

points of view

If Engler's elected, tax abatements will end

LOOK FOR an end to property tax abatements for industrial moguls if Michigan elects John Engler governor.

Look for a de-emphasis of government-provided job training, replaced by a mandatory high school economics course heavy on business plan writing.

Under an Engler administration, look for repeal of the inheritance tax that's making capital and valuable consumers flee the state.

Expect repeal of the usury laws that forced Michigan's credit card business into South Dakota and Delaware.

As Gov. Jim Blanchard scurries to finish his "state of the state" address by Wednesday afternoon's deadline, Senate Majority Leader Engler beats him by six weeks, unveiling his economic plan for the 1990s last Nov. 30.

"Building Entrepreneurial Michigan," written by economic consultant Gene Heck, is certain to be Republican Engler's policy outline as he challenges Democrat Blanchard for the executive office.

LET'S GET it in context:

• Blanchard's philosophy is similar to Alexander Hamilton's. Washington's Treasury secretary used government as a tool to promote business and economic growth. Certain industries were targeted for help. Government provided credit.

• Engler's philosophy is closer to Adam Smith's. In "The Wealth of Nations," the Scottish philosopher said the free market was a better spur to production than "the folly and presumption" of a politician or governmental council.



Tim Richard

• A third philosophy holds that "corporation" is a dirty word. Industries are polluters and oppressors which the people, through government, must tax and regulate into social service.

(Happily, since Blanchard came on the scene, this business-bashing voice within the Democratic Party has been stifled — a matter in a few union halls and the People's Republic of Ann Arbor.)

THE ENGLER blueprint, today's topic, is a 430-page tome, much of it intricate detail. But the philosophy is clear.

Author Heck says the Blanchard administration conned us into believing we have a robust economic recovery by comparing the current jobs picture to the bottom of the recession, December of 1982. But when we compare the peak of the current boom to 1979, the peak of the previous boom, Michigan ranks 42nd among the states in non-agricultural job growth.

Politics aside, Heck is right about Blanchard's jobs numbers. Many of the jobs, jobs, jobs are rehires, not growth; some of the unemployment reduction was due to people moving out; and the group known variously as the "chronically jobless" or the

"underclass" has continued to swell in southeastern Michigan.

"THE NEW PHILOSOPHY of development," as Engler's writer phrases it, says:

• "Growth comes from within" — stimulating existing industries — not from the outside. Financial and tax incentives "to lure industries from other jurisdictions" are "irrelevant."

• Successful states create an attractive economic climate for all businesses "rather than wasting limited resources on costly efforts to attract a favored few."

• State government should be reduced in size and cost, thus holding down taxes and business costs.

THERE'S ROOM for lots and lots of debate about the details of the Engler plan, such as higher "service

fees" in local government. I leave the details for the months ahead and endorse nothing at this point.

But I am impressed at the attention former farm boy Engler gives to inner cities.

There is a Kemp-style plan for minimal taxes in "urban enterprise zones." There's a deal for firms that hire people off the welfare rolls. And it's a widely reported fact that Engler has spent time visiting soup kitchens.

It's no rich man's plan. It's a vision, somewhat different from Blanchard's, of how to bring prosperity to all classes and corners of the state.

Tim Richard directs the Suburban Communications Corp. News Service. SCC is the parent company of the Observer & Eccentric Newspapers.

'He was like Johnny Appleseed'

HE LIVED to see the '90s — but he already was anticipating the year 2000.

He had two new grandchildren within the past year — but he was encouraging his engaged granddaughter to give him a great-grandchild — "soon."

He built a successful Detroit, then national advertising agency, and then, in his 70s, was expanding the agency to another continent.

He stole the British Petroleum account away from the largest ad agency in the world — but he wanted to steal a car account away from companies he thought treated car advertising non-creatively.

"You should always have something to look forward to," he told me as a child.

And that's how he built his life.

Many people have honored my father, W.B. Doner, over the past week. They have told stories of how he demanded and inspired; how he set a tone for ethics and excellence; how he tempered it all with generosity and wit. Many of these people work for W.B. Doner & Co., but many no longer do.

