

Economy

(Continued from page 1)

people on how to obtain permits, evaluate business ideas, develop business plans, find financing, find partners and prepare loan requests.

• The development and promotion of a Business Alliance Program — a program to match together large businesses that need certain products and services with the small businesses that can accommodate them.

• The restructuring of agencies involved in economic development into a central agency, the Texas Commission for Enterprise.

State Sen. Kent Caperton, D-Bryan, said he agreed with the general idea put forth by the task force that government needs to help stimulate small businesses.

"But the main way for us to get new jobs is to invest in higher education, particularly research," he said. "And therefore I think that the task force needs to persuade Gov. Clements that his ideas with regard to invading the Permanent University Fund are way off base. Instead of decreasing funding for higher education as the governor has proposed, we need to increase it.

"So the most important thing that the governor's own task force could do is to set him straight about where we need to go in higher education."

The task force has recommended that for education, resources should be reallocated and restructured to provide merit increases for university professors, fund university research where matching funds are available, increase funds for university research by permitting retention of a greater portion of "indirect costs" and permit faculty to participate in research with economic development objectives.

Caperton said he agrees with those goals but that "they're probably too narrow."

"I've got a proposal that would put about \$700 million back into higher education that we've lost over the last two years," he said. "I think it's critical that we do that to put our institutions back on a parity at least with where we were in 1985. So it's going to require more money, not less."

Other task force recommendations call for the development of a program to increase emphasis in the state on promoting travel and tourism to and within Texas; the development of a state agriculture policy by the governor that addresses state and federal taxation, high technology research and deployment, new

processing and marketing methods, utilization of water resources and rural development; and the development of a Texas energy policy that addresses the impact of federal and state regulation on the industry.

"There have been some very good studies that have been done most recently that reflect that we can add 359,000 new jobs over the next five years to our economy if we seriously promote tourism in the state," Adams said. "The payoffs are enormous, but part of the reason we haven't had such a concerted effort before is because we didn't think we needed it. But we believe and we know that today we do."

The questions of state agriculture and energy policies are addressed broadly in the task force report.

Dr. Lonnie Jones, a professor of agricultural economics with the Texas Agricultural Experiment Sta-

those types of losses for tax purposes and it has an adverse effect on the amount of investment capital flowing into agriculture from other parts of the economy.

"It'll have the effect of perhaps less capital going into feedlot operations and range livestock operations and could adversely affect the property values (of) rural land."

The task force also calls for a sound energy policy.

Dr. Spencer Baen, director of the Center for Energy and Mineral Resources at A&M, said an effective energy policy must address several issues.

Baen referred to comments attributed to Houston oilman Michel T. Halbouty in the Feb. 20 *Houston Chronicle* when discussing his view on the direction energy policy should take.

He said the depletion allowance,

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— Sen. Kent Caperton

tion, said the state is much more limited than the federal government in what it can do for agriculture.

But he said he thinks the governor can take some actions to benefit Texas agriculture by addressing some provisions of the federal tax reform law that adversely affect the state's farmers and ranchers.

Those harmful provisions include the loss of the capital gains provision, which primarily affects beef and dairy producers, he said.

"The loss of the capital gains provision adversely affects Texas producers more so than it would other states that are primarily crop states," Jones said, "and because of that I think it might be appropriate for the governor to bring this to the attention of the federal Congress and see if some relief might be had there."

Other harmful tax reform provisions include the changing of the rules in depreciation of such things as livestock, buildings and equipment and the new provisions concerning passive investment loss, Jones said.

"Some of the range livestock operations have been investments that have come from outside of agriculture and have been attractive in the past because of the way they were treated in the federal income tax provisions," Jones said. "Now, though, there are new limits on

which permits independent operators to exempt 27½ percent of their oil and gas production income from taxation, needs to be restored; that the windfall profits tax and Fuel Use Act need to be repealed; and that natural gas needs to be deregulated.

"The new tax law does not give any allowance for depletion," Baen said. "A depletion allowance of 27 percent is an automatic reduction in the tax on that well. So that was an encouragement to build. Now that incentive has been taken away."

