

Robert Carson

Sunbelt booms as government gives North's taxes to South

The Southern economic resurgence, which *Business Week* whimsically calls "The New War Between the States," reflects important structural changes in the U.S. economy.

Until a few years ago, the Southern economy was primarily a supplier of raw materials for Northern industry and a consumer of its industrial products. The old South, and much of the Southwest, retained its traditional colonial relationship to the rest of the economy. Now the colony and the mother country have switched roles. Many industrial giants have moved or are about to move southward. The newest technology and capital-intensive production techniques are being introduced in the Sunbelt by G.F., G.M., Litton, Kellogg, Rockwell, Lockheed and others. Upstate New Yorkers are aware that G.F. is phasing out its Syracuse and Schenectady operations. Similarly IBM is scaling down at Binghamton, Kingston and Poughkeepsie in anticipation of further overseas moves and expansion in the South.

In the past, Northern capital moved South primarily to exploit labor advantages, transportation of raw material savings. To Southerners, this was simply a new form of carpetbagging since the financial and corporate decision-making power remained in New York or Chicago skyscrapers. As monopoly capital has been moving management and research operations nearer the growing Southern market this too is changing. Capital may indeed be carpetbagging again but this time with more than toothbrush and change of socks.

	Spending/Person	Taxes/Person	Spending Tax Ratio	Dollar Flow
New England	\$ 1,470	\$ 1,533	.96	\$ -702
Mid Atlantic	1,325	1,594	.83	-10,013
Great Lakes	1,064	1,518	.70	-18,618
Great Plains	1,287	1,375	.94	-1,456
South Atlantic	1,459	1,303	1.12	+4,986
South Central	1,327	1,137	1.17	+6,536
Mountain*	1,712	1,431	1.20	+3,631
Pacific	1,745	1,497	1.17	+7,008
Dist. of Columbia	13,957	1,820	7.67	+8,690
USA—Total	1,412	1,412	1.00	0

*Half of this dollar flow is provided by two southwest sunbelt states included in the Mountain category: Arizona and New Mexico. Source: National Journal, June 26, 1976.

The evidence speaks for itself.

The South is now a vibrant and growing industrial region. In the eleven ex-confederate states, with about 25 percent of the national population, the dreary agricultural past has been swept aside. The region now has more than an equal share of American manufacturing establishments, employment and value added. Since 1939 the South's industrial growth has been about twice the national average. In the past 15 years manufacturing employment has grown 43.3 percent in the Southeast and 67.3 percent in the Southwest, while it has grown only 17.8 percent in the Pacific states, 13.7 percent in the Mid-Atlantic states, 9.0 percent in New England and 3.2 percent in the Great Lakes region.

The growth of Southern agriculture has been even more startling. Always the backbone of Southern economy, farming

has become modern and capital intensive. Between 1940 and 1970 rural depopulation proceeded at a 25 percent faster rate in the South than in the nation as a whole. Yet the value of produce grew 20 percent faster than the national average. By 1973, with the mechanization of crop production and the introduction of important new crops, like soy beans, and of commercial vegetable and fruit farming, the old confederacy accounted for one-quarter of total dollar output in farm goods.

The basis of the boom.

The Southern boom has been explained in terms of the cheap non-union Southern labor force and industry's flight from high northern state and local taxes. But to these we must add three other important developments.

First, the growth of a Southern market invites industrial relocation. Between 1960 and 1970 Southern population has grown twice as fast as that of the North and Midwest. And since 1970, the two older industrial centers have lost over 2.5 million people. All Sunbelt states, except Louisiana, had net migration gains, and almost all had population increased of more than twice the national average of 4.8 percent between 1970 and 1975. Furthermore, as we pointed out in the previous article (*ITT*, April 27), Southern personal income, though still behind the North, grew substantially (by 1975 Georgians averaged more than Vermonters and Texans equaled Indianans).

Second, more than half the nation's leading energy producing states are in the sunbelt. Southern costs per BTU are only 27 percent of those in New England. Moreover, sunbelt climate demands less energy.

