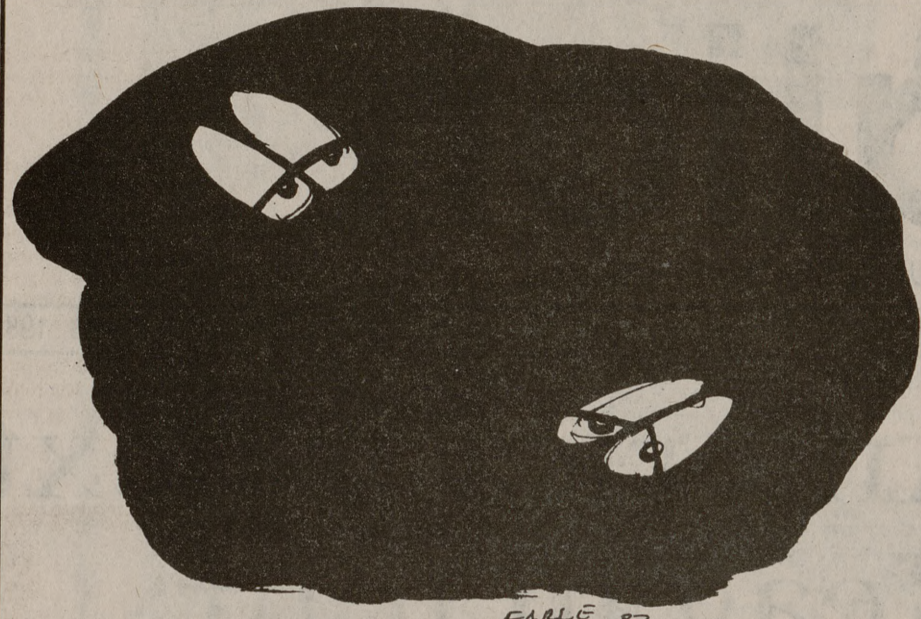


Slouch By Jim Earle



EARLE  
12-3-82

"... and if you think this week was tough, wait'll next week! Don't wake me up until Monday."

Making crime pay in Washington law

by Maxwell Glen and Cody Shearer

Ronald Reagan's Wall Street watchdog seems determined to make crime pay.

In a striking new interpretation of a half-century-old law, Reagan's men at the Securities and Exchange Commission (SEC) indicated last week that the government would investigate illegal corporate behavior only when such actions resulted in financial gain.

The reasoning behind a speech by SEC enforcement chief John Fedders is classically Reaganesque. Though Fedders told a lawyers' group that most American investors expect businesses to abide by standards of loyalty and honesty, he insisted that all stockholders share but one genuine interest: "the expectation of a return on investment." Unless company behavior affects the bottom line, he argued, the particulars don't matter.

Since the creation of the SEC, prohibition of questionable behavior by publicly-traded companies has hinged on a slim provision in federal law stipulating strict reporting of company transactions, legal or otherwise. Suppression of this information, know as "material facts," has been illegal since 1934 on the grounds that it encouraged the kind of misinformed public investing that helped cause the 1929 stock market crash.

Yet, from Fedders' perspective, reporting requirements serve no public interest as long as the culprit companies haven't profited from their mischief.

"If unlawful conduct could not have a material economic effect on a corporation, it is not likely to be considered important by a reasonable investor," said Fedders. "... therefore it would be difficult to prove in a law enforcement proceeding that the information would be important."

Hence, less than five years after the SEC invoked the anti-fraud provision to force confessions of bribery from nearly 500 U.S. companies (nearly a third of the Fortune 500), the administration is aban-

doning the traditional standard of "integrity of management." By reneging on its major enforcement responsibility, the administration also sends a strong signal to business that ethical purity is subordinate to rough-and-tumble risk-taking.

In the short term, this policy may brighten corporate outlooks. In the end, however, it could sour investors and soil reputations. Reasoned one source close to SEC investigations: "Fedders may believe that as long as the company steels for you, rather than from you, it's OK. But if a guy steals for you today, who's to say he won't steal from you tomorrow? This could create a climate that will lead to a lot of other liberties with the law."