However, Baen also conceded that the prospects of natural gas being deregulated are not very good because of the political pull of the eastern states opposed to deregulation.

Adams said the majority of roadblocks to job growth in Texas can be classified under three categories — perception, fragmentation and infrastructure.

He said the common perception of Texas coincides with the portrait East Coast media have painted — a place that's drawing its last gasping breath because of its ties to the oil industry.

"We acknowledge as a task force the dependence of the state in the past on oil," Adams said. "We also recognize that oil is going to be very important for every one of us."

"But it is not going to be as impor-

tant as it has been. And further, even if all of our economic woes were to go away today it would be extremely important for every one of us to lessen greatly our dependence on the oil industry... because we have to have a wider economic base."

Fragmentation difficulties also plague the state, Adams said.

"New business prospects in every state in the nation primarily go first to the state — except in Texas," he said, "because in Texas we do not have a strong centralized focus for new business prospects."

Adams said state agencies are duplicating activities that need to be handled by one entity — a single source that can speak for the state in drawing businesses to Texas.

He also said the state's current infrastructure — its various support underpinnings that determine whether it's a good place to do business — is inadequate.

In a summary contained in the group's report, infrastructure problems are said to be exemplified by, among other things, the state's transportation industry and support structure for entrepreneurial efforts.

The report said the state's highway system is a constant target of criticism due to restrictions on intrastate trucking. It also said that, while Texas has lots of small businesses, it isn't well-known for supporting entrepreneurial pursuits.

Though the task force has completed its recommendations, Adams acknowledged that its role is far from over.

According to the task force report, some of the recommendations, such as the solicitation of federal research dollars and laboratories, will require the governor to seek federal assistance.

Others, such as the formulation of agriculture and energy policies and the development of the Business Alliance Program, could be implemented by the governor.

And suggestions for developing a stronger tourism promotion program, establishing small-business development centers, deregulating intrastate trucking and promoting educational initiatives will require legislative action.

Adams said the fight for implementation of task force proposals likely will last throughout the legislative session.

"We can't just sit back and expect these kinds of things to happen," Adams said.

Prisons

(Continued from page 1)

to be more responsive to its citizens than a business, Halter said, despite the popular "can't-fight-city-hall" stereotype.

This problem could be minimized with careful contract negotiations and the inclusion of specific guidelines in the contract, Halter said.

"You have to make sure the contract has certain performance standards," he said, "saying in essence, 'We don't owe you a dime until you do X, Y and Z,' and 'The thing has to operate at a certain level of efficiency for X period of time.'"

Crouch agreed with Halter. Crouch said a contract for prison operation with a private corporation initially might save the state money, but later could end up costing more because of hurried contract negotiations.

"They may find themselves paying less per inmate in the beginning, but a year or two later — because the contract permits escalation of costs — the private corporation may simply exercise its right (to raise prices) and the state discovers it's paying more," Crouch said.

The Tennessee prison system

has experimented with private prisons on a small scale, he said, and has had this problem of rising costs.

Crouch said Texas, like Tennessee and other states, has very little experience negotiating private contracts in this area.

"States are not regularly in the business of doing this sort of thing with regard to prisons," he said.

Texas should learn from the experience of others, he said, and contracts should be negotiated carefully. Safeguards could be written in; for example, if the contract stipulated that the corporation maintain the 10-percent savings required by the proposed bill, then the state would have some protection from that cost escalation.

Crouch said other problems could arise regarding the control of prisoners.

"There are questions as to liability," he said. "Who's liable? The corporation, or the state, whose prisoners they ultimately are? That's a legal issue that really isn't worked through."

Iran

(Continued from page 1)

Sharing Laxalt's view, Dole said that Reagan must "if not apologize, get very close to it" during his speech. Dole added, "I don't know if he'll do it or not."

