

Opinion

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Special census
a prudent move

WHEN DOES it pay to gamble upwards of \$100,000 in taxpayer money? When a return of more than \$400,000 is virtually assured.

That's a blue-chip investment by any Wall Street standard. Given this backdrop, the city council was justified in seeking a mid-decade census to more accurately reflect Farmington Hills' population. A gain of at least 9,000 residents is anticipated.

With a population increase of at least 15 percent since 1980, Farmington Hills would receive nearly \$500,000 more each year in state shared revenue through 1989.

Population affects how much money the city receives in state shared revenue for selected municipal projects and in state gas and weight tax revenue for general road work.

WITHOUT THE special census, federal and state grants and transfers would continue to be based on Farmington Hills' last decennial census in 1980.

A certified population increase also would increase the number of liquor licenses the city could award. All 41 of Farmington Hills' Class C (by the glass) liquor licenses already are awarded. That quota won't change until 1990 or a special census.

But make no mistake about it: Despite their value in luring higher-quality restaurants, additional liquor licenses alone are hardly justification for gambling thousands of dollars in taxpayer money.

The 1980 census shows 58,056 residents. A 15 percent increase would boost the number to 66,764.

City Manager William Costick — no reckless spender — is confident no less than 67,000 people now call Farmington Hills home. He's basing his projection on two reliable barometers — a strong



A view of 12 Mile, between Farmington and Haggerty roads.

local housing market and a conservative average in calculating people per household.

THE CITY manager's projection seems even more defensible when compared to the number of registered voters. It's hard to believe there could be less than 67,000 residents when more than 42,000 people are registered to vote.

Simply put, Farmington Hills stands to reap hundreds of thousands of extra dollars if it can certify an increase in population.

Sure there's a risk involved, especially when the \$100,000 earmarked for counting heads could just as easily help meet road or drainage needs.

But the virtual certainty of a substantial return makes a special mid-decade head count well worth the outlay. In this case, gambling seems to make perfect sense.

— Bob Sklar

It's hard to break
the spending habit

THE GREAT tragedy of the Nixon years, to my mind, was not that his administration was disrupted over a penny-ante burglary. It was that the scandal occurred at the time when he was starting to get a handle on one of America's most crucial problems, and Watergate diverted attention from it.

The problem is that we Americans have one of the lowest rates of personal saving in the industrialized world.

Savings lead to investments — factories, machines and stores. Not only do we do too little saving/investing (6 percent of annual incomes) for our own economic good. But we squander a lot of our banking resources on consumer credit rather than industrial investment.

It's one of many reasons the Japanese (whose personal savings rate is triple ours) are knocking us off in the international marketplace.

WHAT BROUGHT Nixon and Watergate to mind was not only Reagan's frigate problem but a speech by Professor F. Thomas Juster at the University of Michigan's recent Economic Outlook Conference.

Since Nixon left office 12 years ago, the federal government, particularly under Reagan, has tried to encourage more personal savings through lower tax rates, investment retirement accounts (IRAs), Keogh plans and a host of other devices. But Juster said none of these has made a dent in our (non)saving habits.

He suggests American workers be paid differently.

"In Japan, for example, workers get most of their annual income in monthly paychecks, but a large fraction of it also comes in a lump-sum bonus. The larger the annual bonus, the higher the annual savings rate."

Israelis treated reparations payments from Germany the same way, he said. "The larger the payment, the larger the



Tim Richard

fraction consumers saved."

JUSTER's suggestions: The feds could offer tax incentives to companies that paid workers part of their income in annual lump-sum profit-sharing plans.

His hunch is that "the larger the annual bonus, the higher the annual savings rate. It doesn't matter whether the bonus is expected or unexpected."

He recalled the installment credit controls of the late 1950s, which made it illegal to spread car payments over more than 12 months. If you wanted a car, you had to save for it.

IT'S FASHIONABLE, among both political parties, to knock federal deficit spending. But private debt can be bad.

New Deal economics encouraged federal deficits as a method of "pump priming" the economy. We tend to forget that the government systematically discouraged saving on the theory that it led to pools of unused money and insufficient demand.

Whether Juster's suggestion of shifting some wages into lump-sum bonuses would work I can't say. His timing couldn't be worse. Congress just did the most gigantic rewriting of the tax code in history with a view to simplifying the law, not cluttering it up with special provisions to implement social policy.

It has taken Americans 60 years to become a nation of non-savings spenders, both in private and public life. Juster seems to be saying that after six years of Reagan, we haven't broken the habit.



