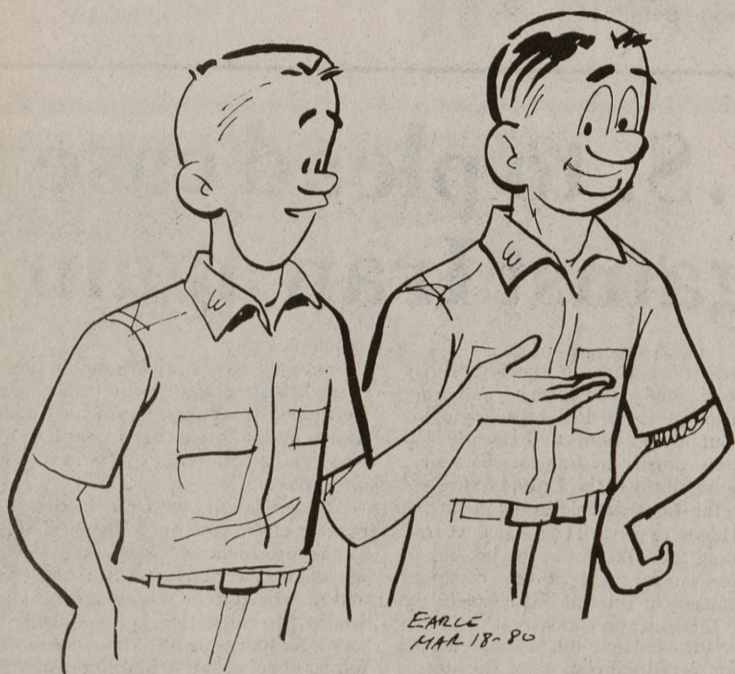


SLOUCH by Jim Earle



"Not only did I not get any studying done, but I forgot my books and notes and left them at home."

OPINION

Carter's coal stand puzzling

Sam Church Jr., president of the United Mine Workers, and 20,000 of his unemployed members are perplexed by the Carter Administration's position on increased use of coal.

The miners say they could produce another 100 million tons of coal a year if the Administration would let them. That would put a sizable dent in the nation's energy shortage.

There's good reason for the miners' confusion. While the Administration has made conversion of coal a top priority of its energy program, it has failed to take the steps necessary to allow use of coal.

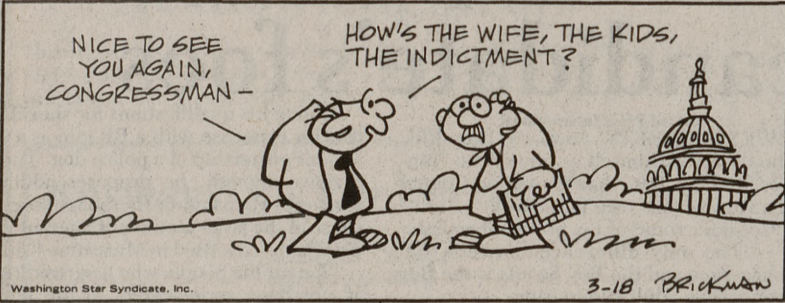
At some point, the Carter Administration is going to have to take the politically difficult step of siding with its increased use against the environmental extremists.

To continue to scream about an energy crisis while ignoring one major way to ease it, is, as Church and his miners say, puzzling.

Tulsa World

the small society

by Brickman



Washington Star Syndicate, Inc. 3-18 BRICKMAN

THE BATTALION

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VIEWPOINT

THE BATTALION
TEXAS A&M UNIVERSITY

TUESDAY
MARCH 18, 1980

Federal government pensions bordering on the ridiculous

By DONALD LAMBRO

United Press International
William Howard was earning \$22,695 a year as a government accountant in 1968. But over the next 4½ years, without receiving a promotion, his salary shot up by 54 percent to \$34,971.

The cost of living rate during this same period rose by only 22 percent.

Despite his rising wealth, Howard decided on his 50th birthday to "retire" from his Internal Revenue Service job, take his pension, and resume work in the private sector where he now earns \$40,000 a year.

Had he remained in his federal job, at his same Grade 15 level, he would today be earning \$50,112 a year — all because of a highly complicated formula called "pay comparability" upon which government pay scales are based. Yet his story doesn't end here.

Over the next 4½ years his Civil Service retirement checks, which began at \$1,922 a month, rose to \$3,075 a month.

Hard as it may be to believe, Howard is now getting 63 percent more under his government retirement pension than he received when he was working for Uncle Sam in 1968.

