

Editorial

State has legal obligation to Commonwealth depositors

Gov. Bob Kerrey and two of his predecessors agree that the state has a moral obligation to the depositors who lost their savings when Commonwealth Savings Co. collapsed. Only Gov. Kerrey rightly said the state has a legal obligation.

Kerrey based his argument on two things: The state loused up on regulating Commonwealth and the Nebraska Depository Institutions Guaranty Corp., a state agency, did not have enough money to live up to its \$30,000 depositors' insurance.

Former state Banking Director Paul Amen disagreed. Amen said the NDIGC is not a state agency but a private institution. Therefore, the state had little control over the NDIGC, purging it of any legal responsibilities to Commonwealth depositors.

But if the depositors are paid back soon, it may shorten that legal fight. True, criminal cases will continue, and should. But by performing its legal and moral obligations now, the state and its taxpayers could avoid some legal cost.

Kerrey pointed out another reason to reimburse depositors as quickly as possible: The longer the state waits, the more interest depositors will claim on their lost savings.

Critics also argue that taxpayers should not have to foot the bill for the state's mismanagement and depositors' misinformation. After all, this is a \$68

million claim.

Kerrey's philosophy — and it is a wise one — is pay now, save later.

Legal bills for civil and criminal cases connected with Commonwealth have amounted to more than \$450,000 since they began seven months ago. And the bills are expected to keep coming in. Who pays those bills? Depositors and taxpayers.

According to figures published in Thursday's Lincoln Star, at least \$450,000 alone will pay for legal bills from remaining Commonwealth assets. More than \$320,000 of state tax funds and the Nebraska Banking Department budget will go to Commonwealth cases. Of that, \$44,263 alone went to Attorney General Paul Douglas' impeachment trial.

That's not all. About \$120,000 of Lincoln tax funds will go to Commonwealth legal bills, as will \$100,000 each from Lancaster County funds tax and federal tax funds.

Legal fights will continue whether or not the depositors are reimbursed by the state now or in the next few years.

The longer the state waits, the more expensive it will be to help the depositors. But an even better reason exists: humanity. If Nebraskans feel they are improving humanity and its culture by giving \$7 million of their tax money for the proposed Lied Arts Center or \$1 million for the new training table for UNL athletes, surely that humanist instinct will prevail in the Commonwealth case.



Duarte sweeps Washington off its feet

Jose Napoleon Duarte has left Washington gaga. He met — and impressed — President Reagan. He

Richard Cohen

met — and impressed — the Congress. He asked for aid; he'll get it. He asked for no strings; he'll get no strings. Washington has not seen such a performance since the Shah of Iran — or was it Anwar Sadat?

Duarte is evidently quite a man, but he is only that — a man. Nevertheless, Washington — a town more obsessed with personalities than Hollywood — has accepted him as if he were El Salvador itself. He says

he will expand Salvadoran democracy. Washington applauds. He says he will end the death squads. Washington swoons. Washington may be a sophisticated city, but when it comes to "moderate" foreign leaders it's forever wearing bobby socks.

There are reasons to be skeptical of Duarte. He was part of the government when the death squads went on a rampage and there are some who say his lust for the presidency overrides all other considerations. Time will tell about that. But the fact remains that no man — no matter how skilled — can lead a country where it will not go.

Washington is forever losing sight of that. It is hopelessly addicted to the cult of personality. The late Shah, for instance, became the personification of Iran. Through him, we saw an emerging nation, a Western nation, one that gave swell parties at the

Embassy, that rewarded the fawning and the un-skeptical with tins of caviar and an occasional rug. The Shah skied. The Shah danced. The Shah was a guy just like us.

Below the surface though, the Shah's country simmered. Instead of being prepared for a lunge into the future, Iran was ready to take one giant step into the past. Back then we heard almost nothing about mullahs, about seething anti-modernism to which anti-Americanism was soon to be affixed. At the Embassy parties the Ayatollah's name was never whispered.