REMEMBER, ALL YOU ROWDIES, I'M STILL THE DRIVER.

Case for appointed judges



Bob Wisler

The almost continual debate over whether judges should be elected or appointed has intensified recently because of the election to the Wayne County Circuit Court of a woman attorney who received a law degree only a year ago and who has had almost no trial experience.

Even within the legal profession, there is a division about the wisdom of appointing judges with opponents claiming that too often the appointments go to those who are politically connected rather than outstanding attorneys.

Proponents say that politically connected attorneys are most of the time far better than some of the judges the public elects. They say that voters pay almost no attention to the qualifications of judicial candidates and tend to vote on the basis of recognizable names, or for the candidate who spends the most on advertising.

BUT THERE seems to be sentiment building up to get behind a move to appoint judges rather than having them elected. One of the strong reasons is the election of the inexperienced Kathleen Macdonald to the bench in Wayne County and the running in the same race of several other judicial candidates with little experience but recognizable names.

If the appointment process were to follow anything like the appointment

process involved in federal judicial appointments there certainly wouldn't be any doubt about the experience or qualifications of judges.

The last federal appointment in this area was of Wayne Circuit Judge Patrick Duggan of Livonia who was appointed to fill a vacancy on the U.S. District Court handling federal cases in southeastern Michigan.

Duggan originally applied for an opening on the federal bench at the suggestion of U.S. Rep. Carl Pursell, R-Plymouth Twp., who provided strong endorsement within the administration. Pursell also got U.S. Rep. William Broomfield to endorse Duggan's candidacy, which was a powerful boost since Broomfield is the senior Republican in Congress.

SO MUCH for the political connections. Now consider that before any appointment could be made, Duggan had to be investigated and selected by the Reagan administration. He was one of more than a dozen attorneys, all with long experience, who applied for the

federal bench in April 1985.

The U.S. Justice Department finally recommended three persons in September of 1985 following extensive investigations of all candidates. Duggan was not one of the three.

A year later, there were new openings and Duggan applied again. This led to a process that included investigations by the FBI, the American Bar Association, the Justice Department and a U.S. Senate committee on judicial appointments. He had to fill out documents which listed every place he ever worked, or lived, and had to list every asset he had.

Duggan was interviewed by 10 different assistant U.S. attorneys general, two of whom did nothing else but interview possible appointees about their legal acumen and ability.

The judge was also questioned by a panel of the American Bar Association, which made recommendations. All of this was weighed, calculated and evaluated and the Justice Department finally sent recommendations to the President's staff.

Compare this to how the public selects judges. Candidates for district, circuit, appeals or the supreme court in Michigan only have to be residents of Michigan and attorneys and if they campaign hard enough, or spend enough money advertising or have a good name, they meet the standards.

Managing the message



Rich Perlberg

one of his clients. But that's secondary. The company's name — Casey Communications Management, Inc. — shows you what the boss thinks is important.

The business is described by its own press release as a public relations/public affairs counseling firm and Casey boasts of having at least the second-highest dollar billings among Detroit-area PR firms.

But his definition of PR goes beyond the "glitzy, one-way" picture of special promotions and press agents.

"The real growth is in communication management," he says.

AND WHAT IS communication management? It's a broad canvas of ways to know your market, your business, your employees and your world. It includes research, polling, attitude surveys, communication with employees and training.

"The classic way" to do communication management is "to do your homework," says Casey. And businesses, he adds, would do well to take a few lessons from that expert communications manager, the politician.

The successful politician has a team that is both loyal and, just as important, aware of the team goal. "Everybody who works for the politician knows what the goal is and that goal is to get re-elected," says Casey. That's not a cynical view, he hastens to add, since a key ingredient to that process is staying in touch with the customer, who is the voter.

The politician who touches those bases, says Casey, can get away with a mistake now and then as long as he has established a good relationship with the voter and is willing to admit the error.

RONALD REAGAN has been a fine communicator in this sense, he agreed, but days after we talked the holes began appearing in the president's suit of Teflon.

More and more people are seemingly upset. Not, I suspect, because money is illegally shipped to rebel troops or even because arms were shipped to Iran, but because an administration not only doesn't seem to know what is going on but also doesn't seem willing to talk straight with the American public.

You get the impression that if Ronald Reagan, ax in hand, were confronted next to a fallen cherry tree, he would say: "I cannot tell a lie, father. Sam Donaldson did it."

For once Ronald Reagan has suffered a communications failure. Cool Hand Luke would understand.