

SLOUCH By Jim Earle



"Actually my political position is to the left of Reagan; to the right of Carter; oblique with Connally; behind Anderson; adjacent to Baker and above Stassen."

OPINION

The NCAA: a paper tiger?

The National Collegiate Athletic Association it seems has very little interest in enforcing its admirable regulations. When asked recently if the NCAA was aware that half of the schools in the Southwest Conference had special admission requirements for athletes, a spokesman replied, "No one has complained to us about that matter."

Vice president Clements?

Lord help us all. In a day when Bill Clements can be considered, however remotely, for the GOP vice presidential nomination, we are in trouble.

Both Ronald Reagan and George Bush are scheduled to campaign throughout the state next week, wooing support for the May 3 primary. And, since Clements is still the biggest big-wig the Republicans have in this state (which says something about the condition of the Texas GOP), they will pay him courtesy calls.

And there is talk that one of the subjects they will discuss is giving the governor a shot at the running-mate spot.

Let's hope it's just talk. Anyone who's lived in this state since Clements took over the Governor's Mansion knows about Big Bill.

Here is a man who suggested that deep-sea diving could be used as a birth control measure for pregnant women.

Here is a man who told us that the Mexican oil spill wasn't all that bad.

Here is a man who said the hostages in Iran are "expendable."

Bill Clements has proved again and again that he is as stupid as he is obnoxious. And the whole idea of putting this cretin within a heartbeat of the presidency is equally as stupid and obnoxious.

the small society

by Brickman



THE BATTALION

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VIEWPOINT

THE BATTALION
TEXAS A&M UNIVERSITY

THURSDAY
APRIL 24, 1980

Value added tax is no panacea for America's troubled economy

By WILLIAM KEEGAN

International Writers Service
LONDON — Americans considering the idea of a value added tax might learn something from the British experience. Try it, by all means, but don't fool yourself that it will solve all your problems.

The value added tax, or VAT, was introduced here in Britain in the early 1970s. It has been widely used elsewhere in Europe for years, and, its partisans claimed, it would perform wonders.

As its name implies, VAT consists of levying a tax on the value added to goods and services at each stage of production and distribution. In other words, when a partially finished item is sold, the tax is paid on its entire value at that point, with the seller receiving credit for all the taxes paid at earlier stages of production.

In the end, the consumer pays the full tax — which in a sense makes VAT similar to a sales tax.

American advocates of VAT, such as Rep. Al Ulman of Oregon, contend that it

will permit cuts in income and social security taxes by providing the revenue lost through those cuts. Moreover, he submits, it will encourage investment, productivity, exports and price stability by shifting the tax burden from income to consumption.

Many of the same arguments were advanced here a decade ago by champions of VAT. Since then, the tax has proven to be neither a disaster nor a panacea. Above all, it has not contributed to a dramatic improvement of Britain's ailing economy, mention its complex system of charges and rebates, VAT is essentially a form of national sales tax on consumer expenditures. Unlike the old purchase tax it replaced, which set levies of up to 33 percent on luxuries, VAT features a standard rate of 15 percent.

Compared to the former system, too, VAT encompasses a broader range, since it includes the services sector. At the same time, though, it omits large areas of consumption.

For instance, items like food and chil-

dren's clothing are exempted. Otherwise, the new tax would have been extremely regressive, hitting the poorest households the hardest. Altogether, in fact, VAT affects only about half of total consumer spending.

Many of its vaunted virtues have failed to materialize. It has not, for example, dampened consumption and spurred investment. Nor does the fact that it is levied on imports but not exports made any tangible difference in Britain's foreign trade.

In addition, VAT is expensive to administer because of its complicated structure. It also facilitates fraud, since professionals and craftsmen are tempted to compete for clients by quoting fees without tax.

Despite these reservations, however, VAT has an enormous advantage that was not originally emphasized in the debate over the subject years ago. It is useful to governments in the present economic context because the tax is proportional and therefore its yields rise automatically with inflation.

This is preferable to fixed taxes, such as

those imposed here on cigarettes and tobacco, which are actually decreasing in value as living costs soar. The government agonizes every year over whether to raise such taxes and thereby send the retail index up.

Here in Britain between 1969 and 1979 government revenues gained from indirect taxes fell by nearly 10 percent. Partly to redress the balance, Prime Minister Margaret Thatcher's Conservative government raised VAT from 8 percent to 15 percent when it presented its first budget last June.

That jump had a devastating effect on prices, boosting them by almost 4 percent and aggravating Britain's already serious inflation problem. The increase in inflation meanwhile achieved relatively little in terms of accounts for only about one-third of British tax revenues.

The lesson for Americans who contemplate a U.S. version of VAT ought to be clear. It will not create miracles. On that matter, will any fiscal remedy

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The devil Carter is really threatening to tighten the screws on us.

Now that will keep him busy.



