

THE BATTALION

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Monday, February 2, 1981
College Station, Texas

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The Weather

Yesterday

High 61
Low 38
Rain none

Today

High 45
Low 30
Chance of rain none



Staff photo by Brian Tate

Ed Kesgen, a graduate parks and recreation student, his 5-year-old daughter Lauren and their dog Teeka get some exercise along the Texas A&M jogging track. Many

jogging enthusiasts enjoyed the cool air which swept through the area Sunday, leaving early morning temperatures hovering at the freezing mark.

Council to choose new head

In executive session tonight MSC Council members will select from among four applicants for the 1981-82 MSC Council president.

Applicants for the presidency are Todd Norwood, council coordinator of funds; Doug Dedeker, vice president of administration; Kirk Kelly, Great Issues chairman and directorate representative and Craig Hanks, Aggiecon Chairman.

The council's nominating committee will recommend to the executive session

the acceptance of one applicant. The nominating committee met over the weekend, interviewing applicants.

The MSC Council president will oversee the actions of a 25-member council, as well as the programming of 19 directorate committees. Next year's MSC budget should exceed \$1.5 million.

Also, the Council plans to discuss a proposal changing the MSC awards system. The proposal differs from the current policy in

the purpose of the awards and the number of award categories.

Vice President of Programs Sara Morsé said there were several awards eliminated because sole accomplishment of a job does not merit an outstanding achievement award. Morsé said a potential 17 awards have been eliminated in the proposal.

MSC Council members will meet in the Conference Room (216T) in the Student Programs Office at 7:30 p.m.

Gas prices could top \$2 a gallon this year

WASHINGTON — Decontrol of oil prices could shoot the cost of gasoline through the \$2 barrier this year, but industry and government experts figure the increase probably won't be that high.

The effect of decontrol alone, assuming no increase in the world price of crude oil, would add 15.1 cents to the average pump price of a gallon of regular leaded gasoline during 1981, an Energy Department study forecasts.

The study, released late last week, projects retail prices will range from a low of \$1.48 to a high of \$2.23 by year's end when adjusted for factors such as crude price boosts, demand patterns and inflation.

A base projection, falling between the high and low forecasts, put the 1981 year-end price at slightly more than \$1.80.

Assuming no other factors but decontrol, and constant \$35 per barrel world crude oil, the average price still would jump from \$1.22 to \$1.37 during the year, the study said.

The agency's "Short Term Outlook" study was based on information available before December 1980, thus missing the latest round of OPEC crude oil price increases and President Reagan's decision last week to decontrol domestic prices immediately.

But Murray Weidenbaum, chairman of Reagan's Council of Economic Advisers, said prices will reach the same levels by the end of the year under immediate decontrol as they would have under the gradual phase-out that would have ended Sept. 30. Most experts believe the price-

boosting effect of Reagan's move will be immediate, particularly with home heating oil, but that overall increases will be about the same as with gradual decontrol.

Consumer groups opposed to decontrol were warning of 12 cent hikes in gasoline and heating oil prices. Dan Lundberg, publisher of an oil marketing newsletter, forecast 10 cents or more.

"I think that oil companies are going to raise prices in the short run," said Dr. S. Charles Maurice, head of the Texas A&M economics department. "But, in the long run, decontrol can't possibly cause prices to be higher than they would otherwise be, because they're going to increase the supply of oil."

