

Texas A&M The Battalion

Vol. 82 No. 195 USPS 045360 8 pages

College Station, Texas

Friday, August 15, 1986

Eller: 'Meat axe' cuts no budget solution

University News Service
Texas A&M University System Board of Regents Chairman David Eller said Thursday that crippling cuts for higher education would cost Texas infinitely more than they would save.

A "meat axe" approach to solving the state's short-term budget problems, Eller said, particularly at a major research university such as Texas A&M, would cost too much in future jobs and economic benefits to be feasible.

Eller began the day by meeting with scores of Texas A&M alumni and supporters in Dallas/Fort Worth and concluded the day with a similar meeting in Houston.

Between the two meetings he appeared before the Senate Finance Committee in Austin to explain the effects of proposed funding cuts on System institutions and agencies.

Cuts currently being considered for the System range up to \$50 million for next year and could result in the elimination of more than 1,800

positions throughout the state.

Using standard economic multipliers, the net effect from personnel reductions could be as high as 4,600 jobs throughout the state and a negative \$400 million effect on the economy, Eller said.

He also said funding cuts would seriously damage Texas A&M's ability to be a major research university that can compete for top faculty and attract major research funding.

Texas A&M's \$150 million annual research volume — the largest in the

South or Southwest — each year accounts for almost \$500 million of the Texas economy, again applying the multiplier effect, university officials pointed out.

"If we are really concerned about the economic health of Texas we should find ways to invest more in higher education rather than less," Eller said.

"I know firsthand what commercially applicable research coming out of a university research laboratory

can mean," observed the Houston entrepreneur.

Texas A&M President Frank Vandiver pointed out that Texas A&M research in recent years has spun off at least five other firms that each have revenues of more than \$2 million annually.

Dr. Perry Adkisson, System chancellor, noted that each additional \$1 million in research creates at least 10 new jobs within the system and has a multiplier effect of tripling that number. Those increases don't in-

clude the possibility of creating new businesses and even whole new fields, he said.

Eller and Adkisson agreed that Texas A&M research is on the threshold of having an even more dramatic impact on the Texas economy in areas ranging from biotechnology and robotics to food processing. The value-added effect alone for the food processing industry is expected to increase \$12 billion by the year 2000.

Committee okays Rehnquist, Scalia for Supreme Court

WASHINGTON (AP) — The Senate Judiciary Committee on Thursday recommended that William H. Rehnquist be confirmed as chief justice and that Antonin Scalia take his place on the Supreme Court.

The 13-5 vote recommending Rehnquist's elevation came as Republicans easily beat back an attempt by liberal Democrats to portray him as too extreme to lead the U.S. court system.

After the Rehnquist decision, the committee voted 18-0 to recommend approval of Scalia as one of the eight Supreme Court associate justices.

Both nominations were sent to the full Senate, where Sen. Edward M. Kennedy, D-Mass., vowed the battle over Rehnquist will be renewed.

At the White House, spokesman Larry Speakes said: "We are extremely pleased. We look forward to early, full Senate action."

The dispute over Rehnquist's qualifications remained bitter and partisan to the end, as relentless attacks were led by Kennedy and fellow Democrats Howard Metzenbaum of Ohio, Patrick Leahy of Vermont, Paul Simon of Illinois and Joseph Biden Jr. of Delaware.

But the Rehnquist attackers supported Scalia, the first Italian-American to be nominated to the Supreme Court.

"Scalia is a conservative," Kennedy said. "He is not an extremist."

Opponents of Rehnquist said he was insensitive to minorities and women, supported government repression of civil liberties, harassed voters in Arizona, bought property that barred blacks and Jews, misled the committee numerous times, favored crumbling the wall between church and state and refused to disqualify himself from a surveillance case in violation of judicial ethics.

"The record . . . contains overwhelming and shocking evidence . . . of lifelong hostility to claims for racial justice," Kennedy said. "He's wrong on equal rights for women; wrong in support of church and state; wrong on individual freedoms protected by the First Amendment. He is an extremist, too extreme to sit as chief justice."

Supporters of the 61-year-old Rehnquist struck back with equal vigor.

Sen. Paul Laxalt, R-Nev., said Rehnquist "had everything but the kitchen sink thrown at him" yet still "came out of the hearings stronger than when he went in."

"For those who object," added Laxalt, "there will be another election."



Sax Appeal

Ken Sury, a senior journalism major, practices his saxophone Thursday on a ledge outside a second

floor window of the Reed McDonald Building as Sue Krenek, a junior journalism major, looks on.

Photo by Tom Ownbey

Exchange house raid nets 20

BROWNSVILLE (AP) — In a crackdown on possible money laundering schemes on the Mexican border, federal authorities said Thursday they arrested 20 people with money exchange houses for failing to report large transactions.

Twenty-five exchange house operators and five corporations were indicted on charges of failing to report currency transactions exceeding \$10,000, said Christopher Milner, assistant U.S. attorney in Brownsville.

Exchange houses, or "casas de cambio," became a target for federal investigators because there are virtually no state or federal laws regulating them, said Michael Grubich, head of the criminal investigation division of the U.S. Internal Revenue Service.

Milner said large transactions could make it possible to exchange money linked to illicit activities.

The investigation began a year ago when IRS employees went to about 100 exchange houses along the border and in San Antonio to tell the operators about federal reporting requirements. The IRS workers left Currency Transaction Reports that must be filled out on transactions exceeding \$10,000, Milner said.

"A short period of time later, undercover operatives went in to exchange currency amounts in excess of \$10,000 (and said they) didn't want the reports filed," Milner said.

