

OBSERVATION POINT

Evidence Indicates 1973 Should Be Strong Economically In Suburbs

By Philip H. Power
Publisher

The news lately has been filled with ominous rumblings and grumbings about the state of our economy.

Last week, the dollar was devalued by 10%, the second such drop in the past 14 months. If you're a scotch drinker, your favorite brand will go up pretty soon, and if you had your heart set on that little foreign sports car, you'd better check your bank balance once again.

Then there is Phase III of the President's economic stabilization plan, coming just a few months ahead of the regular bargaining trauma between the auto industry and the United Auto Workers. Preliminary noises coming from the contestants seem to show that the union is going to concentrate on non-economic issues, while the auto companies see this year as a good one for a "non-inflationary, responsible settlement," which means an inexpensive one.

For the Detroit metropolitan area, the state of local business depends on the state of the auto industry, which in turn depends on the state of overall national economic policy and the worldwide state of the dollar.

Just what kind of a year can we look forward to here in the suburbs?

EVIDENCE is scanty, particularly with the auto talks looming in the future. But there are some bits and pieces which can help folks make an educated guess about what's going to happen.

By all standards, the auto industry had one whale of a year. Profits were at an all-time record level, sales were very strong last year and look very good for the rest of 1973. The jobbing shops in this area had, in general, a good year last year, and you don't hear of many people being laid off as we move toward summer model changeover time.

Oddly, the strong showing by the auto companies did not reflect itself in the unemployment figures, as it used to do regularly. Nationally, unemployment in January was 5%, but in Michigan it was 7% and in the metropolitan area it was 6.2%.

Clearly, we can no longer assume that just because auto sales are good, unemployment will be down, probably because the auto companies have discovered that it's cheaper to run significant amounts of overtime than to hire

new workers and pay the fringe benefit package for each new employee.

The unemployment problem, however, seems to be affecting us in the suburbs very little. Most suburban businessmen I talk to say they are starting to experience difficulty in hiring qualified help, particularly in the skilled trades, and this indicates to me that much of our 6.2% unemployment is concentrated in the black labor force in Detroit.

ANOTHER STRAW in the wind comes from the University of Michigan Survey of Consumer Attitudes, which comes out quarterly and is just about the best economic analysis of what the consumer feels is going to happen and thus the state of buying demand.

The most recent survey showed that consumer optimism failed to improve during the fourth quarter of 1972, slipping back a bit from the high levels of the first three quarters. An unusually high number of families (52%) reported they were making more money than a year ago.

Survey economists point out that it is not uncommon for consumer optimism to level off

after a strong recovery such as 1972's, but the data show confidence in the government's ability to control inflation weakened and many people said they were troubled by rising prices.

The survey suggests consumer attitudes will remain strong and generate high demand for goods and services through much of 1973, but that people's concern over rising prices and worry over the government's ability to control inflation might signal

problems for the last part of this year and 1974.

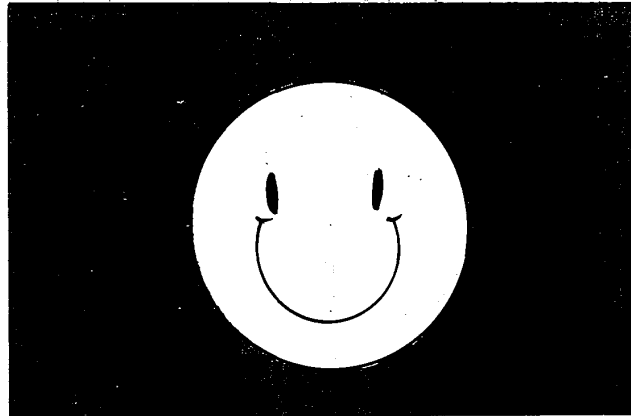
MY LAST PIECE of evidence comes from this newspaper's own classified want ad section, which I happen to think is a darned good economic indicator.

Three months before the 1970 recession hit, our want ad count went to pieces, and it remained soft until late in 1971, just before the 1972 recovery, when it took off.

Ad count and dollar volume remained strong in the section through much of last year, but took another big jump beginning last November.

Right now, we are running between 20% and 30% more ads in our classified section than we were at the same time a year ago, and I take that as solid evidence that 1973 - at least the first three quarters - should be a darned good year economically for the suburbs.

WANTED: CONSUMER OPTIMISM



Tim Richard writes

The 'Inferno' Game Brings Out Some Interesting Items

It happened, once. Everyone at the Observer Newspapers met deadline, and the conversation turned philosophical, specifically to the "Inferno" of Dante's "Divine Comedy."

"You can't discuss that," said a senior editor. "It isn't local." "Not local!?" said a chorus of voices. "What's more local than Hell?" And they made these additions to a sentence that began, "Hell would be:"

Being locked for a year in a roomful of hockey mothers. The reaction you'd get after speaking in favor of integration in Redford Township.