Yet another Washington outrage has been the refusal of incumbent senators to move into the new \$150 million office building they've built for themselves. One suggestion for filling the 50-suite structure, named for the late Sen. Phillip A. Hart (D-Mich.), would be to move the 49 senators who voted for the most recent appropriation request for the marble-faced Capitol Hill eyesore.

Garry Trudeau, creator of the soon-to-disappear comic strip "Doonesbury," expects to begin work with Robert Redford early next year on the production of their new movie about the New Right. Trudeau has finished the script for the still-unnamed film, which involves the efforts of a young conservative political action committee operative to unseat a liberal congresswoman.

Yale University has joined a handful of American colleges which have agreed to provide financial aid to male students whose federal assistance has been jeopardized by failure to register with the Selective Service System. Yale has vowed to make scholarship funds and loans available to those who lose their federal grants and loan eligibility. Borrowers, however, will have to pay market interest rates rather than the 9 percent charged on federal loans.

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The Battalion also serves as a laboratory newspaper for students in reporting, editing and photography classes within the Department of Communications.

Questions or comments concerning any editorial matter should be directed to the editor.

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Columns and guest editorials are also welcome, and are not subject to the same length constraints as letters. Address all inquiries and correspondence to: Editor, The Battalion, 216 Reed McDonald, Texas A&M University, College Station, TX 77843, or phone (713) 845-2611.

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Reagan and U.S. Love Boat

by Art Buchwald

"This is your Captain speaking. Welcome to 'Love Boat USA.' We're going to have a wonderful trip because my crew has navigated a sure-fire course to get us out of these heavy seas."

"Permission to come on the bridge, sir."

"Permission granted, Stockman."

"Sir, we're in much deeper water than I predicted."

"Stay the course."

"When we set sail my calculations indicated that we would be short 50 billion gallons of fuel. But now because the ship is hardly moving, we could be short 185 billion gallons."

"Let's give every passenger another fare cut. That should get the boat moving again."

"We have to find some way of getting more fuel. Giving everyone a fare cut now won't do it."

"Why don't we lay off more of the crew?"

"We've cut the crew to the bone. There won't be much savings there."

"Then cut down on benefits for the passengers."

"Yes, sir. All the passengers?"

"Of course not. Just those in tourist class. We don't want to deprive the first

class passengers of anything they need. If the first class passengers are happy, it will eventually trickle down to the tourist class."

"Chief Regan wants to speak to you, sir."

"What is it, Regan?"

"Bad news from the boiler room. We're running out of steam and the engines are only operating at half their capacity."

"Stay the course, Regan."

"Yes, sir, but if we can't produce steam we're going to have to use up even more fuel than we anticipated."

"Don't worry. When my fare cut goes into effect we'll have all the steam we want."

"Captain, this is Officer Schweiker on C Deck. A lot of steerage passengers are seasick. Many of them are falling over the side."

"Put up some more safety nets."

"I don't have any safety nets. You ordered them thrown overboard to lighten the ship's load."

"Well, then, the passengers are going to have to stay in the water until we get things straightened out on the bridge."

"They're drowning, sir."

"My heart goes out to them, but stay the course."

"Captain, damage control says we're

taking bilge in the cargo holds and gross national product barometer is dropping fast."

"Tell them to reduce the interest rate values."

"They have, sir, but the bilge stop. They want to know if we turn the ship 20 degrees until the pump out the water."

"I'm not interested in quick fixes. I save a leaking boat. Stay the course."

"Chief Gunnery Officer West requests to speak to the captain."

"Of course, Caspar. What's up?"

"I'm going to have to put more guns front and aft, sir, and I want controlled depth charges and torpedoes on deck, and I must install MS on the stern."

"I don't see any problem with that. Go ahead. Why are you asking Stockman?"

"Sir, if we put all that military ware on deck in these heavy seas, we're short over 220 billion gallons of fuel."

