



What's Behind Nixon's Budget?

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PRESIDENT NIXON'S new budget takes the breath away. It moves to impose on our whole society his belief in the work ethic.

It would make prosperity still sweeter for those of us who are already doing well. It would throw those who are not doing so well, except for the aged poor, even more on their own resources. In the process it would undo most of the social legislation passed by Presidents from Franklin Roosevelt through Lyndon Johnson, not excluding Dwight Eisenhower.

Probably the best measure of the social impact of the budget is taxes. In a radio message on the budget, Mr. Nixon said that he had kept "a tight lid on spending" chiefly in order to "not propose any new tax increases."

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BUT THE present tax schedule is very favorable to those of us who do well. It incorporates cuts made in 1969 and 1971 in the income and corporate taxes which are progressive. It also incorporates rises in the last three years in the payroll tax, which is basically a tax on workers.

According to one projection in the budget, the recent tax changes mean a decrease of \$25 billion in income and corporate tax over the years 1969 - 1974, and an increase of \$20 billion in payroll taxes. So to keep the present tax schedule is a dandy way to make the burden of government fall chiefly on ordinary wage-earners.

A second good measure of the budget is what happens to the programs enacted, chiefly by Lyndon Johnson, for the rural and urban poor. Some 70 programs that

mandate aid in a categorical fashion are to be terminated, with the funds going into a special revenue - sharing account leaving disposition of the money up to state and local governments.

Among the categorical grant programs to be terminated are many that were targeted especially on poor people. Among them are the programs for model cities, community action, neighborhood youth corps, disadvantaged children, vocational education and library resources.

The administration claims that the same money can be used to the same purpose, only more efficaciously, by the states and localities when they get it in the form of special revenue - sharing. Maybe so. But at the very least, moneys previously mandated for the poor will be made subject to a new process of pulling and hauling at the state, suburban and city level.

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MUCH OF THE basic thrust of Mr. Nixon's new budget seems right — at least to me. Keeping a lid on expenses makes sense. Many federal programs have become too complicated, and decentralization is in order. But it should be possible to have a tight budget and pass out authority without also helping the haves at the expense of the have-nots.

It would be possible if the Congress adopted a comprehensive budget procedure. Under such a procedure, a ceiling would be set early in the session by the Congress; appropriations would be linked to that ceiling; at the end of the session, Congress would either trim appropriations to meet the ceiling or vote new taxes.