

Texas A&M The Battalion

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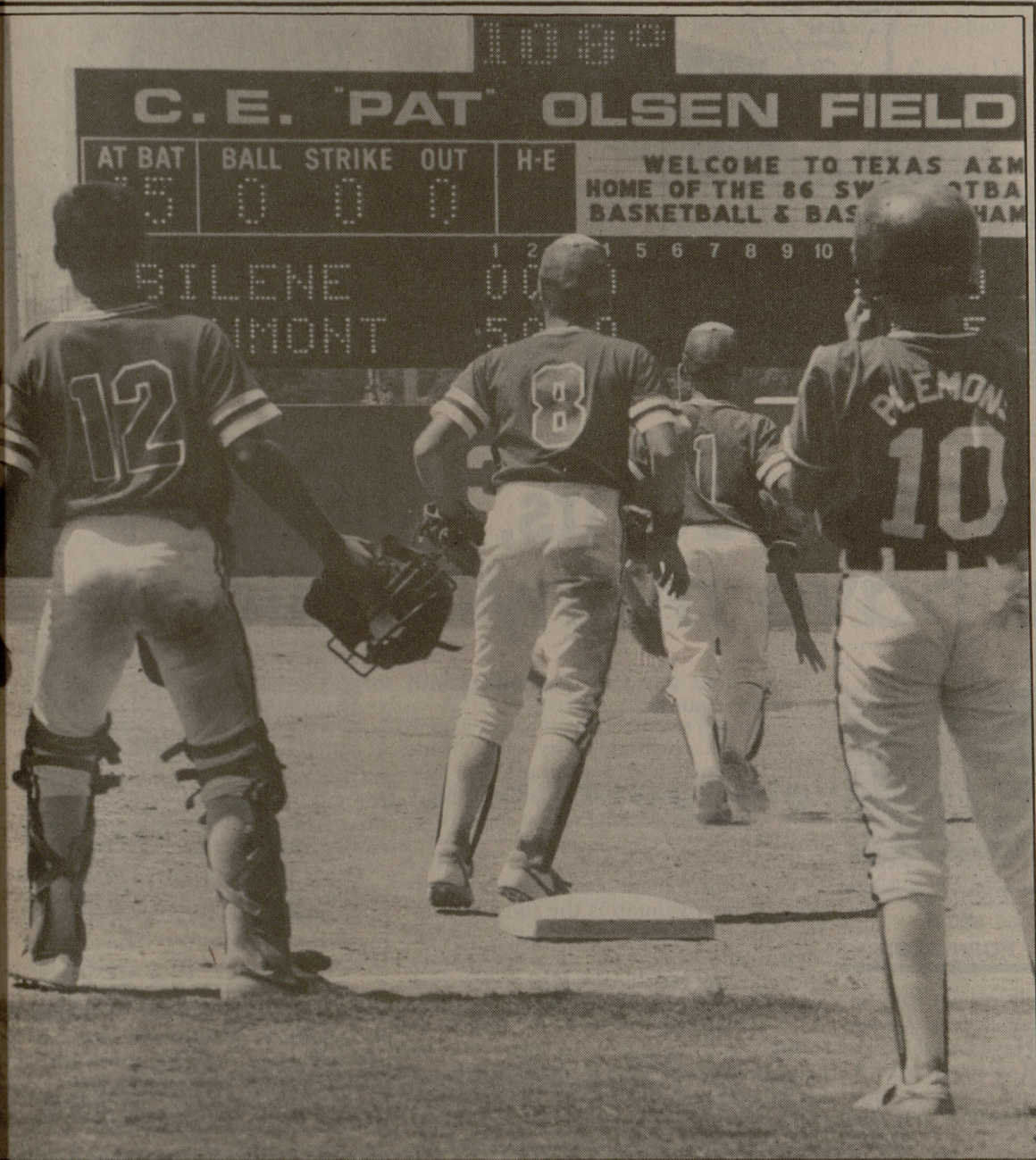


Photo by Tom Ownbey

A Hot Game — Literally

Temperatures have been soaring in the Bryan-College Station area, and these junior league baseball players seem to be staring in disbelief at the

108-degree thermometer reading at Olson Field Wednesday afternoon. The players are taking part in a tournament that ends today.

