

Inflation slows... Wholesale price hike encouraging

WASHINGTON (AP) — Wholesale prices in September advanced at the slowest rate in 11 months, providing the Ford administration with its best economic news since taking office.

The government's Wholesale Price Index, reported Thursday by the Labor Department, rose an adjusted one-tenth of a per cent last

month. In absolute terms, without adjustment for seasonal influences, the index actually declined one-tenth of a per cent.

While the report was encouraging, consumers can expect sharp increases in the cost of living over the next few months as a result of the near record July-August wholesale price hikes which have yet to work

their way into retail.

The latest wholesale price report also could prove to be a one-month aberration since poor weather has hurt fall grain harvests, which could send farm prices climbing.

Farm prices, after substantial increases of about 7 per cent in each of the last two months, dropped 2.8 per cent in September, and processed

foods and feeds declined 1.5 per cent.

Combined, the agricultural category fell an adjusted 1.9 per cent at a level 8.8 per cent below a year ago.

The rise in industrial prices, regarded as a more sensitive barometer of inflationary trends, slowed to 1 per cent last month. It was the

smallest increase in such prices since last October's rise of eight-tenths of a per cent.

Higher prices for machinery, chemicals, metals, furniture and household durables accounted for much of the rise in industrial commodities. Declines for livestock, grains, oilseeds and manufactured animal feeds were responsible for

the drop in agriculture prices.

The government's Wholesale Price Index stood at 167.2 in September, or 19.7 per cent higher than a year ago. Translated into dollars, that meant it cost \$167.20 to buy at wholesale goods that cost \$100 in 1967.

Over the past three months, wholesale prices have risen at an adjusted annual rate of 35.2 per cent.

Consumer foods — those ready for sale on supermarket shelves — declined three-tenths of a per cent in September, with beef and veal accounting for most of the decline.

cent over the month to a level 117.6 per cent above last September's figure.

Automobile prices increased last month instead of declining as usual in September, while prices for gasoline, shoes, clothing and beverages also increased. As a result, consumer nonfood finished goods were up 1.2 per cent over the month.

Lumber and wood products declined for the fifth consecutive month, a reflection in part of the sluggish economy which has depressed the construction industry.

The one-tenth of a per cent rise in over-all wholesale prices was the smallest increase since prices declined one-tenth of a per cent last October. Wholesale prices rose 3.7 per cent in July and 3.9 per cent in August.

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Marketing professor says grain dealing by Ford timed badly

By CINDY TABER
Staff Writer

President Gerald Ford's request to cancel contracts with the Soviet Union for the sale of 3.4 million tons of corn and wheat was ill-timed, a TAMU grain marketing specialist told "The Battalion" Thursday.

Roland D. Smith of the Texas Agricultural Extension Service said because a major portion of grain and corn is still in the field, "we don't know how much we'll end up with at harvest time." The contracts were canceled before grain exporters knew how much the U.S. could afford to export, said Smith.

Continental Grain Co. and Cook Industries, Inc., the two American companies making grain deals with the Soviets, canceled their contracts Saturday. Smith said, "I would like to have seen them wait to export only a portion of the contracted grain until we had seen what type of situation we were in." This could be done, Smith said, because there was no time limit on meeting the contracted grain specifications.

Smith said, however, it was essential to slow down wheat exportation until wheat availability could be predicted.

"I believe the major reason for President Ford's decision to halt the contracts was that Agriculture Secretary Earl L. Butz had asked the wheat dealers to wait on making the contracts and they didn't," Smith said.

Smith added that Ford probably requested to halt the grain ship-

Tomorrow marks Ag dedication

Groundbreaking ceremonies for Texas A&M University's proposed West Campus agricultural complex have been moved to 9 a.m. Saturday, Oct. 12 as Agriculture Day is observed by the university.

The ceremonies marking the official start of the West Campus development were set originally for 11 a.m., but were changed to 9 a.m. when the starting time for the Texas A&M-Texas Tech football game was set for 12 noon.

Agricultural displays will be open to the public through the morning at the J. Earl Rudder Center and the West Campus site.

ments because he knew a majority of the American people were displeased with the 1972 wheat deal. Ford also knew the market would overreact and food prices would increase if the contracts were completed, Smith said.