Third, and probably more important, the Sunbelt economy is subsidized through discriminatory federal taxing, transferring and spending. The government takes from the declining industrial areas and promotes growth in the growing sunbelt. As the table shows, the Northeast and Midwest lose about \$28 billion per year in tax money not returned, while the Sunbelt gains about \$20 billion because of greater federal spending than taxation.

Higher federal taxes in the North and Midwest reflects the higher incomes of these regions. Higher spending per capita in the South and West reflects greater federal defense and space expenditures, public work outlays and welfare transfers.

North & Midwest carry the burden.

This siphoning off Northern and Midwestern income, which is heaped on top of a crushing state and local tax burden running at between 50 and 75 percent higher than those in the sunbelt, is astounding in certain states. Illinois, for instance, lost \$5.3 billion. Ohio, Michigan and New Jersey lose between \$4.5 and 4.7 billion each. New York, Pennsylvania and Indiana lose \$3.4, \$2.2 and \$2.0 billion respectively. Such regional fiscal theft can only cause greater decay in the old Northeastern and Midwestern industrial areas. There is simply no way these areas can recover from annual losses of about \$30 billion.



Implications to the left.

This new North/South conflict poses important theoretical and organizational problems for the American left. The uneven economic development North and South must be seen as producing very different working-class consciousness in the two areas. Substantial worker opposition to what is often seen as "Northern unionism" should not quickly be dismissed. As the J.P. Stevens organizational struggle indicates, even without company threats and prompting, many southern workers are unimpressed by the AFL-CIO. The corporations are quite correct in assuming that southern workers are often anti-union and at best only moderately militant in pressing demands at present. Support for "right to work laws" which are on the books in 11 of 14 sunbelt states, are not merely corporate creations. At the grass roots level many Southern communities here augmented "right to work" with requirements for union organizers' registration and payment of high license fees. Quite simply, large numbers of southern workers fear the possible job loss of unionism and others simply oppose it philosophically and ideologically. Unions, more than industry, are often seen as the new carpetbaggers.

The need for a new strategy.

Uneven development produces distinctly different regional interests. I can think of no reason to believe that the citizens of Durham will "naturally" be identical political interests with the citizenry of Gary. A democratic socialism that fails to comprehend this regional disparity must finally be utopian in believing that all the people have the same understanding of industrialism in general and capitalism in particular. Ironically, Carter and the corporate liberals recognize the unevenness of economic development within the U.S.—as Carter's energy "bones" thrown to the Northeast indicates.

The socialist critique of advanced monopoly capitalism will not presently succeed if it is based on exclusively northern industrial experience. There is a need to develop a Southern analysis and strategy and to integrate this into socialist politics. Otherwise we have little to say to a very large part of the population and to the most significant portion of the country. More important, the North/South division of the working class will be (in fact is) exploited politically to divide workers against workers. As the energy program and the present pattern of government spending indicate, the basic regional economic division should be expected to sharpen. The left must consider the political consequences.

Robert Carson teaches economics at State University College, Oneonta, NY, and is author of *Main Line to Oblivion: the Disintegration of New York Railroads in the 20th Century*.