Texaco, Pennzoil head for state appeals court

HOUSTON (AP) — Bitter oil industry rivals Texaco Inc. and Pennzoil Co. meet in a state appeals court today and Texaco will seek to overturn an unprecedented \$10.53 billion judgment for interfering in a planned Pennzoil-Getty Oil Co. merger.

The landmark case kindled so much interest from stockbrokers, reporters, law students and others that the scheduled hearing before a three-judge 1st Court of Appeals panel has outgrown the courtroom.

The hearing was slated for a 750-seat auditorium at the South Texas College of Law, adjacent to the appeals court building in downtown Houston.

Pennzoil's lead attorney, Joe Jamal of Houston, would not reveal his game plan but said six Pennzoil attorneys would argue before Justices James F. Warren, Jack Smith and Sam Bass.

Texaco attorneys refused to re-

turn numerous telephone calls from The Associated Press. Texaco spokesmen declined to comment about the case.

The three judges were likely to take the case under advisement and issue no immediate opinion.

In November, a Houston jury ordered White Plains, N.Y.-based Texaco, the nation's third largest oil company, to pay Houston-based Pennzoil \$10.53 billion in damages for wrongly interfering in Pennzoil's planned merger with Getty in 1984.

State District Judge Solomon Casseb Jr., who stepped in as the presiding judge after State District Judge Anthony Farris became ill, upheld the damage award — the largest in U.S. history — and added another \$600 million in interest. Since the November award, the total has been gaining interest at a rate of \$3 million a day, for a total of \$708 million.

In February, Casseb refused to overturn the jury verdict, effectively

denying Texaco's request for a new trial. Texaco then filed with the 1st Court of Appeals.

According to court procedures, Texaco had 60 minutes today to present its case. Pennzoil was given 90 minutes. Texaco then had 30 minutes to close.

The panel's ruling could result in affirming the judgment, ordering a new trial or sending disputed points back to the lower court for rehearing. If the judgment is affirmed, Texaco may appeal to the U.S. Supreme Court.

Texaco filed a 100-page brief with the court in April, complaining that Casseb misinterpreted New York contract law and Texas procedural law. The New York law is an issue because discussions of the mergers were held in New York.

Other parties, including the New York attorney general, have filed briefs with the appeals court, agreeing on Texaco's behalf.

Air controllers disagree with board's proposal

DALLAS (AP) — Air traffic controllers said their workload would increase if they followed improvements recommended in connection with last year's crash of Delta Flight 191.

The National Transportation Safety Board ruled two weeks ago that the jet was caught in a microburst. The board also found contributing factors were insufficient weather warnings, pilot error and inadequate airline training.

The board said air controllers at Dallas-Fort Worth International Airport were not to blame for the crash, which claimed 137 lives last Aug. 2. But the board did make several recommendations that would require

controllers to make more detailed and frequent weather reports.

Air traffic controllers told the *Dallas Times Herald* Tuesday that it often is difficult to give more than essential weather reports during peak periods.

Controllers said following orders to give more information could interfere with their main responsibility of directing air traffic.

The board recommended that a meteorologist or weather-trained controller be placed in every tower.

Controllers suggested an automatic communications link between the tower and the cockpit would be better.

Economic hard times to continue for Texans

AUSTIN (AP) — The state's struggling economy, already sagging under soaring unemployment and falling oil prices, likely will get worse before it begins to improve in the last half of 1987, says a senior economist.

Thomas Plaut of the state comptroller's office said the agency's most recent forecast projects Texas will lose 81,000 jobs this year and another 33,000 in 1987 before the recession bottoms out in mid-1987.

The current energy-driven recession will top the 1982-83 slump as the most severe Texas recession in the 1980s, Plaut said. "The economy continues to deteriorate," Plaut told a Tuesday night meeting of the Austin chapter of the American Association of Individual Investors.