"I think what Ford is trying to do is keep the export doors open to regular grain purchasers, like Japan and West Germany. Russia is not a regular customer and shouldn't get the same treatment," Smith said.

What worries Smith the most, he said, is the psychological aspect of the proposed export control plan. Under this plan export orders of 50,000 metric tons of grain or more in any one day to a single country will require prior government clearance. A firm could be denied the right to make that export if it hurts the current American grain market.

"I think we should allow the market to work," he said. Smith said if

high grain prices continue, the incentive will be there for farmers to plant. "This will get the supply up and will lower prices."

"I anticipate that from now until 1975 we'll have to live with this 'prior clearance' system. Hopefully by 1975 we can go back to the export reporting system we were under prior to the past weekend," Smith said.

Since grain prices depend heavily on the export market, Smith said, the price situation for grain producers would be better if the grain shipments hadn't been postponed. Prices, however, which dropped sharply immediately after the grain embargo announcement, advanced Tuesday and Wednesday to the level prior to the announcement.

Concerning a solution for the grain shortage problem, Dr. Donald E. Farris, professor and leader of research in the department of Agricultural Economics, said, "We'll just have to wait until next year." He said the grain situation will begin getting back to normal, provided there is not widespread drought.

Collision injures student

A two-car collision near Caldwell Thursday morning killed three persons and sent a TAMU student and a Caldwell man to Scott & White Hospital in Temple.

James Douglas Klotz, 19, of Taylor, a freshman chemical engineering student, was in serious condition in the intensive care unit Thursday night, said a hospital spokesman. He was admitted with critical head, neck and internal injuries.

Jimmy Broadus, 38, of Caldwell, remained in serious condition Thursday evening.

Killed were Charles Edward Telg, 36, Ernest Moravec, 45, and Warren H. Ginzler, 47, all Caldwell residents.

Department of Public Safety investigators said the crash occurred about 7 miles north of Caldwell on Highway 36 at 6:45 a.m.

Farmers ask aid

Briscoe attempts to stop slaughter

HOUSTON (AP) — Central Texas dairymen asked Gov. Dolph Briscoe for assistance Thursday in stopping next Wednesday's scheduled slaughter of hundreds of calves as a protest against economic conditions.

"We told the governor we will have to have action by Monday or Tuesday or it will be too late," said James Traweck, president of the Crosstimbers Beef and Dairy Association of Stephenville.

Briscoe said he immediately telephoned U. S. Rep. W. R. Poage, D-Tex., chairman of the House Agriculture Committee.

"Congressman Poage will see Secretary of Agriculture Earl Butz on Friday and request that a top official from the department come to Texas and meet with dairy and beef producers late this week or early next week," Briscoe said.

"I think it would be a very bad mistake to kill the cattle and waste the meat, and I told the dairymen so."



SHOOTING HALFTIME entertainment must be done by a special crew from ABC days before Saturday's game. Luke Pearyman and Gary Pickle take pictures for the program from a 1942 A&M yearbook. (Photo by David Kimmel)

The calf slaughter originally was scheduled Oct. 2 but Texas Agriculture Commissioner John C. White negotiated a two-week moratorium with the 400 dairymen and ranchers.

In addition to Briscoe, Traweck and White, those participating in Thursday's conference were Jack Reyer, Stephenville dairyman on whose range some 800 calves, many of them dairy bulls are scheduled to be shot and buried, Bill Irwin, president of the Stephenville Production Credit Corp. and Joe Gore, Comanche dairyman.

"We don't want to kill but we had to take a dramatic action to get attention," Traweck said.

"Hopefully we can get someone to Stephenville to convince the producers this is not the right approach."

"If something positive doesn't happen, I don't think I can get the slaughter stopped," he added. "And other states such as Oklahoma, Missouri, Colorado and Wisconsin, are

our hand, the government will lose some chips and we will too."

Traweck said he has opposed the slaughter from the start.

"My idea at first was to have dramatized the situation by taking a bunch of calves to Houston, Dallas, or Fort Worth and just turn them loose," he said.

White said he arranged the meet-

ing with Briscoe and brought the dairymen to Houston.

"They are having a meeting Friday in Stephenville to discuss the situation," White said.

"I am absolutely opposed to killing calves. That is no solution to a desperate problem. On the other hand there is no law against killing your own calves."

