

# The Texas A&M Battalion

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Tom Awbrey of the Brazos Valley Chapter #378 of the National Sojourners burns an American flag

deemed unfit for use during a ceremony on Tuesday at Tanglewood Park in Bryan. Photo by Sam B. Myers

## Trade deficit decreases to lowest level in years, sparks Wall Street rally

WASHINGTON (AP) — The U.S. trade deficit shrank to \$9.89 billion in April, its best showing in more than three years, the government said Tuesday in a better-than-expected report which sparked a big rally on Wall Street.

The Commerce Department said the April deficit narrowed by 15.5 percent from a seasonally adjusted March deficit figure of \$11.70 billion, with all of the improvement coming from a steep drop in imports.

The trade figure, which has often rattled world financial markets, was greeted as exceptionally good news by investors, who rushed to bid up the price of U.S. stocks and bonds. They also sent the value of the dollar

surging on foreign exchange markets.

By midday, the Dow Jones average of 30 industrials had shot up by more than 30 points to 2,129.98, its highest level since the October market crash.

Many economists had been braced for a widening of the deficit to around \$12.2 billion based on an assumption that exports could not hold at the record level set in March. Exports did edge down by 2.5 percent, but the small drop still left them at \$26.22 billion, the second highest level on record.

Meanwhile, imports plunged 6.4 percent to \$36.11 billion, reflecting big drops in American purchases of foreign produced goods.

Private analysts said the string of better trade numbers virtually assured that President Reagan would win his veto battle with Congress over trade legislation.

"The argument for protectionism is fast disappearing as our trade deficit improves," said Frank McCormick, senior economist with Bank of America.

For the first four months of the year, the trade deficit has been running at an annual rate of \$141.8 billion.

While many economists had been expecting a decline to around \$150 billion, some said they were now revising their forecasts to show even more of an improvement this year.

## Texas' hopes alive; DOE denies reports of shortened site list

AUSTIN (AP) — State officials said they remain optimistic about bringing the \$4.4 billion superconducting super collider project despite a newspaper's report Tuesday that Texas has been dropped from the short-short list of candidates.

The *Nashville Tennessean* reported that the U.S. Department of Energy, in an unpublished list, had reduced the number of states under consideration for enormous research project to Tennessee, Illinois and North Carolina.

But DOE officials denied that any of seven prospective sites — including Texas — had been removed, even tentatively, from consideration. "Our dog is still in the hunt, and I think we're out in front of the pack," U.S. Sen. Phil Gramm said Tuesday.

"The DOE is working from the well-known list of seven, which includes Texas. . . . We do not believe the report," said Reggie Bashur, press secretary to Gov. Bill Clements.

The four other states on the department's published list are Arizona, Colorado, Michigan and Texas.

Gramm, R-Texas, said Energy

Department officials assured him there was no foundation for the story whatsoever.

"They have not even completed all their site visits. They don't intend to narrow down (the list) to three sites."

Gramm said the story surfaced during the Energy Department's inspection of the Tennessee site and that the site team "has spent the whole day trying to straighten out this statement by a Tennessee congressman."

U.S. Rep. Barton Gordon, D-Tenn., told the newspaper, "I have heard that there is a shorter short list and that Tennessee is on it."

An aide to Gordon, Harrison Wadsworth, said the congressman's remark was in response to a Tennessee reporter's question regarding the unnamed source's information.

Gramm said, "I said they ought to make this news story the cover sheet for the Tennessee proposal."

"They laughed at my suggestion but they are not laughing about having to spend the day straightening out all this misinformation. If it did anything, it hurt Tennessee," he said.

Energy Department spokesman Jeff Sherwood said the department has no shorter list of sites.

"The intent is not to go to any kind of a short short-list. The intent is to go from the seven best qualified sites . . . right down to one site in late November."

## FBI probes Pentagon officials

WASHINGTON (AP) — FBI agents Tuesday searched the files of two top Pentagon officials, a former Navy official and some of the nation's largest defense contractors in a massive investigation of alleged fraud and bribery in the sale of electronic gear to the military.

