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## Reagan names pick for chairman of Fed

WASHINGTON (AP) — President Reagan announced Tuesday he is nominating economist Alan Greenspan as chairman of the Federal Reserve Board to succeed Paul Volcker, who guided the nation's economic fortunes for eight years.

Reagan made the startling announcement concerning what is often described as the second most powerful job in the nation in a brief

statement he read as Volcker and Greenspan stood at his side. Volcker, 59, a hard-money man who was named to head the central bank by President Carter in 1979, said he was leaving voluntarily and had informed Reagan of his decision at a meeting Monday.

"I had no feeling I was being pushed," Volcker said, refusing to answer directly a question of

whether the president had asked him to stay.

Reagan said he was accepting Volcker's resignation with "great reluctance and regret."

The surprise announcement sent financial markets momentarily into a tailspin.

There had been a widespread belief the administration would seek to keep Volcker at the Fed given the turmoil in recent months caused by the unsettled Third World debt situation, rising inflation worries and a falling dollar.

The Dow Jones average of 30 industrial stocks fell 22 points within minutes of the announcement although it later rebounded after traders recovered from the initial shock.

But bond prices and the value of the dollar continued to be under downward pressure.

While surprised about Volcker's departure, many in financial markets and on Capitol Hill said the White House could have not selected a better person for the post than Greenspan, who served from 1974 to 1977 as chairman of the Council of Economic Advisers under President Ford.

Greenspan, 61, who now runs an economic consulting firm in New York, won widespread praise for his chairmanship of the blue-ribbon commission appointed by Reagan in 1983 to recommend reforms to the financially ailing Social Security system.

"Filling Paul Volcker's shoes will be a major challenge," Greenspan told reporters, saying it took him only "milliseconds" to decide to take the job when he was called by the president on Monday.

The post of Federal Reserve chairman often is viewed as second in influence only to the president because of the great effect the central bank has on the overall economy through its control of the U.S. money supply.

By controlling how much money banks have to lend, the Fed influences the price of money — interest rates — and also the pace of economic growth.

## Analysts: Greenspan will continue policies, agenda set by Volcker

WASHINGTON (AP) — Although news that Paul Volcker is stepping down as chairman of the nation's central bank shocked the financial and political communities, major policy changes at the Federal Reserve under economist Alan Greenspan seem unlikely.

Analysts predicted Greenspan would follow many of the same conservative policies championed by Volcker, who in his eight-year tenure earned an international reputation as an inflation fighter.

Volcker's departure will mean that all seven members of the monetary policy-setting board will be Reagan appointees.

But economists generally suggested that Greenspan, a Republican who was President Ford's chief economist, is just as independent as Volcker, a nominal Democrat.