"HE WAS like Johnny Appleseed."



Judith Doner Berne

said one of his friends, Charlotte Rosenthal of Southfield, "dropping creative seeds all over town."

Lawrence Kasdan, creator of the film "The Big Chill," "Carly" cartoonist Cathy Guisewite and comedian Thom Sharpe are three of the most prominent of these seeds.

But so is Jimmy August and Ron Stone of Stone August Baker Communications in Troy; Marcy Brogan of Brogan Rabot in Southfield; Bruce Broder, president of Bruce & Chato Inc. in Bloomfield Hills and creative people at advertising agencies throughout the country.

HIS STRENGTH, inspiration and wit were similarly felt by the seeds he created directly — his family.

He was never a fair-weather father, nor grandfather. He took on

your problems as well as your joys. He helped you analyze a situation, offering possibilities but allowing you to find your own solutions.

He also was not above getting a word in edgewise where he thought he could have some influence.

• Downtown Birmingham — where he lived — is wonderful, he would tell me. But he thought with innovative city planning, it could be even more charming. Couldn't I do something about it?

• I would get a call. "You split an infinitive in your editorial. I thought I taught you better," he would say in his joking style.

I'm sad for him and for myself that he wasn't here even longer than 75 years. But all his "seeds" know that he would have hated living anything less than vigorously. He was one of the very few who got nearly everything he wanted from life because of what he put into it.

He died on the first birthday of a grandchild he never expected to have. Even in death, he had us looking forward.

Judith Doner Berne is assistant managing editor of the Oakland County editions of the Observer & Eccentric Newspapers.

Shutdowns leave human impact

THE CHIEF executive of a baby food company was recently recruited to run one of America's largest soup companies.

Should he have recruited from the "soup industry"?

There's no such thing anymore. Today's big companies have totally unrelated product divisions; they simply hire the best marketing people who know product lines, and watch that bottom line. They keep them as long as they're profitable — that's what drives our system.

Just last week, I discovered that Whitman Corp. — the Chicago-based chocolate people who formerly owned Illinois Railroad — are the owners of Chesley Industries, the wire product manufacturer in Farmington. Chesley falls under the Whitman division of Hussmann Food Storage, based in St. Louis.

Confused? These mega-conglomerates are enough to make your head spin.

It's no wonder that Chesley Industries, a familiar family and company name to many long-time Farmington residents, will close in mid-February if a buyer for the business is not found. A similar plant in Brenham, Texas, was closed two years ago.

IN ST. LOUIS or Chicago or wherever else corporate headquarters may be, this plant on Farmington's south side is just a tiny mark some-



Casey Hans

Confused? These mega-conglomerates are enough to make your head spin.

where in the middle of a mega-sized profit and loss statement.

But take a peek inside the plant. Before the home office's announcement of doom in December, there were some 21 salaried employees and another 50 who assembled various wire products in a huge back plant. Today, that number has dwindled to half.

Mike Callahan, a general manager who was transferred into the area to run the Chesley plant in 1976, now considers southeast Michigan his home.

He said announcing the likely plant closing just before Christmas was a tough job. Even a few weeks later, he was noticeably moved by the very human impact.

CALLAHAN PROUDLY explained that Chesley employees had made some of their own equipment, which took wire assembly production time from minutes to seconds. He said a good number of the employees, many of them female, had devoted years of their life to Chesley — a family company taken over in the early 1970s by Hussmann. But they still used the Chesley name, which is widely known in wire products, Callahan said.

Callahan had suggested that the main office consider bringing a powder coating process in-house — something he believed would save the company enough money to keep the plant operating. Now, all the wire products are sent out of state for coating, then returned for shipping.

But it wasn't to be. With a glance at an earnings statement, and an order from above, the deed was done.

Another 70 employees may soon be dumped into an already soft labor economy in Detroit. It will impact not only the employees, but their lost wages, which represent income for others in the restaurant and retail area.

It's a loss that won't be felt in Chicago or St. Louis.

But we'll feel it here.

Casey Hans is a staff writer for the Farmington Observer.

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