

while Kenneth Frick, head of the Agricultural Stabilization and Conservation Service, was awarded \$39,111. His brother, Howard Frick, did even better; his welfare check was for \$55,000.

Representative Silvio O. Conte of Massachusetts, during the course of a speech he made in the House of Representatives, brought out the startling fact that among the "farmers" receiving subsidies were, "a bowling alley in Dallas, a municipal airport in Nebraska, oil companies, state universities, and even the Queen of England."

Anyone relying on food stamps to help pay that ever-soaring bill at the supermarket will read this statement with some bitterness. Now, especially, since the U.S. Senate has struck a heavy blow at the 20.7 million Americans who are dependent on food stamps. In April of 1980 the Senate proposed slashing the food stamp program by \$1.4 billion for the year 1981! And why? To help raise military spending another \$5.8 billion, over and above the \$150.5 billion Jimmy Carter suggested for the same year! The Reagan administration wants to cut over a billion more out of the food stamp program.

Welfare for Corporations

Big corporations also collect handouts in the form of loans. Penn Central nicked the taxpayers \$100 million. The Lockheed Corporation said it was so hard up it had to have \$250 million—and got it, fast. The Chrysler Corporation, one of the big three auto manufacturers, said it was going broke in 1979 and the government offered to guarantee a loan of \$1.5 *billion*. However, on February 14, 1980, the Army guaranteed to buy 7,000 XM-1 super-tanks at a cost of \$1.1 million each, which would net Chrysler close to a billion dollars. A few months later Chrysler cried broke again, and after laying off thousands of production workers, it laid off

6,900 white collar workers, too, with hints that it would run out of money by May or June and would then expect the government to keep its promise.

Handouts from Tax Loopholes

There's supposed to be a graduated income tax system in this country—the richer you are, the higher your tax rate. But in practice it's a very different story.

Representative Charles A. Vanik of Ohio releases an annual report on how many big corporations pay little or nothing to the federal government. In 1978, according to Vanik, 14 of the biggest corporations—which earned more than \$3.5 billion among them—paid not one cent in federal income taxes! They included: U.S. Steel Corp., Occidental Petroleum, Continental Group Inc., General Dynamics, Seaboard Coast Line Industries, American Electric Power, Southern California Edison, Middle South Utilities, J.P. Morgan & Co., Chemical New York Corp., Lockheed Corp., Boeing Co., American Airlines, and Eastern Airlines.

The ten largest banks in the country paid an average of only 6.3% in taxes on \$20 billion in income! What working person today gets away with paying 6.3% in federal tax?

U.S. companies operating in underdeveloped countries save 15 to 20 percent of the taxes they would have to pay if they were doing the same thing at home. Since they make super-profits because of much lower labor costs in many foreign countries—especially in all of Asia—you'd think that advantage would up their taxes (because it sure ups their profits) but instead it lowers them!

Since there are more than 4,000 American corporations with foreign holdings, it's anybody's guess how many billions are lost to the federal government by this tax handout.