Soph Tucker's economic primer

By DICK WEST

United Press International
WASHINGTON — Economists are predicting that the recession they were predicting last year will arrive later this year, if it hasn't already started or isn't delayed again.

The coinciding of these forecasts with the new census reminds us that for a large segment of the population the prospective recession amounts to facing the unknown.

Our economy has been on the upswing so long that millions of Americans have never known anything else. Understandably, they are more apprehensive than those who have been through previous downturns. You can see their anxieties reflected in the popularity of such books as "How To Prosper During The Coming Bad

Years." As it happens, I was never able to prosper even during the good years. I am, however, one of the few people alive today who is old enough to remember what it was like during the Great Depression. Therefore, my counsel and guidance are in constant demand.

In the gloaming recently, I was a-sitting' and a-rockin' out on the veranda when Bertie and Fancy Clanker, a young couple who lives down the street, stopped by.

"Is it true you are one of the survivors of the Great Depression?" Bertie asked shyly. "Yew dern tootin'," I cackled, slapping my knee.

(When you reach my age, you start dropping letters off the end of words and replacing them with apostrophes. This helps save

your breath for more important things, like breathin'.

(You also tend to cackle a lot. That gives you a cover for slapping your knee to keep the circulation going.)

The Clankers asked if they might sit at my feet for a while and drink in any wisdom I might impart on how to cope with the coming hard times.

I gathered up a mouthful for apostrophes and said, "The best thing to do is put your life savin' into mattresses."

Fancy Clanker pulled a note pad out of her purse.

"Are mattresses safer than banks when times are hard?"

"Not necessarily," I replied, "but they pay better interest."

Fancy erased something she had written down.

"What is the main difference between recession and inflation?" Bertie asked. "Durin' inflation, you have more money can't buy things because prices are high. Durin' recessions, the prices go down but you have no money."

Bertie gave a thoughtful nod. "I'm getting the feel of it," he said. "It's a pity the Clankers and other couples never knew Sophia Tucker, Last of the Red Hot Mommas." She said before she cooled off that "I'm poor and I've been rich, and, believe me, rich is better."

If Miss Tucker were alive today, she probably would be chairman of the student's Council of Economic Advanc-

LETTERS

U.S Constitution not based on the Bible

Editor:
I would like to respond to the speech made April 21 by Mr. Ron Tewson. He expounded that the Constitution was written with the Bible as a text, and that our founders meant for the government they were creating to be Christian. Therefore, our present society is breaking up because we have thrown the Bible and its principles out.

These statements are very broad generalizations. That the U.S. government was framed using the Bible as a text is simply not true. The majority of the men who contributed to the Constitution were not Christian. Benjamin Franklin was a Deist. So was Thomas Jefferson. George Washington was Anglican, but did not admit any particular creed. Deism was the reigning philosophy of the times, and held that reason was the road to God, and was skeptical of religion.

The political philosophers that influ-

enced the writing of the Constitution were a product of the Enlightenment, of which Christians were a minority. John Locke was Christian, Voltaire was atheist, and Montesquieu had to answer to charges of religious unorthodoxy for his *Spirit of the Laws*, on which our Constitution is based.

As a conclusion, the speaker mentioned several times "one nation under God," implying that this was a major concept written into the Constitution. These words come from the U.S. Pledge of Allegiance, and the phrase "under God" was not added until 1954.

I close only by saying that Mr. Tewson and his sponsors should be extremely embarrassed by his presentation, which claimed to be "intellectually and academically honest." Please, Mr. Tewson, whenever you speak again, do not do such a sloppy job of representing my Lord.

Beverly A. Dowdy

Sbisa strikes again!

Editor:
I am writing in response to Mr. Dennis M. McGuirne's April 16 memo to all Northgate students. Mr. McGuirne sent this memo to explain why he re-arranged the tables and deprived us of desserts in that illustrious dining hall. Mr. McGuirne has attempted to turn all Northgate dorms against Davis-Gary as a scapegoat for this action.

Mr. McGuirne, I really don't care how the tables are arranged. As for the desserts, I thank you.

You tell us that you try to provide your customers with the best service possible on your limited budget. Is that why you raise the price of the board plan each semester and blame it on us wasting "food." You don't seem to understand. If you made something edible for a change, you

wouldn't lose so much to waste! You're telling us that compared to other dorms we eat well. I don't go to any other dorm and I still don't eat well. I spend \$500 per semester for rancid catered food that can anyone screw up catsup?, white rice and a variety of devastated fried chicken. On top of that I spend a couple hundred more to keep Maalox and Pepto-Bismol in business.

So you go ahead and keep providing excellent service. It shouldn't be too long since there's no competition. You're going to keep closing up at 6:30 even though two more dorms will be forced to close "meals" of yours next year. But I refuse to give you money that I would have for any longer. Furthermore, I refuse to place blame on a fellow dorm for a problem brought on only by the frustrations of being upon them by poor service, high prices and lousy food.

Ron Burck