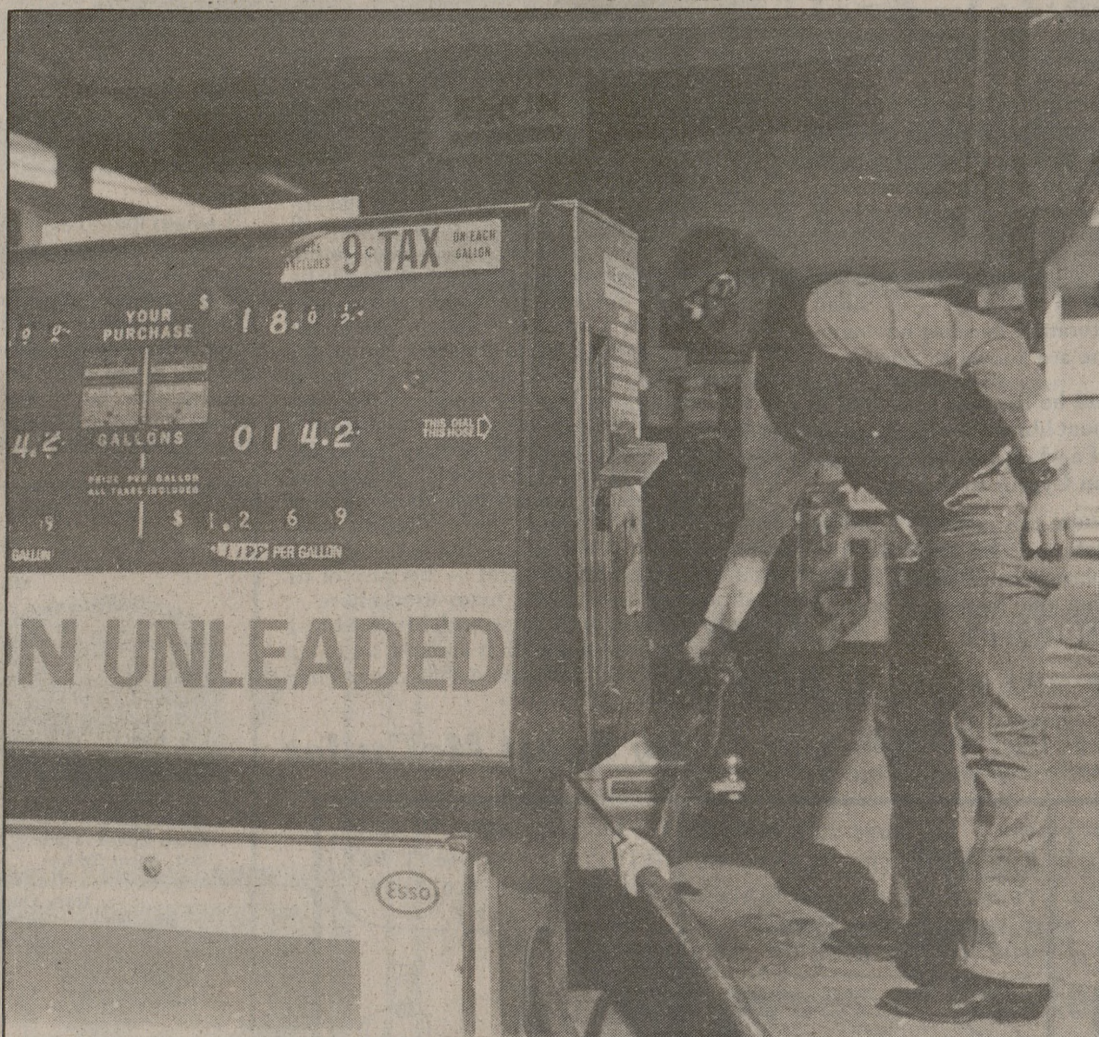
"The controls themselves have probably caused prices to be higher than they should, because they decreased the supply of crude."

Gasoline already is selling for \$1.50 a gallon at scattered full service stations around the country, a far cry from the 30-cent-per-gallon available before the 1973 Arab oil embargo.

But such price comparisons, for all the consumer outrage they evoke, can be deceptive.

In uninflated dollars, gasoline prices actually declined from 1974 through 1978. Predictably, U.S. consumption rose, as did oil imports.

In 1972 dollars, the average price of a gallon in 1974 was 45.1 cents, compared to 40.1 cents in 1978. The uninflated price rose only to 60.6 cents a gallon — about \$1.23 with inflation — by the third quarter of last year.