Search warrants were served by the FBI and the Naval Investigative Service at the Pentagon and some 30 other locations in 12 states, the Justice Department announced.

Federal investigators sealed off and searched the Pentagon office of Victor Cohen, the civilian official responsible for buying tactical battle command, control, communications and computer systems for the Air Force, said a Pentagon official, who spoke only on condition of anonymity.

Also sealed off and searched was the Pentagon office of James Gaines, deputy assistant secretary of the Navy for acquisition management, international programs and congressional support, a Navy source said.

In addition, a former Navy official, Melvyn Paisley, now a Washington consultant to defense aerospace companies, also was served with a search warrant, the FBI said.

The investigation has been under way for two years and involves "allegations of fraud and bribery on the part of defense contractors, consultants and U.S. government employees," FBI spokesman Gregory Jones said.

The inquiry focuses on "possible widespread fraudulent activity within the Department of Defense contracting process," the Justice Department said in a statement.

## Travel advertisement campaign designed to boost Texas tourism

By Marcena Fadal  
Staff Writer

"Visit a country where the natives are friendly and the language barrier is easily overcome."

It may sound like a typical travel and tourism advertisement, but it is not only unique. So far it has been uniquely successful.

The location? It's Texas and the advertisement is just one of many themes, created by an advertising agency in Austin, being used in an effort to increase tourism in the state.

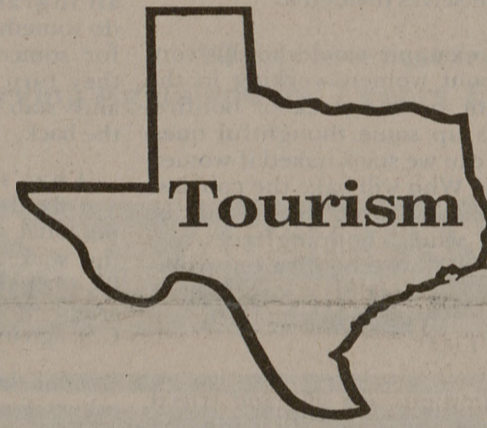
"We're trying to get away from the boastful image Texas has," said Scott Stevens, public relations coordinator for the Texas Department of Commerce. "We are letting everyone know that we are a friendly state and like a whole other country by playing up our natural resources. People in the Midwest don't realize that Texas has mountains and 600 miles of beach."

Bill Lauderback, Executive Director of the Department of Commerce, initially was behind the ad campaign promoting Texas.

"These advertisements, both television and magazine, are generating more interest than any other tourism campaign in the state's history," Lauderback said.

"Our increased travel promotion funding is enabling us to get the Texas message out to many more potential visitors, and this should result in increased travel spending statewide, and ultimately, more jobs," he said.

Stevens said tourism would increase service-



Graphic by Jay Janner

oriented jobs such as work in amusement parks, restaurants and hotels.

A department spokesman said the Texas Department of Commerce will spend about \$5 million to promote Texas as a vacation spot this year with an extra \$2 million allocated for other promotions by the tourist department. Only \$970,000 was spent last year.

## Tobacco companies' lawyers meet after loss of cigarette liability case

NEWARK, N.J. (AP) — Tobacco companies went on the offensive Tuesday to counter fallout from their first loss of a cigarette liability case as stock prices for the tobacco giants moved lower.

Industry lawyers held a New York conference to attack the impartiality of the judge in the four-month trial that held a cigarette maker partly responsible for a smoker's lung cancer and awarded \$400,000 in damages to her widower.

They also argued that greed, not principle, drives attorneys who sue their \$35 billion-a-year industry. And they released a detailed rebuttal of previously secret industry documents introduced by anti-smoking forces during the trial.

Meanwhile, Marc Z. Edell, the attorney who won the first damages award against a cigarette company, said he may amend six other cigarette liability lawsuits he is handling to include civil racketeering charges against the tobacco industry.

The verdict Monday found Liggett Group Inc. had failed to warn the public about smoking's dangers and violated a promise, or "express warranty," in advertisements that cigarettes were safe.

However, the six-member jury cleared Lorillard Inc., Philip Morris Inc. and Liggett of conspiring to mislead the public about the risks of smoking.

