

opinion/editorial

Education would benefit by tax-break incentives

College and university groups are on the right track in urging President Ronald Reagan's administration to provide tax incentives for donations to institutions of higher education.

In support of this request, the groups have pointed to several nagging economical aches causing pain to most American industries and to the business of higher education as well.

As is true with most, if not all, major industries, inflation has taken its toll on education. Inflation has been a double-edged sword piercing the resources colleges and universities have been relying upon for their livelihood.

Students who work traditionally hold down lower paying jobs than full-time workers who are able to generate more energy to their jobs or already are employed in their career area. Therefore, the amount of money students are able to channel toward education is limited because of the rapidly rising cost of living.

On the other side of the educational coin, faculty salaries have not kept pace with inflation, capital im-

provements have lagged and equipment is deteriorating.

It's a vicious cycle. Students are being asked to make a greater sacrifice to pursue an education while the institutions are not able to sustain the level of education that has been available.

Reagan promised during his campaign for the presidency that he would seek legislation offering tax breaks for all taxpayers who make charitable contributions. Currently, only those taxpayers who itemize their deductions qualify for these tax breaks.

These incentives should be extended, as the president has pledged, but they should be extended even further to include colleges and universities.

Donations to colleges and universities are methods of providing necessary resources to help meet the needs of students and faculty. Providing incentives, such as the tax breaks for educational donations, should be encouraged to help these institutions meet their goals and responsibilities.

Reagan may not dare

Washington—At 9 p.m. EST, April 30, 1970, Richard Nixon announced that U.S. ground forces had crossed into Cambodia to strike at the sanctuaries of the North Vietnamese. A few days later, four students at Kent State University were shot to death by the Ohio National Guard. A hundred universities closed their doors. A firestorm of protest became a conflagration.

Even though a majority of Americans supported the operation, an unsettled president hastily announced that all Cambodian operations would end in 60 days, that U.S. forces would not penetrate more than 23 miles inside enemy-occupied Cambodia.

That pledge, a chagrined Nixon would concede later, was among the major errors of his presidency. Having already taken the shower of slander for allegedly "widening the war," the president denied himself the military bene-

state and federal taxes? Is this equitable, just, fair?

But the most disquieting decision of the week was the President's own. He has, apparently, backed off from the idea of reducing from 70 percent to 50 percent the maximum tax on "unearned income"—i.e., interest on savings accounts and dividends from stock investments.

The President's men are fearful of attacks from Tip O'Neill's remnant that, while cutting "food stamps for the needy," they are giving windfall tax breaks for the boys at the 19th hole at Burning Tree.

If the Reaganites can be stampeded by this political prospect, then, the game is already up. For the charge that Ronald Reagan is the Rich Man's President, the Benefactor of Bohemian Grove, is coming in any event. It is the political price the President must pay now if he is to win the economic progress promised for 1982, 1983 and 1984.

If Reagan's supply-side economics succeeds, all the demagoguery about "welfare for the rich" will not matter. If, however, the President makes his tax reductions so modest, so timid, that they cannot produce an economic take-off, none of his eloquence will spare him the consequences of failure in 1982 and 1984.

In short, there is no substitute for audacity; and there are no tax reductions that will bring the President more "bang for the buck" than cutting the tax on unearned income from 70 percent to 50 percent and chopping the capital gains tax from 28 percent to the lowest level possible.

While the first beneficiaries of any tax cuts will be, primarily, those with interest and dividend income and capital gains, that is not the primary purpose of the cuts. The purpose: to convince the most productive and affluent Americans—who control discretionary capital—to stop spending their hours searching for tax shelters, "business vacations" and tax-deductible BMWs, and to start putting their capital to work, in savings and investments that lead to productivity growth and jobs.

If John F. Kennedy could argue for a tax cut from 90 percent to 70 percent on interest and dividends as an incentive to growth—a tax cut that worked—why cannot Ronald Reagan sell the same idea? The great trepidation of Ronald Reagan's admirers is not that he will dare greatly and fall short, but that he will not dare at all, that the New Conservatism will be judged by its enemies a failure without having been attempted by its believers.