This of course is why many federal white collar workers are electing to leave federal service, because they know they can relatively quickly make more in retirement than they can by staying in government.

One white collar worker at the National Aeronautics and Space Administration, where there has been a rash of early retirements, said, "With pay raises the way they are now, I figure I can eventually make more under my pension, through cost-of-living adjustments, than I now earn by working."

Surprisingly, all of this — even though he is a prime beneficiary — infuriates William Howard, who has been writing angry letters to federal officials from President Carter on down, charging that government pay and pensions are too high.

Federal pay nows costs taxpayers \$80 billion a year, up from \$63 billion just four years ago. Annual federal civil service pension costs will be nearly \$100 billion this year.

Howard, who is a certified public accountant, says the chief culprit is the government's "comparability" law which applies a complex system of curves, ratios, special weighting, and other mathematical refinements intended to keep federal em-

ployes abreast of their counterparts in the private sector.

But instead of fairly arriving at a fair rate of compensation, Howard charges the Bureau of Labor Statistics' comparability formula is being "skillfully, deliberately, and corruptly (figured) in a manner to defraud the taxpayers of billions annually in excessive pay to federal workers."

He further argues that his salary and those of his colleagues in the bureaucracy would have risen far less if federal compensation were based on a survey of "average" pay for comparable private sector jobs.

The rise in his retirement checks, Howard argues, is also off-kilter, due primarily to the comparability formula as well as to

excessive cost-of-living increases based on the Consumer Price Index which he says "exaggerates the inflation rate."

In a letter to Janet Norwood, chief of the Bureau of Labor Statistics, whose pay comparability and CPI surveys are used to figure pay hikes and cost-of-living pension adjustments, Howard acknowledges he and millions of other government workers and retirees are lucky to have this protection against the ravages of inflation.

But he argues "it isn't fair" to the taxpayers. "This is unjust enrichment," he says. "We are being unjustly rewarded by a transfer of payments from the working sector, which in most cases is forced to absorb the real rate of inflation."

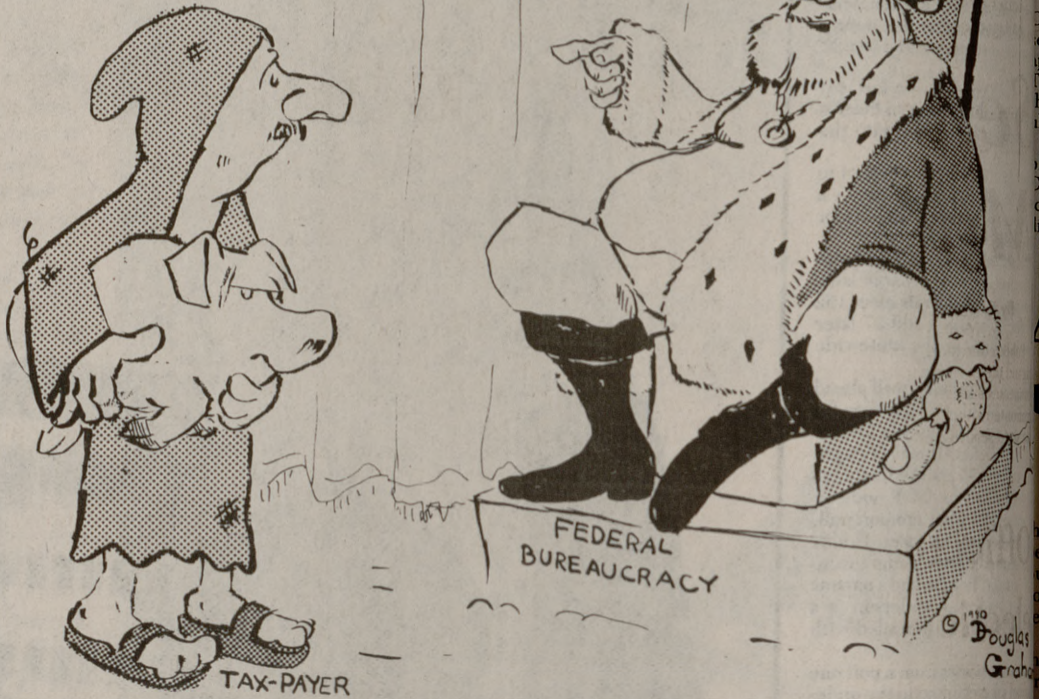
Government studies on the Howard's criticism consider

One General Accounting Office study found "federal blue collar wages exceeded local prevailing rates, government at a competitive rate the labor market."