No punitive damages were awarded in the case brought by Antonio Cipollone and his wife, Rose, who died of lung cancer in 1984 after 40 years of smoking cigarettes manufactured by the three companies. The jury mainly blamed Mrs. Cipollone for contracting her disease.

Cipollone said the industry "absolutely" killed his wife. "That I believe," he told reporters Tuesday.

Both sides claimed important vic-

tories from the judgment, however.

"The verdict in the Cipollone case is clearly a verdict for the cigarette manufacturers," said Arthur Stevens, general counsel for Lorillard. "Any effort to characterize it otherwise is clearly a distortion."

"The jury returned a resounding message that individuals who make informed choices have responsibility for those choices," said Philip Morris' general counsel, Murray Bring, at a news conference called by lawyers for Morris and Lorillard.

Ashtrays were passed out to reporters and Bring lit a cigarette as television lights shined on the dais in a jammed hotel meeting room in Manhattan.

Bring and Stevens used the forum to attack U.S. District Judge H. Lee Sarokin as biased.

"It is clear from any person looking at his rulings that they were preferential and unwarranted" and against the rules of procedure, Stevens said. "We could not have had a more extreme adversary."

They also said greed drove Cipollone's attorneys. "Everybody knows what they were really pursuing, and it wasn't solely to benefit Tony or Rose Cipollone," he said, pointing out how the Cipollone's attorneys spent \$2 million on the case but only recovered \$400,000 in damages.

"These cases are about money. If the plaintiffs don't get money, they are not going to bring them," Stevens said.

Cipollone's attorneys "observed no scruples in their effort to defame, to discredit the entire tobacco industry," Stevens said.

He also said the tobacco companies' claims of victory was for public relations reasons, both to encourage

Stevens said, "We are trying to sell the whole state. We are trying to get away from the tourists concentrating on a few cities in Texas, and to get them to see what else we have to offer."

The ads, launched on April 26 in national publications such as *Travel & Leisure*, *American Way* and *Vista*, include a toll-free telephone number for requests for a free 68-page pictorial of Texas and a large highway road map. Regional editions of *Time*, *Newsweek*, *People* and *Sports Illustrated* also will print the Texas advertisements.

"The results are already showing," Stevens said. "The toll-free number has led to over 10,000 inquiries calling for information about Texas."

A department spokesman said before the ads were printed, the Texas Department of Commerce received only 100 to 200 calls a day. Since then, many days have brought in more than 2,000 calls.

The new print and television commercials were unveiled in Austin on San Jacinto Day by Gov. Bill Clements and his wife Rita, chairman of the Texas Tourism Advisory Committee.

Out-of-state tourists come to Texas at a rate of 1,110 per hour, a department spokesman said. In 1986, 39.4 million out-of-state tourists entered Texas, including 3.5 million foreigners. Pleasure and business expenditures totaled \$17.29 billion.

"If each visiting party in Texas would stay one additional day, travel expenditures would increase \$2.5 billion," a department spokesman said.

industry investors and discourage other lawyers from pursuing such cases.

Liggett attorneys have promised an appeal of the damages award.

Liggett faced additional charges because it manufactured the Chesterfields and L&Ms that Mrs. Cipollone smoked before 1966, when Congress ordered health warnings on cigarette packs. Mrs. Cipollone later used brands made by Lorillard and Philip Morris, even after having part of her lung removed in 1981.

Reaction to the verdict, reached after five days of deliberations, focused on its potential impact on the more than 100 such cases pending in federal and state courts nationwide.

## Half of fund raised for girl to return

About \$3,000 of the \$6,000 needed to airlift Laura Burnett from Munich, Germany to College Station had been raised Tuesday afternoon.

Burnett is the daughter of Dr. John Burnett, a marketing professor at A&M. Laura suffered injuries and has been in a coma since a May 30 pedestrian-automobile accident in Munich.

Any donations should be sent to the **Laura Burnett Fund** in care of **First Republic Bank, P.O. Box 2860, College Station, Texas 77841**. Donations should be sent to the attention of Lee Cargill.