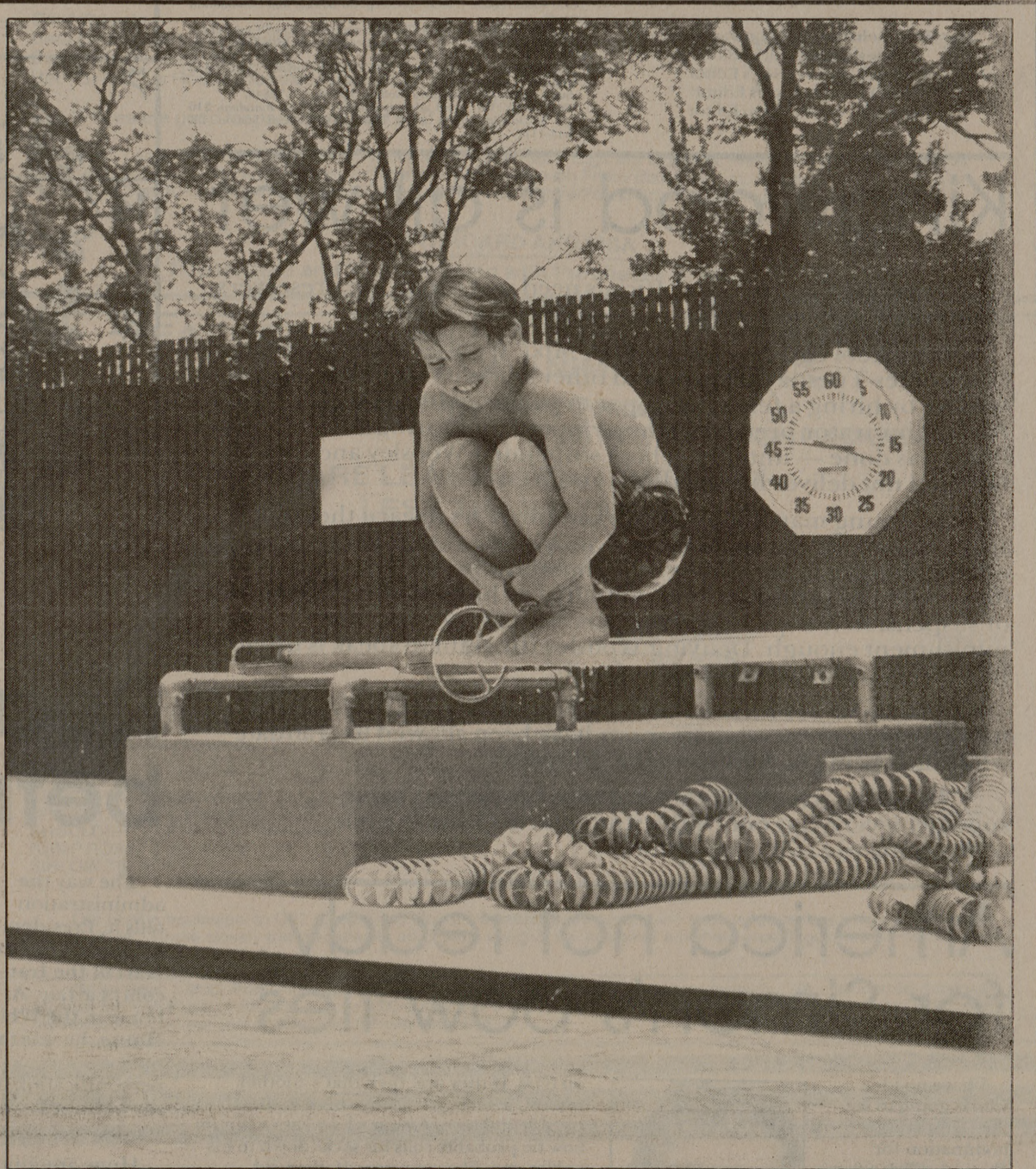
"He is even less likely to gun the money supply or move to an easier policy for political purposes," Washington economist Michael K. Evans said. "In 1976, when he was chairman of the Council of Economic Ad-

visers, he refused to spur the economy even though Ford was running for president." But while Volcker took a keen interest in international financial issues, engineering a landmark 1982 financial rescue package for Mexico, Greenspan has focused on domestic economics.

Allen Sinai, chief economist for Shearson Lehman Bros. of New York, said, "The strengths of Volcker are not the strengths of Greenspan. Greenspan's strengths are more industrial economics and the U.S. economy and certainly not financial markets and international finance."

While Volcker focused on inflation as the nation's foremost economic concern, Greenspan has said reversing deficit spending "is the most important policy action that one could identify for the 1980s."

While Volcker ruled the Fed with almost an iron hand, a degree of control that had slipped of late as Reagan appointees became more numerous, Greenspan "is much more deliberative, more methodical," Evans said. "I think he will draw people out and get a consensus."



## Cannonball Fun

Hunter Coles takes advantage of a sunny morning to go swimming at Thomas Pool. Coles, 11, is one of many local children on summer vacation.

Thomas Pool, on Moss Street in Bryan, is open Monday through Friday from 1 p.m. to 7:30 p.m. and Saturday and Sunday from 11 a.m. to 6 p.m.

Photo by Robert W. Rizzo

## Clements kills permanent rise in gasoline tax

AUSTIN (AP) — Gov. Bill Clements, who earlier had insisted it was either all of his tax plan or nothing, made good on his threat Tuesday and vetoed a permanent 5-cent increase in the motor fuels tax.