"I'd like to say things will get better, but right now we don't see any light at the end of the tunnel," said Plaut, who introduced himself to the group as "Dr. Doom."

Bill Allaway, executive vice president of the Texas Association of Taxpayers, said the state is reshaping its economy and faces some hard choices in revamping the tax structure to match changing economic strengths.

Senate vote restores automatic spending cuts

WASHINGTON (AP) — The Senate voted Wednesday to restore the automatic spending cuts that put teeth into the Gramm-Rudman deficit-reduction law.

The Senate ratified by 63 to 36 a revised plan to give the president's budget director the power to order across-the-board cuts — but with Congress keeping reins on the process.

"We're trying to save the discipline," Sen. Lawton Chiles of Florida, the senior Democrat on the Senate Budget Committee, said. "We want to keep it (automatic spending

cuts) there as the enforcer that keeps our nose to the grindstone."

The amendment was supported by 42 Republicans and 21 Democrats, with 26 Democrats and 10 Republicans voting against.

Gramm-Rudman requires spending cuts evenly divided between domestic and military programs if Congress and the president fail to approve legislation to meet pre-set deficit targets.

The targets get smaller each year until a balanced budget is reached in fiscal 1991.

Sen. Phil Gramm, R-Texas, an

original sponsor of the law, said the amendment was needed to "commit ourselves once again to balance the budget, to make the hard choices."

The compromise offered Wednesday would replace the original spending-cut scheme in Gramm-Rudman, which was thrown out by the Supreme Court earlier this month.

The justices said it violated the separation-of-powers doctrine because an officer of Congress — the comptroller general — ordered the spending cuts.

The replacement plan, which Chiles called "a salvage operation," would let the director of the Office of Management and Budget determine the spending cuts.

However, Congress in fiscal 1987 would set the economic assumptions upon which those cuts would be based if the year's \$144 billion deficit target is missed. Senate Budget Committee chairman Pete V. Domenici, R-N.M., said the assumptions were based on an average of those of the OMB and the Congressional Budget Office.

Geren calls for domestic industry protection

By Olivier Uyttebrouck
Staff Writer

To dramatize the damage of foreign subsidies and an inadequate U.S. foreign policy, 6th Congressional District Democratic candidate Pete Geren held a Wednesday press conference at the abandoned International Shoe factory in Bryan.

Geren said the plant's 150 employees were put out of work by about a dozen foreign companies that captured the U.S. shoe market because their governments heavily subsidize their products.

"They plunder our markets with subsidized goods and bar us from their markets with tariffs and quotas," he said. "In other words, they get us coming and going."

The economy and the United States' growing foreign trade deficit are the issues Geren intends to emphasize in his race against incumbent Joe Barton.

Only 20 percent of the shoes sold in the United States today are manufactured domesti-

cally, Geren said. He offered steel and sugar as examples of other industries subsidized by foreign governments to the detriment of American producers.

The Korean government subsidizes up to 40 percent of the cost of steel exports to the United States by offering tax breaks to Korean steel producers, Geren said. These subsidies make it more profitable for Korean steel producers to export to the United States rather than sell their goods in Korea, he said.

The European sugar industry can sell sugar for 3 cents a pound, or about one-seventh the cost of production, because of subsidies offered by the European Economic Community, Geren said.

Texas has traditionally been a large producer of the sugar beet, he said.

A second culprit is a confusing United States trade policy devised by a number of different officials and agencies, Geren said. Instead, he fa-

vors making the U.S. Trade Representative, an official appointed by the president, the chief trade policy enforcer and spokesman.

Geren criticized Barton's opposition to the Omnibus Trade Bill, a package of nine bills that would have transferred the responsibility for identifying unfair trade practices from President Reagan to the U.S. Trade Representative.

The bill was passed by the House in May by a vote of 295 to 115 but was later vetoed by the president.

Barton says the Omnibus Trade Bill would have violated existing U.S. trade agreements and would have sparked a trade war by restricting imports of U.S. agricultural products, hurting Texas in particular.

Geren wants the United States to use its leverage as the world's largest consumer to force foreign governments to stop subsidizing imports to the United States.