Being black and getting arrested in Farmington Township.

Being young and trying to buy a home in Lathrup Village.

Being Jewish and trying to buy a home in Lathrup Village.

Trying to take a stenographic transcript of a speech by Livonia school board member John Stymelski.

Being a conservative at the Orchard Ridge campus of Oakland Community College.

Circulating an anti-NAG petition in Garden City.

Trying to outlaw pickup trucks in Westland.

Being in Southfield and having no reading material except Norman Feder's proclamations, scrapbook and pictures of ribbon cuttings.

Trying to enforce personal morals in Plymouth.

Trying to make a living as an abortionist at St. Mary Club.

Starting a Democratic club in Lathrup Village.

Asking teachers to take a pay cut because class sizes are being reduced.

Trying to write a news story

about Schoolcraft College politics that pleases both Rosina Raymond and Mary Dumas.

Being city manager of Plymouth.

Trying to lock Brooks Patterson out of an X-rated movie in Oakland County.

Giving a chamber music recital in Canton Township.

Asking the Wood Creek Farms village council for regional shopping center zoning.

Applying for a job in any township hall purely on the basis of ability.

R. T. Thompson writes

Road Crews Deserve Pat On Back

After the unexpected return of winter last week, following a month of unseasonable weather in January, it's high time motorists in Observerland let the Wayne and Oakland County Road Commissions know how much

they appreciate the way the highways were cleared to traffic.

There was a time a few years back when a driver knew he was in for a rough time when a sleet or snowstorm hit during the early hours of the morning.

It seemed that Road Commission workers never got the message in time to start dumping salt and begin the task of clearing snow drifts with blade-equipped trucks. Either that or the ones in charge didn't have the crews out on overtime.

Whatever the reason we have made numerous trips in the past from Redford Township to Plymouth via Schoolcraft when it was slippery going from the moment one drove out of the driveway all the way to Plymouth.

It wasn't uncommon to see numerous cars in the ditch, some because of skidding accidents and others due to motorists just giving up and deciding to walk back home or to a nearby service station until the highway had been salted.

Much to our delight, we found the roads passable and in excellent condition for safe driving Thursday morning - the day it

Leonard Poger writes

Garden City Board Isn't Ducking Anti-Busing Issue

The fever in the cross-district busing dispute in suburbia is getting higher and before it goes down, someone will get hurt in more ways than one.

The latest turn of events is reminiscent of the Sen. Joe McCarthy period during the 1950s when persons were termed communists or communist sympathizers and were forced to prove they weren't - something impossible to do.

In the 1970s, in the busing

controversy, the latest switch is to term people or school boards pro-busing and try and let them prove otherwise.

TWO EXAMPLES of the new technique of trying to prove who is the most opposed to busing for purposes of racial integration were seen recently in the Garden City and Wayne-Westland school districts.

It probably won't be long before anti-busers in other suburbs catch on and try the same techniques - especially with candidates trying to get elected to local school boards this June.

In reviewing both instances in Garden City and Wayne-Westland, it was clear that everyone concerned was equally anti-busing (at least in principle if not in degree) but were split on how to best fight busing and achieve educational goals in which cross-district busing could be averted.

In Garden City, the school board itself was called pro-busing by a group of angry parents who felt it should have supported them in an unsuccessful student boycott of classes.

SCHOOL principals, acting on a 1½ year old administrative regulation, issued unexcused absences for those missing from school Jan. 29 and also gave failing marks for that day's assignments for those specifically absent as part of the boycott.

The Garden City school board, despite angry charges to the contrary, is just as opposed to busing as ever. In fact, its public record is an admirable one if you are on the same side of the issue.

An angry crowd of parents that night asked the board members to tell where they stood on the possible question of inter-district busing.

Each member maintained support of local schools for local students and opposed cross district busing.

It was probably the first suburban board to do so with such speed and positive manner.

SEVERAL months later, the board was the first (or least tied for first with the Wayne-Westland board) in suburbia to approve funds for an attorney to fight the busing case in Roth's court.

Garden City voters last June voted 29-1 on an advisory question opposing busing - the largest margin reported in suburbia.

There is no question the public and school board stand together on opposition to busing - angry shouts to the contrary.

In the Wayne-Westland district recently, school board member Ronald Scott was termed pro-busing by one of his colleagues in what could foreshadow the upcoming school board election where Scott is up for reelection.

SCOTT, who hasn't decided yet to run for another term, has said publicly over the past 1½ years that he is opposed to cross district busing.

Although he is the most liberal board member when it comes to social issues, Scott says he is opposed to busing and we'll take his word for it unless evidence is presented to show otherwise.

Recent events in suburban schools indicate the worst is yet to come.

As one school official said privately last week, "we'll have to wear our Ku Klux Klan sheets in public to prove our anti-busing position."

He wasn't smiling.

Editorial & Opinion

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