"Those (operators) who said, 'We won't take your business without filling out a form,' we smiled and said, 'We'll take our business somewhere else' and obviously they weren't indicted," he said.

"But individuals who said, 'No problem,' Well, that's a problem," Milner said.

Grubich said undercover IRS and U.S. Customs agents visited about 50 exchange houses and about half of them complied with the law.

"This is one of the first steps in the investigation to make sure that the exchange houses have been educated as to the currency transaction reporting requirement," Milner said.

GSU ordered to give refund of \$15 million

AUSTIN (AP) — Refunds totaling \$21.4 million to customers of two electric utilities have been approved by the Public Utility Commission, officials said Thursday.

The refunds, including more than \$1 million in interest, will show up as credits on bills beginning in September, said PUC spokesman Bo Byers.

Gulf States Utilities, with Texas headquarters in Beaumont, was ordered to refund \$15.7 million, including nearly \$730,000 interest on over-recoveries of fuel costs from March through June.

West Texas Utilities, in Abilene, will refund \$5.7 million, including more than \$300,000 interest for fuel over-recoveries.

West Texas Utilities also will lower its quarterly fuel charges from September through November, the PUC said. The company said that would reduce estimated fuel revenues by \$7.9 million over the three-month period.

Easier suspensions provided

House OKs discipline bill

AUSTIN (AP) — The Texas House on Thursday tentatively approved a school discipline measure that teachers say they need to get unruly students out of the classroom.

The bill, which faces a final House vote before going to the Senate, won unanimous, preliminary approval in a voice vote. The action came shortly after Gov. Mark White expanded the call of the special session to include school discipline.

Portions of the bill drew opposition Thursday from a legislator who said it would make it too easy to suspend students who commit minor infractions.

Bill sponsor Bill Haley, D-Center, said the 1984 school reform act watered down the authority of teachers and administrators to deal with students who disrupted classes. Under the existing law, school officials must place unruly students in "alternative education programs" in school before sus-

pending or expelling them.

In order to suspend or expel a student, a hearing must be held in which it is shown that the child is "incorrigible."

Under Haley's bill, schools could suspend students without first trying an alternative program. The State Board of Education would set the procedural rules.

Haley told the House that his bill would not destroy the alternative education programs.

Business: Cut the budget fat

Group seeks spending cuts, not tax hike

AUSTIN (AP) — The state's largest business association Thursday backed Speaker Gib Lewis' plan to battle the state budget crisis with spending cuts, not tax hikes.

"Let's get the fat out first," Texas Association of Business Chairman George Baur of Houston told a news conference.

Baur said his business group likes Lewis' \$632.2 million in budget cuts set for House floor debate Friday.

"We think we would be in favor of fair and equitable taxation but . . . after a good job trimming," Baur said.

The House Appropriations Committee voted to cut the price of personalized license plates, which rose from \$25 to \$75 a year in 1985.

Rep. Bill Ceverha, R-Richardson, who won committee approval for his bill to reduce the fee to \$40, said this could increase revenue to about

\$600,000 a year since more Texans would buy them.

Part of Lewis' plan drew opposition Thursday from Frank Raines, a New York investment banker who said Texas' bond ratings could suffer if money is withdrawn from the Permanent University and Permanent School funds.

Bolivia cocaine raids 'dampen' drug trade

WASHINGTON (AP) — American-supported Bolivian raids on suspected cocaine facilities are proving only modestly successful, but good enough to dampen the drug trade, an Army general said Thursday.

Gen. John R. Galvin, the four-star Army general who heads the U.S. Southern Command in Panama, also said he is convinced that Cuba is playing a role in narcotics trafficking throughout the region despite its claims to the contrary.

In another development, Vice President George Bush and Attorney General Edwin Meese III announced a major anti-drug initiative aimed at stopping the flow of illegal drugs across the U.S.-Mexico border.

The interdiction program will include hundreds of new federal agents and millions of dollars worth of sophisticated equipment to cover the 2,000-mile border.

Meese said the massive "Operation Alliance," to be phased in over two years, "will be the most widespread interdiction program on our land borders in law enforcement history."

But in an appearance at the National Press Club, Mexican President Miguel de la Madrid denied reports that he may permit U.S. aircraft to cross the Mexican border in pursuit of airborne drug traffickers.

Detention upheld by S. Africa court

JOHANNESBURG, South Africa (AP) — A provincial supreme court, contradicting a previous ruling, on Thursday upheld the indefinite imprisonment without charge of dissidents.

A black student boycott, launched to protest the deployment of security forces on school grounds, affected dozens of schools in Soweto and other Johannesburg-area black townships.

Violence, the most widespread since the state of emergency was imposed June 12, accompanied the

walkout when it began Wednesday. Unrest continued sporadically Thursday as the protest spread from Soweto, according to township residents.

The state of emergency prohibits news media from publishing the activities of security forces, statements that might be considered subversive or the names of detained people.

No precise number is available, but thousands of people have been detained without charge under the emergency decree.

The detention decision by a three-judge panel of the Natal Province Supreme Court directly contradicted a ruling Monday by another panel of the same court striking down key sections of the detention regulations.

The second ruling takes precedence in Natal because it is more recent.

Even so, lawmakers said, it does not nullify the release of Solomon Tsenoli, who was freed after Monday's ruling.

"We fear the worst," said *Business Day*, the country's leading financial newspaper, in editorial comment on an electoral proposal put forth at Wednesday's congress of the governing National Party.

The party, which has held power since 1948, offered to call elections for blacks to choose members of an advisory council to discuss possible constitutional changes with the government. If held, such elections would be the first nationwide elections in which blacks were given the vote.