"As Captain I have no intention of turning back on the security needs of the ship. If Caspar says he needs a stuff, then that's good enough for me."

"Captain, look at those waves. We're rolling into a depression."

"Keep your voice down, Dole. Scare the passengers. Stay the course."

BRITISH INTELLIGENCE



IF THERE'S AN AGENT MOLOTOV BUGGING THIS OFFICE, YOUR WIFE WANTS YOU TO PICK UP SOME MILK ON YOUR WAY HOME

Letters: Twelfth Man non-regs

Editor:

This letter is in response to Coach Jackie Sherrill's recent announcement that he plans to use "the 12th Man" on his kick-off coverage team at all home games beginning next season. Although Coach Sherrill is sincere about this great, new endeavor, he is being quite biased in his choice of using only members of the Corps of Cadets. Come on, Jackie! Were you aware that there are 30,000 plus non-regs at this university, many of whom are just as supportive of "the 12th Man" tradition?

It is attitudes like yours and many other people that keep this institution from progressing as it should. Even the publication of an underground newspaper which was meant to wake many people up and make them aware of their outdated views seems to have done no good! Let's face it, Ags, the "good old days of 'Old Army'" are on their way out!

One last question for Coach Sherrill: What would the stands of Kyle Field look like if more than 30,000 non-regs decided to abandon the 12th Man tradition? You're trying hard, Coach, but you need to be aware of all the resources available to you.

Steve Trolinger '83

Nuclear news

Editor:

I noticed Maxwell Glen and Cody Shearer reporting in their column titled "Brief News about Reagan" that the nuclear power industry is preparing a "wide-ranging" program to promote atomic

energy next year.

It was reported \$21 million has been pledged by the entire industry which includes advertising in response to frustration over its treatment in the mainstream American press.

It is about time that the nuclear industry stopped reacting to the environmentalist "greenie" onslaught against progress like a damned ostrich, burying its head in the sand.

It was also reported that Cambridge reports presented findings of a poll that Americans oppose expansion of atomic plants by a 2-1 margin to the American Nuclear Society. The opposition to solving our energy problems once and for all by the widespread expansion of safe, clear nuclear power installations, spent fuel reprocessing, closing the nuclear fuel cycle, and rapid development and commercialization of fusion reactors is not surprising. The media outside of Scientific journals, Fusion Magazine, and New Solidarity Newspaper has consistently blacked out any coverage of any organized opposition to the No Nuke — zero growth movement.

Also rather than inform the American people of the facts and cover the opinions and actions of both sides of this issue, the media (which is tightly controlled) has given only one-sided coverage. That is why the American people do not know who Lyndon LaRouche is, or who Dr. Steven Bardwell is, or have heard of the National Democratic Policy Committee or of the Fusion Energy Foundation.

The above organizations and people I've listed represent the main proponents for the policy of switching to a hydrogen-based economy through expansion of Nuclear power and development of fusion. I implore fellow Aggies who want economic development to call the various news media and demand that they start

covering both sides of this issue. Also, the National Democratic Policy Committee and the Fusion Energy Foundation challenge any opposition expanding nuclear power to a public debate.

I only hope that the industry tactic of arranging public debate by paying for network coverage. NDPC had the funds of \$20 million available, I know for a fact that the would change the direction of energy policies by turning out of three currently ignorant Americans into educated citizenry.

Brian Wilson

Camera stolen

Editor:

This past week my dad came up on a bonfire. He stayed in my room that night. While we were outside, someone came into my room and stole my dad's camera. It is a Canon AE-1, 35mm, with a Canon lens and Albinar lens cover. The camera is valued at \$350.

The theft has been reported to University Police; however, the camera has not turned up. My dad and I want to blame an Aggie for the theft since there were many people in the Texas A&M watching Bonfire that night. I thought Aggies would have more respect for the property of others.

If the person responsible for the theft is reading this letter, bring the camera back, contact me at 260-6849 or Room 111, Dormitory 11, Room 111.

Karl A. Trepp  
William P. Trepp