Other studies have concluded federal white collar pay and combined, a large number of making more than their private industry.

Bill Howard says he realizes government retirees his a on the subject, "but someone out on what's happening."

KNAVE, IT'S TIME FOR MY COST OF LIVING TAX INCREASE!



Freeze on Iranian assets in U.S. has frightened Arab investors

By THOMAS L. FRIEDMAN

United Press International
KUWAIT — Arab money men say their biggest worry today is not Afghanistan, inflation or the price of oil. It is "The Freeze."

Last Nov. 14 President Carter froze \$8 billion worth of Iranian assets held in U.S. banks. The unusual move was intended to block Ayatollah Ruhollah Khomeini from withdrawing Iran's dollars from U.S. institutions and to help force the release of Iran's American captives.

But the freeze had a chilling effect far beyond Iranian investors. It gave rise to apprehension in Arab financial circles that will haunt American bankers long after the last hostage is freed in Tehran.

"I think this was the stupidest act ever committed," said Ahmed al-Duaj, director of the Kuwait Real Estate Consortium, the biggest real estate development company in the Arab world.

Overstatement perhaps, but characteristic of the anger, sense of betrayal and deep-seated anxiety in the Arab financial community since November.

Arab Gulf money men saw the freeze as a rash, ill-conceived grandstand play, executed without proper consideration of its impact on other foreign investors. It may have quenched a momentary American thirst for revenge, but it also caused Arabs with dollars invested in the United States to wonder: "Will we be next?"

Despite assurances by U.S. Treasury Secretary G. William Miller that Arab investors had no cause for worry in this "once only and never again" action, suspicion is firmly implanted.

"Confidence in banking is like virginity," said Duaj. "You can only lose it once."

"The administration has introduced an element of uncertainty," said Abdlatif al-Hamad, head of the billion-dollar Kuwait Fund for Arab Economic Development.

"This is going to be a nagging fear forever and ever. Nobody will ever forget it."

Arab confidence also was shaken by the manner in which America's largest banking institutions swooped overnight to attach Iranian assets after Khomeini's government technically defaulted on its loans.

With its dollar deposits frozen, Iran could not pay interest on some loans even though, as the banks knew, Iran's total assets of \$10 billion more than covered its commercial obligations.

"The specter of all those big name banks — Chase, Bank of America, Citibank, Morgan Guaranty, respected names in the Arab world — climbing over one another to grab Iranian assets, that was something truly unseemly," said Duaj.

As a result, he said, Arab financiers are "slowly and quietly" diverting capital from the American market.

"They have to," Duaj said. "How else can you explain the recent strength of (British) sterling?"

Investment sources in the Gulf said gold,

which flies no flag, has become even more attractive to Arab buyers recently and they have been actively buying.

"People aren't so confident any more," said Nasir alNuwas, managing director of the Abu Dhabi Fund for Arab Economic Development. "Instead of sending their money straight to America, some people are thinking of channeling it through Swiss banks."

"Who is getting the benefit? The Swiss. Maybe the Americans will now get a small share instead of a big share. This is because of the insecurity."

"All kinds of people are coming down here with ideas for us on how to invest through the Swiss," said one Abu Dhabi banker. "They want us to establish dummy companies in Switzerland, to manage and promote our money from there in the name of a Swiss corporation."

"The Americans will never freeze the assets of a Swiss company."

If Arab investors seem excessively jittery, it is because they believe they often are lumped together with Iranians in the American media and they think relations between the United States and the Arab world could explode, as they did in 1973.

"Who can say there won't be another Arab-Israeli war?" asked Duaj. "And who can say that if there is another war, the Arabs will not want to use the oil weapon again? And if we do, what will happen to our assets in the United States?"

Similar reasoning leads many to predict the freeze will reduce production rather than pile up excess American banks.

"The price the United States might have achieved," argued al-Hamad. "It accomplished what this might be to make some of the other countries more attractive than they otherwise would be."

"Now when I equate the freeze across the board, a country like Saudi Arabia comes as good an investment as The commercial considerations and so are the institutions."

"The Bank of Brazil is the only one as the Bank of America is professional. So if the price is equal, why not put my money there? This will be one of the long-term impacts of the freeze."

No one expects a mass exodus of dollar investments from the Freeze or no freeze, American attractions. But Middle East seem unanimous on one point: never be the same.

Qatar Oil and Finance Minister Abdul Aziz bin Khalifa al-Thani many in the Gulf when he said: "Surely a sour taste has been put in our mouths."

By Doug Graham

THOTZ



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