Meanwhile, former Republican Sen. John Tower of Texas, appearing with Laxalt on ABC-TV's "This Week With David Brinkley," said he believes Reagan, in approving the sale of U.S. arms to Tehran, "had convinced himself that selling arms to Iran was strikingly different from ransoming hostages."

Former Sen. Edmund Muskie, D-Maine, a member of the Tower Commission, said in a separate interview that the panel's members were appalled at Reagan's inability to recall details of "significant occasions" in the Iran arms sale affair.

"I wouldn't say we considered him a mental patient," Muskie said on CBS-TV's "Face the Nation" pro-

gram. "But certainly we were all appalled by the absence of the kind of alertness and vigilance to his job and those policies that one expects of a president."

Reagan was "definite in what he remembered and what he didn't," Muskie said. "But what he didn't remember astonished us, because at that time we had been exposed to a great deal of the story."

Laxalt, asked how Reagan reacted to the Tower Commission report, said, "I think he was stunned" by the panel's findings. When he spoke to the president after the report's release, Laxalt added, "He didn't attempt to draw any distance (from it)... He embraced the report, and I think that's terribly important."

Speculation on Reagan's upcoming speech and any changes the president might order in the wake of the release last week of the report by the commission headed by Tower dominated discussion on weekend television interview shows.



McDONALD'S

INTRAMURAL HIGHLIGHTS



DRIVE-THRU SERVICE
University Drive
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BREAKFAST EVERY MORNING

IM GAMEPLAN

ENTRIES OPEN

Badminton Singles: ENTRIES OPEN: Monday, March 2; ENTRIES CLOSE: Tuesday, March 10; SCHEDULES: Will be posted Thursday, March 12 after 3 PM on the bulletin boards outside the Intramural-Recreational Sports Office; TOURNAMENT BEGINS: Tuesday, March 17; LOCATION: Room 351 G, Rollie White; RULES: USBA Rules apply. Pick up a copy of the Intramural Rule modifications in the IM-Rec Sports Office; EQUIPMENT: Participants are asked to provide their own racquets, but a limited number may be checked out from the Sports Supervisor at the courts.

Volleyball Triples: ENTRIES OPEN: Monday, March 2; ENTRIES CLOSE: Tuesday, March 10; PLAY BEGINS: Monday, March 23; ENTRY FEE: \$20.00 per team; DIVISIONS: Men's, Women's and Co-Rec; CLASSES: A, B, and C; ELIGIBILITY: One TAMU Volleyball Club member or former varsity letter person is permitted per team. That team must complete in Class A competition; RULES: USVBA Rules with Intramural-Recreational exception. Rules may be obtained in the Intramural-Recreational Sports Office, Room 159 Read Bldg; TEAM CAPTAIN'S MEETING: Thursday, March 13 at 6:30 PM in Room 164 Read Bldg.

Innertube Water Polo: ENTRIES OPEN: Monday, March 2; ENTRIES CLOSE: Tuesday, March 10; PLAY BEGINS: Monday, March 23; CLASSES: A, B, and C; DIVISIONS: Men's, Women's and Co-Rec; ENTRY FEE: \$20.00; RULES: A copy of the rules may be obtained in the IM-Rec Sports Office, Room 159 Read Bldg.; EQUIPMENT: Innertubes and caps will be provided at the game; ELIGIBILITY: One TAMU Polo player is allowed per team. No TAMU Swimmer may compete in the Intramural Innertube Water Polo competition! A Team Captain's meeting will be held on Thursday, March 12 at 5:00 PM in Room 167 Read Bldg. All Team Captains should plan to attend. Schedules will be available at this time.

Golf Singles: ENTRIES OPEN: Monday, March 2; ENTRIES CLOSE: Tuesday, March 24; GREEN FEES: Students and Faculty/Staff \$6.00; TOURNAMENT TYPE: Individuals will sign up in either class A, B, or C. Tee off begins at 7:30 AM on Sunday, April 5. The tournament will be 18 holes with a shot-gun start. Participants should check in with the Intramural supervisor who will direct them to the hole assignment. YOU MUST BE ON TIME OR YOU WILL BE FORFEITED. NO REFUNDS WILL BE GIVEN.

