

OPINION USA

Rein in affirmative action

Clinton's vow to review programs rings hollow. He's biggest bean counter of all.

BETHESDA, Md. — Like police Capt. Louis Renault in the movie *Casablanca*, who "discovers" Rick has been running a gambling joint in the back room of his bar and then pockets his own winnings, President Clinton must be shocked to learn how rampant affirmative action is throughout his federal bureaucracy.

Last Friday, after Republicans released a Congressional Research Service study citing more than 160 federally mandated minority and female preference programs, Clinton said he would initiate a review of all affirmative action.



COUNTERPOINTS
By Linda Chavez

declared: "It is time to look at all these programs ... and ask ourselves: Do they work? Are they fair? Do they achieve the desired objectives?"

The president could begin with a cold, hard look at the 19 separate regulations that benefit "economically disadvantaged" bankers — an oxymoron if there ever was one. Most people wouldn't consider anyone rich enough to own a bank qualified for preference under programs ostensibly aimed at disadvantaged persons.

But the federal government isn't like most people — and it doesn't define disadvantaged persons the same way you or I would, either.

According to the Code of Federal Regulations: "Individuals who certify that they are members of named groups (Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Sub-continental-Asian Americans) are to be considered socially and economically disadvantaged."

Under some programs, women "shall be presumed to be socially and economically disadvantaged individuals," too.

So, by definition, if you're a woman or black, Hispanic, Asian or American Indian, you're economically disadvantaged even if you own a bank — in fact, especially if you own a bank. And the government



By Marcia Staimer, USA TODAY

can "encourage" its contractors and grantees to deposit their money with you as part of its affirmative action program.

But affirmative action for millionaires doesn't stop with minority and female bankers.

Federal regulations that govern the communications industry are filled with such preferences. Wealthy minorities can buy broadcast licenses from existing license holders in so-called "distress sales" for up to 75% of fair market value, while others can't even compete.

The Federal Communications Commission also exempts "minority-controlled broadcast facilities" from rules restricting multiple ownership of such facilities. And the FCC "awards a quality enhancement credit for minority ownership and participation in station management in the comparative licensing process."

This provision helps create minority millionaires by giving them bidding preferences for licenses.

In one famous case, then-mayor of Charlotte, N.C., Harvey Gantt, who is black, and his partners made a \$3 million profit by obtaining a license for a TV station under the minority-preference bidding process and then selling it four months later to whites.

The biggest boons to minority and female-owned businesses, however, are the various set-aside programs for government contractors and subcontractors. Federal regulations mention literally dozens of specific requirements that both government agencies and federal contractors must follow.

The rules affect everything from "sur-

face transportation," which requires that 10% of federal monies go to minority and female contractors, to the space program, which requires that 8% of the total value of NASA contracts go to such firms.

The precision of the government's bean counters goes from the ridiculous to the sublime.

The office that enforces affirmative action for all federal contractors, for example, has set a hiring goal for women in construction jobs of 6.9%, while the Department of Housing and Urban Development wants its contractors to include "Hasidic Jewish Americans."

Clinton's promise to review such nonsense might be more believable, however, if he weren't the biggest bean counter of them all.

Who was it, after all, who decided the most important qualification for his attorney general must be her gender?

If Clinton were really anxious to wipe out racial preferences, he could have directed his Justice Department to uphold colorblind principles in two cases now before the Supreme Court.

Instead, the Clinton administration argued for racial preferences — set by New Jersey's Piscataway School District in the first case, and by the Department of Transportation in the second.

So much for a real review of affirmative action.

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