British election gives Labor Party control of government

LONDON (AP) — Prime Minister Harold Wilson's Labor party has won Britain's general election with an assured majority in the next House of Commons, official returns showed today.

Wilson's Laborites won at least 318 seats, the magic number for an over-all majority in the 635-member House of Commons.

Computer projections by the British Broadcasting Corp. predicted Labor would end up with an over-all majority of five seats when the final result is known later today or early Saturday.

A light voter turnout was reported, although party leaders had called this the country's most critical election since World War II. There are about 40 million eligible voters.

Both major parties campaigned mainly on inflation and other economic problems. Britain has an annual inflation rate of 16.9 per cent and expects this year a foreign trade deficit of \$10 billion.

Labor also has pledged to call for elections within a year on whether Britain should remain in the Common Market.

Wilson generally has advocated bringing Britain closer to the United States rather than swinging sharply toward Europe.

Britain entered the European economic alliance under Heath's Conservatives, and Labor has all along said that unless better terms are agreed upon Britain should pull out.

To solve Britain's economic problems, Wilson contended that radical leftist-oriented measures were needed. He said opposition parties have frustrated his efforts to enact such legislation since he formed his minority government.

Political observers predicted that Thursday's vote will open the way for Labor to push through measures like a tax-the-rich proposal aimed at families worth more than \$250,000 and nationalization of some private industries. In return, Labor has pledged to try to make unions exercise voluntary restraint in wage demands.

Altogether 2,252 candidates contested 635 seats in the House of Commons.

In Britain's last election Feb. 28, Wilson came out on top ousting Heath's four-year-old administration. But his party won only 298 seats in the Commons and failed to gain over-all command — a minimum 318 seats. He suffered several defeats, and this led him to call for a new and stronger mandate.

In the last Parliament two Labor strongholds were vacant because of deaths. The Conservatives held 296, Liberals 15, and other parties held the remainder.

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Weather

Fair to partly cloudy Friday and Saturday. High both days in mid-80's. Low tonight 62°. South-southeasterly winds 10-14 mph.



Campaign reform passes

Signing by Ford indefinite

WASHINGTON (AP) — Congress completed action Thursday on a Watergate-triggered election bill designed to reduce the influence of special interests and control the flow of campaign money.

The bill, sent to President Ford for his signature by a vote of 365-24 in the House, would finance the 1976 presidential election and nominating conventions with public funds.

It would also apply strict limits to the amount of money candidates for president and Congress can spend, and on the contributions individuals and organizations can make to their campaigns.

At the White House, Press Secretary Ron Nessen said "no final decision has been made by the President whether he will sign it or not." He said Congress had removed or softened some of the provisions

which Ford had objected to and thus "improved chances the President will sign the bill."

The maximum any individual could contribute would be \$1,000 to any one candidate and a total of \$25,000 for all candidates, with no cash contributions over \$100 allowed.

For the first time, a Federal Election Commission would be established to administer the new rules, with the power to enforce them through the court system.

Rep. Wayne Hays, D-Ohio, House manager of the bill, said if its spending and contribution limits had been in effect two years ago "Watergate never would have happened."

Rep. Bill Frenzel, R-Minn., the Republican manager, called the bill "a clear message to the American people that Congress is concerned

about the need to restore confidence in our system of government."

The major innovation in the bill is the public financing of the presidential nominating and election process. The money — up to a maximum of \$20 million for each major party candidate in the November election — would come from the voluntary \$1 check-off on federal income taxes that has been in effect for the past two years.

As of last July 1 the fund had about \$29.5 million in it, and with two more years to accumulate it is expected to be large enough to meet the demands.

Candidates of minor parties that received at least five per cent of the national vote in the preceding election would be eligible for partial funding based on the percentage they did receive, and those that get

at least five per cent in the 1976 election could get partial reimbursement of their expenses.

In presidential primaries, a candidate who raised \$5,000 from each of 20 states could have that \$100,000 matched by money from the check-off fund. Up to \$250 of each subsequent contribution would also be matched.

Spending on presidential primaries, from whatever source, would be limited to \$10 million and a candidate could not spend more in any state than twice the amount permitted a U. S. Senate candidate in that state. For the New Hampshire primary that would be \$200,000; for California's, \$2.3 million.

The check-off fund would also be tapped to provide \$2 million for each major party national convention in presidential election years.