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fits of his command decision. It was a pristine example of "Courage and Hesitation," the title of a volume on the early Nixon years by novelist Allen Drury.

In the Great Budget War of 1981, there are straws in the wind that Ronald Reagan is about to repeat the error.

Following Reagan's 44-state sweep, the administration organized a budget blitzkrieg that scattered and confused the opposition. An estimated \$50 billion is to be cut—or attempted to be cut—from Jimmy Carter's 1982 budget. Scores of programs, many heretofore "untouchables," are scheduled for severe cuts: food stamps, CETA jobs, public broadcasting, the National Endowment for the Arts, to name a few.

Yet, coupled with the audacity revealed in one day's inside story is invariably a reported climb-down in the next.

When State leaked David Stockman's proposed cuts in foreign aid to the *Washington Post*, the administration—according to most reports—beat a hasty retreat to a position of compromise.

When anticipated voices arose in protest against "balancing the budget on the backs of the poor," the White House press office listed the sacrosanct seven, \$210 billion in social programs, off-limits to Stockman's axmen.

Among the seven were veterans benefits and Social Security. But why should retirees be given a 14 percent increase in benefits, tax-free, in 1980, while the young workers, who support Social Security, were asked to settle for 9 percent pay hikes, subject to progressive



Still not dead?

Regents' actions lack concern for NU students

The NU Board of Regents has proven once again that it really doesn't care about students attending the University of Nebraska or the opinions of those students. Representatives of the students and two campus newspapers asked the regents not to discontinue pay for the student regents. The NU attorney told the regents that student regents were paid as presidents not as NU regents. But as usual, the regents ignored the voice of the students and outside advice. The board took away the pay for student regents.

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The recent action, plus the board's failure to include a student on its own executive committee, are vindictive moves against ASUN president and student regent Renee Wessels. The regents not only have called Wessels immature and abrasive, as well as other names, but they have also insulted her several times in public.

While Wessels tried to let the regents know what the students wanted, she was continually confronted with a wall. If the regents would have listened to Wessels, they

would have found that students were concerned and still are concerned about the university's underpaid faculty, control of student fees, affirmative action, the university libraries and laboratory fees.

Perhaps Wessels upset the regents by criticizing their actions. But Regent Robert Prokop and other board members who get upset about criticism should keep in mind that the essence of democracy is the ability to disagree and criticize. But the students of the university are being punished because they and their representatives disagreed with the regents.

In all fairness, who is being immature? The regents are essentially saying immaturity is disagreeing with their way of doing things. The future of the university should not be treated like a game. If the regents insist upon making important university business a game, they should take their marbles home and let someone else play the game, preferably the students.

The regents owe Wessels an apology for all of their insults. And in the future they should make a more concrete effort to deal with the major problems of the university, instead of attacking the voice of the students.

A review of the regents business done last year proves the board members are making a game out of a serious job. While the regents debated for several months the fate of student football tickets, faculty members continued to be paid salaries that did not keep up with inflation or

were not competitive enough to attract new and qualified professors.

While the regents talked about a magnificent regional veterinary college, Bessey and Architecture Halls continued to crumble.

The regents last month refused to reaffirm their commitment to an 18 percent budget request, while the Business and Engineering Colleges overflowed with students.

The same board that refuses to listen to the voice of students continues to increase tuition and more recently started a policy to charge laboratory fees. Keep in mind this also is the same university system where the president has a maid and chauffeur and the students have graduate assistants whom the students cannot understand.

The students are the reason the university exists. Without students, no school system can operate. Because students mean so much to a university, they should be involved in policy decisions. The students should have a vote on the NU Board of Regents and they should be allowed to determine if they want their student body president to receive a salary.

There's one way to bring the importance of students in perspective for the regents. Without students, there would be no football team. And without a football team the regents would not receive 10 free season tickets.