Staff photo by Chuck Chapman

Morgan Smith of Dallas and many Bryan-College Station residents are already feeling the pinch of tightened pocketbooks in the

Economy is bad, Reagan aides say

WASHINGTON — White House chief of staff James Baker says the economy is in the worst mess in 50 years and that President Reagan will begin explaining what he intends to do about it this week.

Interviewed on CBS' "Face the Nation," Baker was asked Sunday if the failure to declare a state of emergency, as he had suggested before the inauguration, meant economic conditions turned out not to be as bad as expected.

"On the contrary, the economy was worse than we thought," said Baker. "I think there is very little debate about the fact that the economy which this administration inherited is the worst mess that we've seen in 50 years."

Baker said Reagan, in an address to the nation Thursday, will "explain where we

are, how we got into this mess, and — within a general framework — what we plan to do to get out of it."

Specific remedies will be outlined in the president's State of the Union speech to Congress on Feb. 18, he said.

In a related comment, Federal Reserve Board Chairman Paul Volcker said with the election of Reagan and a more conservative Congress, and changes in public understanding, "We really have a rare opportunity (to fight inflation) and it's terribly important that we take advantage of this opportunity."

People have come to expect inflation, Volcker said, and "the problem is aggravated through wage settlements, through pricing policies, through other elements of individual behavior."

"Now if people begin betting in a diffe-

rent way, if they begin getting a little more confident that inflation can and will be brought down," the economy can be controlled, he said.

Appearing on ABC's "Issues and Answers," Volcker, who was appointed by Jimmy Carter, said he was encouraged by his meetings with administration officials. He praised budget director David Stockman's work as a budget cutter and said "there is more vigor and energy in the process than I've seen in my years in Washington."

Meantime, Rep. James Jones, D-Okla. chairman of the House Budget Committee said on NBC's "Meet the Press" spending must be reduced before the administration goes ahead with its proposed three-year 30 percent tax cut.

A&M to get pay benefits

By KATHY O'CONNELL

The Texas Legislature's emergency pay raise, signed into effect Friday morning by Gov. William P. Clements, will mean a salary increase for Texas A&M University's 11,500 faculty, staff and employees.

Effective Feb. 1, employees received a 5.1 percent salary increase or a \$50 per month minimum salary increase, whichever is higher, Bill Lancaster, Texas A&M payroll manager, said.

Employees haven't received an increase since 1974, and at that time it was 13.4 percent, he said.

The raise also applies to student workers as well as other part-time and temporary workers. This increase follows a raise in the federal minimum wage of \$3.35 per hour.

With the new increase, Lancaster said, those who earn \$5.63 or less per hour will get a \$50 per month increase, and those who earn more than \$5.63 per hour will get a 5.1 percent increase of their pay.

"In other words, employees who earn an annual salary of \$11,760 will get the \$50 per month increase, and those who make more than this annual salary will get 5.1 percent of their annual salary."

This is an advantage for lower-paid employees, he added.

Lancaster said he doesn't know the total money involved, but "a computer run sometime this week will calculate the figures."

State Representative Bill Presnal said he is pleased with the increase, even though it was an "emergency matter." However, he

said, "If we spend all our money on an emergency increase, then we'll be harpessed later on." For instance, he said there are still inadequacies in pay in some employees' salaries.

There's a high percentage of turnover in the state's direct service care for the mentally retarded and a 25 percent increase will be recommended for these kinds of jobs, he said. Presnal, a former Texas A&M student, is the chairman of the House Appropriations Committee.

Presnal said the bulk of the money to finance the new increase on a state-wide basis will come from the general revenue source. As far as funding the Texas A&M System, he said some of the money will come from various auxiliary funds or camps.

House hears anti-crime bills

AUSTIN — The House will conduct public hearings this week on the major points of Gov. Bill Clements' 10-bill anti-crime package, now that the Legislature has finished approving an emergency pay raise for state employees.