The same holds for Sadat. Whatever his personal characteristics — and some were magnificent — he was not Egypt. He was Richard Nixon's buddy and Jimmy Carter's too. But he was not the buddy of the average Egyptian. When he was killed, Egypt mostly reacted with a shrug and then distinctly cooled the peace Sadat had arranged with Israel. Barbara Walters cared; Walter Cronkite cared. Egypt, by and large, did not.

Duarte, of course, is different from either the Shah or Sadat. He was elected and ostensibly he speaks for 54 percent of the electorate. It's difficult to say exactly what this means, because while voting in El Salvador is mandatory, real political involvement manifestly is not. Mandate or not, after the election the governing of El Salvador may revert to the relatively few who actually run the country — the military, the oligarchy and, in certain areas, the guerrillas.

No person can personify a country. That is particularly true where political involvement is limited to an obligatory trek to the polls. Duarte or no Duarte, El Salvador remains a desperately poor country where the disparities in wealth are extreme, where true power is possessed by a tiny elite — where a couple of hundred years of history has ignited a civil war.

Whatever his abilities, Duarte has yet to prove he can check the forces at work in his country. He was unable to do that when he was head of the civilian-military junta and there is no certainty he can do it now. The trial of five former national guardsmen for the murder of four American churchwomen came only after intense and persistent American pressure. When Duarte asks that American aid not be conditioned on improvement in the human-rights situation, he is saying, "trust me." But the issue is not his personal integrity or courage, but the reality of his country — its history, its economy, its sociology.

By and large, Washington wants to hear none of that. Having met Duarte, it was smitten, and he left town with his back sore from friendly slaps. Quite a guy, this Jose Napoleon Duarte — "impressive, courageous, an honest leader," congressional leaders said of him. Yes, quite a man. But only a man.

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Lower teen-age wage discriminatory

President Reagan's proposal for a subminimum teen wage is another action that shows the administration's substandard quality.

The bill was introduced in both houses of Congress by Republicans (who else?). In the Senate, it was Orrin Hatch and Charles Percy.

Liz Burden

In the House, it was Ron Packard and Steve Barlett. It is touted as a bill that would provide up to 400,000 new jobs for unemployed youth.

This is their cure for a 20 percent overall teen-age unemployment rate. The rate for black teen-agers is 50 percent.

If black teens were to get 200,000 of those jobs (half), their unemployment rate would go down to a mere 25 percent.

The Washington folks believe that this is a step in the right direction, and for them, it is. For the true effect of this bill will not be the one that they publicize — getting black youths jobs — but the one they desire — another racist policy that discriminates not only against black teens, but low- to middle-income black adults and some college students as well. For people of color, this proposal is just another step in the direction that the Reagan administration has always been leading us — backwards.

The proposal discriminates in these ways:

- Those few teens who did manage to find a job would be working for, after taxes and

transportation costs, only pennies an hour. Many of the business that would employ youths don't operate in the black community. Black teens would have to commute, the cost of which could equal a couple of hours wages per day after taxes. More than likely, employers would hire non-black teens that reside closer to the business, rather than others who have to travel a distance.

- Those teens who need jobs all year would take a pay cut each summer. Some teens need to work for more than extra spending cash.

- Students who are working, including college students under 20 years of age to save up tuition for college, will have less funds to spend on college. They will have less federal financial aid and will have to work longer to earn tuition money. This, of course, makes it harder for non-white students to attend college.

- Businesses may displace workers who earn minimum or a little above minimum wage and replace them with the low-cost workers Reagan would create. The Labor Department's statistics show that most of the workers earning the minimum wage (semi-skilled or unskilled) are non-white. A vast number of these are black female heads of households. If this is true, this group will suffer an increase in unemployment.

Reagan's own words best tell what he thinks: "...the cruel truth is, while everyone must be assured a fair wage, there's no compassion in mandating \$3.35 an hour for jobs that simply aren't worth that much in the marketplace."

This is a country that judges people's worth by their market value. Obviously, Reagan thinks black youth are not worth very much.