Rehnquist denies harassment of minority voters

WASHINGTON (AP) — Supreme Court Justice William H. Rehnquist, seeking confirmation as chief justice, told a Senate committee Wednesday he never harassed or intimidated black or Hispanic voters in Phoenix, Ariz.

And Rehnquist said he was amazed to find out days ago that a Greensboro, Vt., home he bought in 1974 has a restrictive deed prohibiting sale of the house to anyone "of the Hebrew race."

Rehnquist, under intensive questioning from Sen. Edward M. Kennedy, D-Mass., said he is not sure whether as a Republican poll-

watcher in Phoenix in the early 1960s he ever challenged anyone's right to vote.

Committee Chairman Strom Thurmond, R-S.C., later granted a request by Democratic committee members to allow the appearance of 10 witnesses Friday who say Rehnquist did try to harass or intimidate some minority voters as part of a Republican ballot security program.

Rehnquist denied those charges before his confirmation to the Supreme Court in 1971.

Sen. Patrick Leahy, D-Vt., revealed the existence of the restrictive deed on the Rehnquist family's sum-

mer home, asking the justice whether he considered it a problem.

Rehnquist conceded that it was, but he added that the restriction "is meaningless in today's world — it is unenforceable under the Constitution or federal law."

After Rehnquist had testified more than five hours, the committee adjourned until today, when he again will be in the witness chair.

Sen. Howard M. Metzenbaum, D-Ohio, engaged Rehnquist in a sharp exchange over the ballot-challenging episodes.

Metzenbaum said the issue is not harassment but whether Rehnquist

was "factually accurate" with the committee in 1971 and is being completely candid now.

"Did you ever approach any voters in polling booths and speak to them about their qualifications to vote?" Metzenbaum asked.

"No, I don't believe I did," Rehnquist responded.

Metzenbaum said one Phoenix resident says he saw Rehnquist harassing minority voters at a polling place, quoting the man as saying "If Rehnquist did not do it, it was his twin brother."

Jenco meets with pope, delivers Shiite message

LONDON (AP) — An American priest held in Lebanon for nearly 19 months gave Pope John Paul II a message from his Shiite Moslem captors Wednesday and then flew to London to deliver it to the archbishop of Canterbury.

"The religious factor is of great importance" in achieving his freedom, the Rev. Lawrence Martin Jenco, 51, told reporters in Rome after his audience with the pope.

Jenco arrived at the Royal Air Force base at Northolt outside London with the Anglican archbishop's special envoy, Terry Waite.

The Roman Catholic priest, a native of Joliet, Ill., was kidnapped Jan. 8, 1985, and released Saturday. He is to deliver the message to Runcie,

spiritual head of the Church of England, on Thursday.

Runcie's office said Jenco would spend Wednesday night at an undisclosed location arranged by the Servite Order of Brothers, his religious order.

Jenco met with reporters in Rome but would not disclose the message he was carrying from his captors. He said he also had one for President Reagan but would not say whether it was the same.

"Sometimes I can't answer your questions," he said softly. "I have fear that what I may say might be detrimental to my brothers who are still held hostage in Lebanon. . . . My silence is a shout of care and concern for those who are still held."

Earlier Wednesday, Rehnquist testified that as a young Supreme Court law clerk he never decided how he would have voted in the Supreme Court's 1954 decision outlawing segregated public schools.

The landmark desegregation case *Brown vs. Board of Education of Topeka* was pending before the court when Rehnquist was a clerk to then Justice Robert Jackson in 1952-53.

Answering the opening salvo in an attack on his qualifications by liberal Democrats, Rehnquist told Sen.

Joseph Biden, D-Del., "I did not have to vote" on the *Brown* case, in which the court unanimously ruled that separate but equal education facilities for blacks were unconstitutional.

But Biden quickly criticized Rehnquist for his answer, saying, "Law clerks surely have to think."

Rehnquist, who wrote a memo as law clerk supporting the 1896 *Plessy vs. Ferguson* ruling that upheld separate facilities, told senators he actually believed the pro-segregation ruling was wrong.