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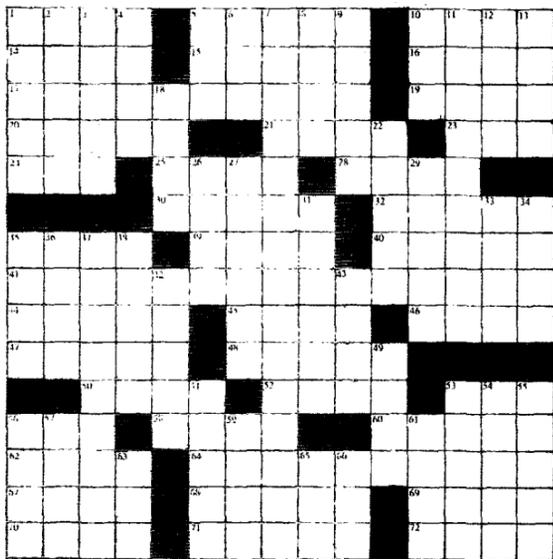
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- 8 _____ much as
- 9 State flower of N.H.
- 10 Japanese sash
- 11 Kreps of Commerce
- 12 Suffix for cyclo
- 13 Sicilian volcano
- 18 Scottish seaport, et al.
- 22 Strictness
- 26 Part of a donkey's leg
- 27 Archimedes' cry
- 29 Some are transitive
- 31 Description of Sprat or Cassius?
- 33 Japanese leader and family
- 34 Oral
- 35 Bathsheba's husband
- 36 Ballad
- 37 Michael's specialty
- 38 Are sometimes gray, sometimes blue
- 42 Another's (with someone)
- 43 City in Oklahoma
- 49 The Big Apple, et al.: Abbr.
- 51 Summary
- 53 Legendary Greek poet
- 54 Defense
- 55 Boxer Billy and Family
- 56 Suffix for theor or civil
- 57 British TV or radio, et al.
- 59 Site of napoleonic victory
- 61 This, in Malaga
- 63 Tapuyan Indian
- 65 Madam in Paris: Abbr.
- 66 Long or Fire: Abbr.

- Across:**
- 1 Sergeants
 - 5 Interior
 - 10 Host in Milano
 - 14 Air industry group
 - 15 Middle Easterner
 - 16 Management & Budget
 - 17 Organized by member of 41 Across
 - 19 Image
 - 20 Movie or millionaire
 - 21 Russian leader
 - 23 Biochemical product
 - 24 Dated: Abbr.
 - 25 Korean dictator
 - 28 Onionlike plant
 - 30 Whiskey drink
 - 32 Understand
 - 34 "Sweet words _____ of..."
 - 37 _____'s
 - 40 Declam
 - 41 Powerful by my _____
 - 44 Boiled _____
 - 45 Intense
 - 46 Method: Abbr.
 - 47 Catholic child martyr
- Down:**
- 48 Once more
 - 50 Dare, in Montmartre
 - 52 Devine
 - 53 Television letters
 - 56 Giant corporation
 - 58 Hard or soft
 - 60 _____ Gordo or _____ de Pasco
 - 62 National Security _____ friends?
 - 64 See 17 Across
 - 67 _____ Homo
 - 68 Transportation
 - 69 House or crier
 - 70 Academic degree: Abbr.
 - 71 _____ physician
 - 72 _____, et al.

Solution to last week's puzzle:



LIFE IN THE U.S.

The tangled web of child pornography

Child pornography has become this spring's special kick for enterprising journalists and grandstanding politicians.

Distasteful as sexual exploitation of children is, the thriving business of exposes and legislative inquiries is often as twisted as the lurid subject itself.

The assault on child pornography, touching only peripherally on the much larger problem of child abuse, is part of a conservative rebuke of what is misleadingly labeled a "permissive society." It appears to be an opening wedge in a general reaction in some quarters against pornographic materials, legal rights of homosexuals, changing patterns of adolescent sexuality, psychoactive drug use and even changing sex roles and family relationships.

When the current outcry dies down there will be a few new laws carrying harsher sentences, some headlines for politicians and media figures, prizes for crusading journalists, and a flurry of arrests and prosecutions. The offending photographs showing young people in sexually provocative poses will be available only through more clandestine channels. But there won't be much new to help today's kids grow up happier, healthier and more fulfilled.

The newspaper stories in hundreds of papers, the CBS report on *Sixty Minutes*, and the hearings before committees of the House and Senate as well as several local and state government bodies have covered everything from little children posing in erotic magazines like *Lolliots* to teenage prostitution, from organized and commercialized pederasty pitched to the "chicken hawks" to rising pregnancy and sexual activity among teenagers just past puberty.

As the floodlights beam on this demimonde, the peculiar focus taken tells as much about the men behind the light as about the part of the sexual sideshow illuminated.

Why the outrage?