ENTRIES CLOSE

Wrestling: ENTRIES OPEN: Monday, Feb. 23; ENTRIES CLOSE: Friday, March 6; MATCHES BEGIN: Tuesday, March 10, 8:00 pm; CLASSES: A and B; WEIGHT IN: Everyone must weigh in on Monday, 9 at 4:30 pm in the Men's Locker Room, 173 Read Bldg. MATCH TIMES: Will be posted in the Intramural-Recreational Sports Office the day following weigh-ins. TOURNAMENT: Single Elimination; RULES: NCAA WEIGHT CLASS: Upper limit-118, 126, 134, 142, 140, 158, 167, 177, 190 and unlimited. Participants must present a student or recreational ID at weigh-in and at much time. There will be no entry fee.

Table Tennis Doubles: ENTRIES OPEN: Monday, Feb. 23; ENTRIES CLOSE: Tuesday, March 3; PLAY BEGINS: Tuesday, March 10; SCHEDULES: Check in the IM-Rec Sports Office on Thursday, March 5 after 3:00 pm to see when you play. LOCATION: 304 Read Bldg. DIVISIONS: Men's, Women's and Co-Rec in classes A, B, C, and D; RULES: USTTA Rules will apply. EQUIPMENT: Paddles and balls may be checked out from the supervisor. Entry forms are available in the IM-Rec Sports Office, 159 Read Bldg.

Officials Wanted

Anyone interested in officiating Intramural Volleyball Triples or Innertube Water Polo should attend an orientation meeting tonight, March 2, at 6:00 PM in 164 Read. If you cannot attend the meeting or need more info., call Mike or Chris at 845-7826.

ACKNOWLEDGEMENTS

McDonald's Intramural Highlights is sponsored in the Battalion by your local McDonald's Restaurants at University Drive, Manor East Mall on Hwy 21 and on Texas Avenue. Stories are written by Genni Miller, graphics are by Mike Cantrell and photos are by Tom McDonnell and Brian Crosby.

T-Shirt Design Contest

Tuesday is the last day to enter the T-shirt Design Contest held to help identify a design for the 1987-88 Intramural All-University Champion T-Shirts. Entries must be received by 6:00 PM, Tuesday, March 3 and should be turned in to P.J. Nadeau, 159 Read. Designs should be 12" x 12", black ink on white paper. A \$50.00 prize will be awarded to the shirt best depicting an All-University Champion. Rules are available in the Intramural Office.

TAMU Outdoor - Rock Climbing Clinic

A one-day climbing workshop will be held on Saturday, March 28, at Sugar Loaf Mountain. Sign-ups begin today, March 2, and cost is \$8.00 per person. The workshop is limited to 12 participants.

Wallyball Playoffs

Playoffs for Wallyball will be posted Friday, March 6 after 2:00 PM across from racquetball courts 1 and 2. Play begins Monday, March 9.

Slam Dunk!

Congratulations to John Vandermeer for his fourth Slam Dunk title at A&M. John competed at the halftime of the A&M-Arkansas basketball game on Tuesday, February 24. Vandermeer, Percy Waddle and Mike Madden advanced from the prelims to wow the crowd at half-time. Way to go, guys!

Golf Driving Range

The Golf Driving Range is now open for business from 4:00 PM until dark Sun.-Thurs. and 1:00 PM-5:00 PM Fri.-Sat. The Driving Range is located at the Intramural Sports Center. A small bucket of balls for students with ID and faculty-staff with recreational ID is \$1.00; for community members and anyone without an ID it is \$2.00. Large bucket with an ID is \$3.00. Large bucket without an ID is \$4.00. Club rental is also available.

Rain-Out Number

The increased amount of rain has caused many softball games to be rained out. Decisions to postpone the games are made one hour prior to the first scheduled games. Participants may call the Rain-Out Number at 845-2625 for updated information.



Jump up out of the chair and come into the Intramural Office to sign your volleyball triples team