Less than 12 hours after the Legislature's regular session ended, Clements sent lawmakers a veto message saying he wanted two tax bills passed — the 5-cent gas tax hike and a bill to keep the sales tax rate at 5 1/2 percent.

He vetoed a permanent 5-cent increase in the motor fuels tax.

"Games are being played with the fiscal integrity of Texas," he said.

"The games must end," Clements said. "We must do what is right."

"We must make both taxes permanent to preserve the cash flow and avoid a major problem this fall."

Clements has scheduled a special legislative session to meet June 22 to complete work on the unfinished state budget and on taxes.

Throughout the 140-day regular session, Clements had pledged to veto any tax increase larger than \$2.9 billion.

He said he wanted to raise that amount by making permanent the "temporary" sales and gas tax hikes adopted last autumn.

But both of those increases expire Aug. 31.

Unless action is taken, the motor fuels tax will fall from 15 cents per gallon to 10 cents, and the sales tax rate will drop from 5 1/4 cents to 4 1/4 cents.

Both the House and Senate approved the extension of the fuels tax.

The extension would have

raised an estimated \$888 million for 1988-89.

But lawmakers bogged down on the sales tax.

The House approved the plan Clements wanted, but the Senate voted to extend the 5 1/4-cent rate only through the end of 1987.

Clements said that won't do.

"There is no rhyme or reason to passing the permanent extension of the fuels tax and limiting the sales tax extension," the governor said.

"This bill was part of a two-bill package of legislation to continue the present revenue stream to help finance state government," Clements said.

"To have one without the other serves no useful purpose," he said.

Lt. Gov. Bill Hobby, who leads a Senate that reportedly was prepared to increase taxes by nearly \$6 billion, said the governor's veto didn't bother him.

Although the state's fiscal year ends Aug. 31 and faces a serious need for more cash, Hobby said the veto only will add pressure to the Legislature to find a solution to the problems.

"That means the Legislature has a very few weeks to enact the necessary taxes to keep the state going for the next biennium," Hobby said.

"As Sir Walter Raleigh said as he was about to lay his head on the block and have his head cut off, and he felt the sharpness of the hitsman's ax, he said it focuses the attention marvelously," Hobby said.

House Speaker Gib Lewis said Clements' veto wasn't a surprise.

"He said he was going to do it unless something happened, and it didn't happen," Lewis said. "So therefore, he fulfilled his commitment."

"We'll have to pass it again."

## Child-care services missing at A&M

### Student parents confront problems

By Lisa Vandiver  
Reporter

The alarm goes off at 6 a.m. and Rachel Kennedy, a student at Texas A&M, gets up for a day of classes. While trying to get herself ready for class, though, Kennedy also must get her daughters — Amber, 7, and April, 6 — ready for their day.

After the breakfast dishes are done, everyone's teeth are brushed and clothes are on right-side out, Kennedy, an experienced student parent, gathers books, crayons and children and heads for class.

This situation is not unfamiliar to Kennedy or to other student parents who attend A&M, at which child care is an especially difficult problem.

If Kennedy had been a student at the University of Houston, the University of Texas or one of 13 other schools in Texas, she could place her children in a campus child-care center, but not at A&M.

Most campus day-care centers are set up through the departments of education, home economics or educational psychology.

Dr. Douglas Godwin, assistant professor in A&M's College of Education, says the main reason the education department hasn't become involved in a program is because of the lack of a home economics department with which to coordinate it.

According to an article in Texas College Student magazine titled "Student Parents Scramble for Childcare," about 40 percent of the nation's colleges and universities provide some child care, which includes schools that merely refer students to non-campus facilities.

Aside from the convenience of an on-campus facility at A&M, the cost of a campus center would probably be less than private off-campus child care. The cost of the university centers around the state ranges from \$8 to \$45 a week, while the average cost of the off-campus care in the Bryan-College Station area starts at about \$45 a week.