Why are so many people so outraged by these revelations? Although a lot of obvious answers pop quickly to mind, it's worth remembering some facts that put these events in perspective. At least since Freud and Kinsey, our society has been reminded that children have sexual feelings and needs. We've also known that children develop sexually according to widely varying personal calendars, so that some 13-year-olds are more mature than some 20-year-olds.

Since time immemorial adults in many cultures have had sex with younger people of their own or the opposite sex. In a few societies it has been an approved, even prominent form of sexual relationship. Even in those societies where pedophilia, or the sexual love of children, has been severely frowned on, the practice has existed. The pornographic archives of the Institute for Sex Research in Bloomington, Ind., show erotic pictures of children that date from the earliest days of photography. Sexually explicit photos of nude children were a common stock in trade among photographers, and such people as Lewis Carroll, author of *Wonderland*, collected pictures of young girls with a barely draped interest.

Sex with children

But Americans are generally revolted by the notion that children are expected to protect and care for adults, would have sexual relationships with older people. Even the most liberal views of what consenting adults should be able to do among themselves do not include the inequality of power between adults and children. The law should rule that children should not be in sexual relationships. The law comes from

Since time immemorial adults in many cultures have had sex with younger people of their own or the opposite sex. In a few societies it has been approved. But even where it has not, it has existed.

the two parties being in such an unequal position," Dr. Anne Seiden, research director at the Institute for Juvenile Research, said. "There were times in the past when marriages between a 13-year-old girl and a 32-year-old man would have been quite normal, but the families were involved to prevent gross exploitation, and marriages were not so egalitarian as we think they should be now.

"The question that deserves confrontation is how come so many men are unwilling to pick on someone their own size? So the 60-year-old who is interested only in a 30-year-old woman deserves to be asked that, too. Many men are uncomfortable dealing with women of their own maturity. There is a discomfort with sexual maturity. People feel sex is bad, sexual maturity is bad, and children are innocent. The idealization of supposed sexual innocence of children sets up a belief that sex itself is bad."

Seiden thinks that our society would be sexually healthier if adults looked on children's diverse sex play as cute and natural, not shameful, permitting both adult curiosity and childhood experimentation in a setting that does not abuse the children.

Harold S. Kant, a lawyer trained in clinical psychology and author of books and technical papers on pornography and sexual deviance, also believes that "the one common thread of male and female pedophilia is a general difficulty in dealing with peers, and inadequacy of the personality." Kant, who thinks that there has been an upsurge in production of child pornography in the past few years, believes it is possible that kid porn

may actually help the potential child molester to control his impulses and direct his fantasies to the pictures. In Denmark, child molestation dropped dramatically in the years after pornography restrictions were liberalized.

Child abuse.

Child abuse, of course, is something much different from and much more widespread than child pornography. Although the recent publicity, especially a sensationalist series in the *Chicago Tribune*, has focused on abuse of young boys by adult homosexuals, "the usual situation of sexual abuse of a child is abuse of a female child by a heterosexual male relative, who is either father, stepfather, foster father or another male member of the family," Dr. Seiden said.

Gay rights groups and civil libertarians, already alarmed at the Anita Bryant crusade in Florida and the defeat of several bills guaranteeing employment and other rights to homosexuals, see the twisted misrepresentations of the crusade against child pornography as an effort to stigmatize all homosexuals as child molesters, pursuing boys on their way home from school.

There are other serious distortions in the current child pornography campaign that lead to misunderstanding of the issues. Although the investigations and headlines talk about children in pornography, by far the vast majority of instances involve young adolescents. Much of the public may not want to recognize that growing percentages of 14- and 15-year old girls and boys are having sexual relations, but it does raise doubts

about whether they are best described as "children." Five or six year olds are a wholly different story.

Neglect of children.

The lurid stories also give the impression that model children from tree-shrouded homes are tricked and seduced into child pornography or prostitution. Yet nearly everyone, from policemen to pornographers, agrees that virtually all the children involved come from homes where they have received little care and attention. "Some of these kids have been so neglected," psychiatrist Seiden says, "that they are pathetically grateful for some kind of attention. It's like the relation of prostitute and pimp. The most serious abuse of the child was the original neglect that made the kid so lonely, and that is what the kids are saying when they don't complain about their treatment at the hands of adult photographers and sex partners."

