at the same time "we cannot afford to devote over 20 percent of our gross national product for government spending.

### Three-point program

He proposes a three point program to halt inflation, which consists of a comprehensive national energy policy, major reductions in government spending and a tax structure which gives incentives to business to expand production.

Republican candidate Daub also has a program to combat inflation.

First, he said, a limitation should be placed on the amount the federal government can spend, preferably by statute.

Second, Daub said "we should get inside the bureaucracy and go to work and trim out waste."

He said the trimming should include "less important projects" in federal agencies and money spent on programs which are inconsistent, such as the federal anti-smoking campaign and the subsidization of the tobacco industry.

### Tax cut

Daub's third point is an across-the-board tax cut similar to the Roth-Kemp tax cut.

Balancing the budget is Daub's final point.

Daub said he would "work hard to impact their [his constituents] point of view" on legislation "whether I agree or not.

"I don't want to be the kind of congressman who sits in judgement of their constituents" Daub said.

Cavanaugh stresses his accomplishments in Washington as a record for constituents to judge.

But Daub points out Cavanaugh's votes for a congressional pay raise, trade with Cuba, Vietnam and other Communist nations and against cutting foreign aid by 5 percent as being "out of time and out of touch with his district."

Both Daub and Cavanaugh favor tuition tax credits to offset the costs of college tuition.



## 'Lid' bill...

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If this increase continues, by 1990 yearly spending would exceed four billion dollars, he said.

"I'm convinced that the whole system will collapse before that happens," he said.

### Limit or self-destruct

"You have to limit government and its power to tax or the government will self-destruct. I'm scared to death that if we do not shut down this accelerated growth of government, and restore to the people the opportunity to control their own rate of growth, it will collapse. And when it collapses, the people go with it."

Brauer said that Schimek "is contending that it will not reduce taxes.

"That is a blatant lie," Brauer said.

A five percent lid would reduce by 60 percent the present 12.3 percent yearly increase of local government spending, he said. By decreasing this rate it would follow that taxes would also decrease.

However, Schimek has said that many advocates of the bill are simply eager for



Photo by Mark Billingsley

Hal Daub, Republican candidate for the 2nd District seat in the House of Representatives.



Photo by Ted Kirk

John Cavanaugh, Democratic candidate for the 2nd District seat in the House of Representatives.

# Fowler aiming to block Smith

By Teri Bigelow

As the 3rd District Congresswoman runs for a third term, her opponent attempts to keep her from becoming the dean of Nebraska's Washington delegation.

Republican Rep. Virginia Smith, of Chappell, with her grandmotherly looks and high-pitched voice is running for her third Congressional term.

Smith said she is not thinking of quitting and will serve as long as the people want her to.

After her election in 1974, Republicans and Democrats speculated that she would serve one or two terms.

Democrat Marilyn Fowler, of Lexington, a member of the State Board of Education, goes back to the Kennedy days of Democratic politics.

Although Fowler is trailing Smith by more than 50 percentage points in the polls, she said her candidacy has been successful in keeping Smith on her toes and responsive to the needs of the 3rd district in central and western Nebraska.

Smith said her success comes from knowing the people of the 3rd District. She can be seen greeting friends and supporters with hugs when visiting district cities.

Fowler, however, said the incumbent's grandmotherly "I'll take care of it style" is offensive and claims it is designed to keep residents in line and in the dark.

Fowler claims she has led the way on these five issues:

- Support for the demands of the farm strike
  - Fear of beef imports
  - Potential dismantling of the U.S. Department of Agriculture
  - Extension of the Equal Rights Amendment
  - Opposition to possible MX missile sites in Nebraska
- Admitting she may lose to Smith this year, Fowler speaks openly of running again in two years.

a chance to pay as few taxes as possible.

"I . . . contend that this bill is being pushed by a lot of fat-cat landowners who are afraid of equalizing taxes," Schimek said. "There's a helluva lot of greed behind this thing. People don't want to pay taxes. That's human nature."

### Improvements cut

Bill Giovanni, city budget officer, also is concerned with the possible effects of the lid bill.

Although it is not yet known for certain, if the budget limit restricts the spending of self-supported city services such as Lincoln General Hospital and Lincoln Electric System, major capital improvements planned for 1982-83 may have to be cut.

If capital improvements take place as planned in order to allow for city growth, cutbacks may be necessary in tax-supported services like police and fire protection and personnel.

If the bill is passed, Giovanni said, many people are anticipating that the issue will

be taken to court in order to clearly define the extent of the budget limit.

Another problem is local governments may be forced to refuse federal money offered to them because this spending was not planned in the budget, he said.

### Disaster funds

Another impact of the bill, Giovanni said, would be to prevent local governments from using additional financial resources to react to natural disasters and other emergencies because the cost of the emergency would not be included in the budget.

However, a proponent of the lid bill, State Tax Commissioner Bill Peters, said even now, without such a budget lid, it takes time to provide funds. During this time there would be an opportunity to vote to raise the lid, he said.

Another advocate of the lid bill, Lincoln businessman Don Nielsen, said the bill was a solid, statewide effort to slow down inflation.

Many people who are opposed to the bill are simply reacting out of fear and confusion, he said.

### Scary objections

Built-in safeguards will prevent the bill from being as restrictive as some members of the opposition fear, he said. These safeguards include the ability to raise the lid if population increases, through special election or if four-fifths of the Legislature approve an increase.

However, he said, the bill may pose some problems.

"I'm not certain how some emergency situations could be met," he said. "There are some really scary objections. But if we felt we had to address every single possibility in every single case, I'd question whether we'd continue the ballgame."

Nielsen said the bill probably will have little impact over the next few years. If inflation begins to "run away," he said, the Legislature may have to annually re-set the budget limit.