The need for such centers is highlighted by the lengthy waiting lists at most day-care facilities. According to the Texas College Student article, some students place their unborn

children on waiting lists in order to ensure them a spot in a center.

Richard Beil, an A&M graduate student, likes the idea of an on-campus center because of personal moral qualms about outside centers.

"We don't like the idea of our daughter being in a day-care center eight hours a day, five days a week,"

she founded the Students with Children program at A&M, a support and action group designed for student parents.

"The group lets you know someone is there," Kennedy says. "I remember being sick and knowing I'd have to get the kids to day care and go to class because I didn't have any-

*"Working parents as well as student parents try to balance several roles — the more resources they have, the easier it is to manage."*

— Diane Welch, family life education specialist

he says. "We want to be able to say we raised our own child — not someone else."

So Beil and his wife, who also is a graduate student, alternate days of staying home two days a week to take care of their 15-month-old daughter. The other three weekdays she goes to a mother's day out program.

According to Diane Welch, a family life education specialist at A&M, a center at A&M would not only create a more convenient situation and less of a financial strain on student parents, but also would lessen stress that is created by juggling roles.

"Working parents as well as student parents try to balance several roles — the more resources they have, the easier it is to manage," Welch says. "Several of the roles they try to balance are time and finance. The student parents can sometimes be more flexible than working parents because of class schedules."

Kennedy also says the amount of stress a student parent faces as opposed to the single, childless student attending school is great.

"There is a tremendous amount of guilt," she says. "It seems that no matter how much I do, I can always do better — something always has to suffer."

"It is very hard to keep your priorities in line, to know what comes first and what must be sacrificed — studying, the children or sleep. Sleep is always the thing put aside."

When Kennedy discovered just how tough being a student parent

one to fall back on, I would drive April to day care wondering if I was going to pass out on the way."

The group also is planning to bring in speakers and create a cooperative program designed on a point system rather than a monetary one that would revolve around child care. Members would earn points by keeping children and spend points by using baby-sitting services.

"I'm surprised at the people who are willing to invest their time in a co-op, because the time we do have is so valuable," Kennedy says. "Right now though, it's our only alternative because child care is so expensive and so difficult to find."

The ultimate goal of the group, Kennedy says, is to create an on-campus child-care facility that offers qualifications not met by off-campus facilities.

Qualifications include a low adult to child ratio, which has proven to be much lower in on-campus centers.

Additionally, some campus centers coordinated by the school's departments of education or educational psychology are called lab schools. These programs are used as learning laboratories for departmental students, creating a learning atmosphere for both the students and the children, as well as offering an even smaller adult to child ratio.

The cost of lab schools is slightly higher than regular day-care programs, but some campuses, such as the University of Houston, provide

both types of programs for their student parents.

By having students work in the programs as a lab, the children's learning and playing time is better structured than in current day-care facilities because the student teachers' labs only last from one to three hours.

Also, Kennedy says that because her children have been associated with A&M through her classes, they are less intimidated of the school and the campus.

"It has given them confidence in education and themselves," she says. "They are already talking about going to college. To them, it is just an accepted notion that they will go. I just wish that they had learned this in a more fun way rather than coloring in Mom's class because the sitter didn't show up."

One of the main problems Kennedy has found with creating a center on campus is getting in contact with other student parents at the University — no forms require information pertaining to a student's marital or child status. Kennedy's group plans to contact those who would most likely be candidates for the student-parent category — graduate students and married students who have applied for financial aid. However, a majority of people still aren't reached.

The idea for campus child care also has been picked up by other organizations. The campus chapter of the National Organization for Women has become aware of the problem and is interested in a possible program to support the issue.

Wendy Stock, campus president of NOW, is enthusiastic about researching the subject.

"We would be very interested in doing a program on the matter," Stock says. "We would like to advertise the program, and depending on the amount of response we receive, perhaps support such a program. It is a definite need at this school."

In a Faculty Senate meeting held on January 19, the Senate approved a resolution that suggested a committee be appointed by President Frank E. Vandiver to investigate the possibility of an on-campus child-care center at A&M.