Outraged observers also casually lump together pornography, prostitution, sexual abuse, pederasty and sexual permissiveness, despite the important differences—especially from the vantage of the law. For example, most knowledgeable students, including the President's Commission on Obscenity and Pornography report in 1971, conclude that pornography does not cause sexual abuse or prostitution.

Apparently a great many young prostitutes—male or female—are runaways, largely from unstable poor or working-class families. If they weren't in pornography and prostitution, many would be involved in other forms of delinquency. The alternative for the 15-year-old boy standing outside the Yankee Doodle fast food shop on Clark and Diversey in Chicago, waiting for an older man in a Cadillac to pick him up and pay \$25 a trick, is not majoring in chemistry at the Latin School. At best it's working for \$1.25 an hour as a busboy at the Yankee Doodle.

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Everyone wants into the act

By David Moberg
Staff Writer

The klieg lights were set up, the cameras readied. The Senators' name plates were in place. The pack of journalists, two-thirds of the audience in the small, sterile room of the Klczynski federal office building in Chicago, were ceremoniously penned off behind ropes. Security was tight.

The Senate Subcommittee to Investigate Juvenile Delinquency was about to begin its first public hearing into "the sexual exploitation of children." It would be primarily a replay of tales about children in pornographic photos that had already been splashed through newspapers and TV, and the non-journalists present, mainly politicians, were tuned to easy publicity like a magnet toward the north pole.

A committee staff aide hurried over to Chicago Ald. Burke, apologizing that the committee wanted to get the hearing over with quickly. Consequently Burke wouldn't be able to testify. The ambitious young machine alderman had already staged city Council hearings on child pornography. He had wanted to invite as a witness Anita Bryant, the anti-homosexual voice peddler, who is not publicly known to have much knowledge of child pornography. "Thanks for your help," he whispered to Burke. "We men..." In the opening statement,

Burke smiled.

The opening Senatorial statements ranged from high-minded remarks by Sen. John Culver (D-Iowa) on the problem of runaways to Sen. Malcolm Wallop's (R-Wyo.) denunciation of "courts ever too lenient, ever too ready to grant the shield of the Constitution," as if the Constitution were something to be abandoned when expedient. Acting Mayor Michael Bilandic, granted the honor as lead-off witness, refused to admit that Chicago was a production center of child pornography ("we're just the victims of it"), then blamed the city's flourishing kid porn trade on the Illinois Supreme Court's decision 18 months earlier that the state anti-obscenity law was not valid.

Less profitable than oil.

When police Sgt. Ronald Kelly took the stand, the Senators showed intense curiosity about the prices of kiddie porn movies and pictures and the cost of production. Told that the markup was roughly 500 percent, something short of the margin on Arabian oil, the Committee was shocked.

Then came "Marty," or rather the piped-in voice of "Marty," a pseudonymous 17-year-old who worked as a prostitute and erotic movie model. In a sluggish, matter-of-fact fashion, he told about picking up tricks by standing around the Yankee Doodle restaurant in the "New

Town" entertainment area at nights, then spending his money on drugs and clothes or giving it to his mother. "I got into it 'cause it's an easy way of making money while I'm young," he explained. "It's easier than working." Chicago politicians should have understood that.

Marty declined the Committee's offers of counseling but seemed to please Sen. Wallop, who asked if he had any "desire directed towards girls." "I usually mess around with the women as much as possible," Marty replied.

The star of the show turned out to be a chubby, ruddy-faced, white-haired pornographer with the improbable name of Guy Strait. Now serving time for having sex with a minor, Strait implied that the market in child pornography was less than the tens of thousands of customers often cited. There had been no more than 1,200 people on his mailing list for a catalog of the hardest core pornographic films, which could only be obtained by sending \$1 and swearing that the recipient was "not a police officer or member of the Communist Party."

Models no problem.

Strait said that finding models for the films was "the smallest problem. The Committee might be disturbed to find out there's a multitude of people willing

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