Clements signed the pay raise bill into law Friday. It was the first legislation passed this session, and it guarantees state workers a minimum \$50 a month increase effective this month.

This week's schedule calls for the House Jurisprudence Committee to hear testimony Tuesday on at least two and perhaps three of the anti-crime bills.

Rep. Stan Schlueter, D-Salado, has submitted a proposal that would make it easier to get convictions for aggravated rape. And

Rep. Chris Semos, D-Dallas, has proposed a bill to increase the penalty for rape, sexual abuse or serious bodily injury to a child. Hearings are scheduled for those proposals.

Schlueter's bill would redefine the offenses of aggravated rape and aggravated sexual abuse so that persons who place a victim in fear of imminent death, cause serious bodily injury or kidnap the victim while carrying out the offense could be convicted of those charges.

The House Intergovernmental Affairs Committee will consider another of Clements' anti-crime proposals Wednesday. That bill was submitted by Rep. Tom Waldrop, D-Corsicana, and it would give cities and counties the authority to regulate by ordinance the display of materials consi-

dered harmful to minors.

The Jurisprudence Committee had scheduled a hearing on a proposal by Rep. Bill Blythe, R-Houston, regulating "head shops" — businesses which sell drug paraphernalia. But the committee chairman Rep. Lynn Nabers, D-Brownwood, said that bill may not be considered.

Tuesday is deadline for no-record drops

Tuesday, Feb. 3, is the last day to drop classes at Texas A&M University with no record. After this deadline, students have until Feb. 20 to drop classes with no penalty (Q-drop).

B-CS feels price rise after decontrol

By BERNIE FETTE

As a result of President Reagan's decision to lift price controls on domestic crude oil, rising gasoline prices are beginning to show on pumps in Bryan and College Station.

Some filling station operators expect the increases to continue for the next month.

"I have no reason to doubt that these prices will continue to go up," George Young, a Bryan Shell station owner said. Young's prices rose three cents per gallon last week and have risen nine cents since Thanksgiving.

"I have to raise my prices penny for penny," Young said. "If the people I buy gas from raise their prices, I have to raise mine just to survive."

Weldon Kreuger, who operates a Mobil station on the corner of Texas Avenue and Marylake Road, has raised his prices four cents in the past two weeks.

"When their (the oil companies') prices go up, then we just have to raise ours too," Kreuger said. "I wouldn't doubt it a bit if the prices went up again next week."

One owner in the area who hadn't raised his prices last week but plans to today is Claude Dobbins, who operates a Fina station in Bryan. He said he received instructions Saturday to raise his prices and that the one and a half cent price increase would be effective today.

"I expect we'll see about a five cent increase in the next 30 days," Dobbins said.

In College Station, the Exxon station at Texas Avenue and Harvey Road has raised prices three cents

per gallon for both self-service and full-service. Prices there have been rising one to two cents per gallon every other week for the past month at a station attendant said.

The Texaco station at Texas Avenue and Dominik Drive also raised its prices two cents per gallon Saturday.

The Houston Chronicle Sunday reported a survey of 177 Texas stations showed the average price of gasoline now at more than \$1.20 per gallon with most grades pushing \$1.30 per gallon.

But Dr. S. Charles Maurice, head of Texas A&M University's economics department, said he thinks the rising prices are only a short-term effect of Reagan's action.

Even though prices are rising, Maurice said he doesn't think the increases will continue for long, nor does he think price controls will be needed again.

Maurice said Reagan's lifting of price controls would bring the price of U.S. crude oil more in line with international prices and lessen the nation's dependency on foreign oil.

He said the price deregulation would help the Texas economy "to some extent," but probably not much because the state's economy is already very strong.

Because of Reagan's action, companies' profits are expected to improve, but those additional profits may be subject to the windfall profit tax.

The windfall profits tax, Maurice said, would both tax away the revenue that would encourage new exploration and reduce the incentive for that exploration.

wake of the deregulation of domestic crude oil. Prices at some area stations have gone up about three cents per gallon in the last week.