

It takes little to change money's value

It is the little numbers, not the big and obvious ones, that cause those inflation troubles. While everyone is aware of shockingly large numbers, it is the little ones that undermine economies.

At the moment, four percent inflation is viewed as moderate, and in fact some officials proclaim that inflation is under control. It does look like a small number, but repeat it enough and it becomes very, very big.

Four percent inflation cuts a dollar to 50 cents in 13 years. It adds \$22,000 to a \$100,000 house in five years. In three years it adds three cents to the newsstand price of a 25-cent newspaper. Not much? Just \$9 or \$10 a year.

Except for the decade of the 1970s and early 1980s, when inflation ran away with people's wallets, it has been little percentages that have changed the value of our money. In 30 years the Consumer Price Index has risen more than 300 percent.

In appearance, four percent is deceptively small, but little numbers compound in the same manner as large numbers. Four percent inflation this year becomes part of the base for next year's four percent, and on and on.

John Cunniff
AP Business Analyst

Inflation is insidious, occurring right under the noses of people but somehow obscured from their eyes. It happens when small prices are raised by small amounts, and when big prices are raised by seemingly tiny percentages.

When a 22-cent postage stamp rose three cents it created a temporary hullabaloo, but many people recognized 25 cents as the next "logical" plateau for the price. But those three pennies represented nearly 14 percent. If all prices rose at 14 percent a year your dollar would be 50 cents in five years.

A suburban weekly newspaper recently jumped to 50 cents from 40 cents, only a dime but a 25 percent increase. The fee on a credit card went from \$20 a year to \$30, a \$10 difference but a 50 percent increase.

Most people are aware of the consequences of seemingly small increases when translated into percentages. But even when they do, they often excuse it.

Somehow, a 50-cent item "should" go to 55 cents rather than 52 cents.

And, when vending machines are involved, an increase in a 50-cent candy bar must be at a minimum of 10 percent because the machine declines to count mere pennies. In this way vending machine inflation is created, and excused.

Inflation also is disguised when expensive items rise by small percentages, as in a 2 percent increase in car prices that adds \$200 to the tab, and a 3 percent rise that adds \$17,000 to a \$100,000 house in about five years.

Watch the little numbers. Never let them out of your sight. Never trust them. In just the past 10 years they have driven up the price of milk 33 percent, single-family homes 67 percent, new cars 46 percent.

They are devious, deceitful, and misleading. They delude otherwise thoughtful, responsible people. While the blockbuster numbers get blamed, those little ones hide like termites in the foundation.

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Equation: A crook equal to a politician

Lewis Grizzard
Syndicated Columnist

Looking back, I really should have paid more attention when my teachers attempted to teach me mathematics.

I'm not certain why I never had much interest in math when I was in high school. I do recall, however, my high-school algebra teacher, Miss Fleming, was quite attractive and I suppose I paid more attention to watching her every move at the blackboard than I did to mixing "a" and "b" with a bunch of numbers.

These are complicated times in which we live, and I find, as one of the mathematically impaired, I'm having trouble dealing with issues that involve numbers.

Lets take the scandal at HUD, the Department of Housing and Urban Development.

Jack Kemp, HUD's secretary, was quoted recently as saying the waste and influence-peddling that occurred in his department during the previous administration totaled somewhere near 2 billion dollars.

My first problem is trying to understand how much money that actually is.

I know it's a lot, enough to meet the payroll of a professional basketball team, but how many zeroes does 2 billion have?

I called a banker friend of mine to ask. I figured he would know since he probably turns down that much in loans every week.

"You just start with a '2,'" he said, "and add zeroes until your hand begins to hurt."

The reason I like to know how to write out 2 billion dollars is that I would like to find out just how much the HUD heist cost me, the individual taxpayer.

I suppose I could make a rough estimate of what I lost in the rampant influence peddling and taking-care-of-buddies network.

I'm going to guess \$150. It could be more or less than that, but \$150 is a nice, uncomplicated figure with which to work. Think what all I could have bought with the 150 big ones if I had like Samuel Pierce, Reagan's HUD secretary, hadn't stolen it from me.

I could have bought few nice items of clothing. If I went to K mart I probably could have purchased an entire outfit.

If I had gone to my local Ralph Lauren dealer, I probably couldn't have walked out with anything more than a pair of socks, but that would have been better than handing over the money to some crooked politician.

A hundred and fifty big ones would buy a pretty big dinner for two at a fancy restaurant, unless you got a crazy and started ordering expensive wines. To stay under the \$150, I should order only wines you can pronounce like "Gallo Thunder-bird."

A hundred and fifty would also buy a fairly large amount of groceries, a tune-up for your car and maybe a few new hoses.

It would pay for subscriptions to several magazines, 150 cigars at \$1 each, a bunch of golf balls, maybe even a trip to Hollywood, or you could give it to somebody in an urban area who needs housing, which is where it should have gone in the first place.

Having said all that, I now realize that gendra really isn't that difficult when you use it relative to government fraud.

The formula is easy: (a) If you don't keep a close eye on politicians and bureaucrats, the result is (b) they'll leave you blind.

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Good men aren't hard to find if you look in the right places

The armed services are looking for a few good men. And they've found them at Texas A&M.

But they haven't found all of them.

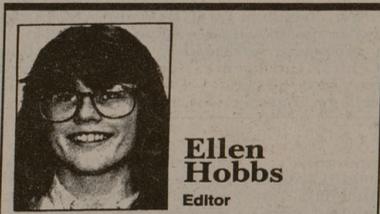
A&M has long been touted as having the largest enrollment in its ROTC program of any non-military school because of the Corps of Cadets. The Corps, now around 2,000 strong, is one of the school's greatest traditions and a unique element of the A&M student body.

The problem with A&M's ROTC program is that nothing is offered to those who want to be a part of the ROTC but not the Corps.

Texas A&M requires that all members of the ROTC be a part of the Corps of Cadets, something many students who might be interested in ROTC can't stomach.

Why would non-regs want to be a part of the ROTC? Well, maybe because of scholarship opportunities, stipends, and an officer's commission.

They might not want to be a part of the Corps, however, because of the long hours the Cadets put into the organization, having to wear uniforms to class every day, running at odd hours in the



Ellen Hobbs
Editor

mornings, eating in four minutes, or any number of other things the Corps does.

Being a member of the Corps takes dedication, not only to country, but to the Corps itself. Not everyone preparing for a military career is willing or wanting to dedicate themselves to the Corps.

I don't blame them. If I was planning to enter the military for good after I got out of college, I wouldn't want to tie myself down to a military lifestyle while I was in college.

But the benefits of ROTC participation could be a boon to all, not just Cadets. ROTC could benefit those who are thinking about being in the military as a career, plan to join the reserves, or need financial help that could be pro-

vided through the benefits and scholarships for which ROTC members are qualified.

All ROTC members are qualified to compete for scholarships in their branch of the military. Those scholarships pay for all tuition, books, fees and necessary supplies plus a \$100 per month stipend.

ROTC members are also paid \$100 per month once they have been in the program for two years and they are paid for attending some of the camps and training sessions required by the armed

services for being in the ROTC. Members who are also in the National Guard or the Reserves earn even more money and can benefit from the G.I. Bill.

Every student at A&M should be able to get these benefits by being allowed to enter the ROTC program. No other non-military university forces students in its ROTC program to be full-time members of a military organization.

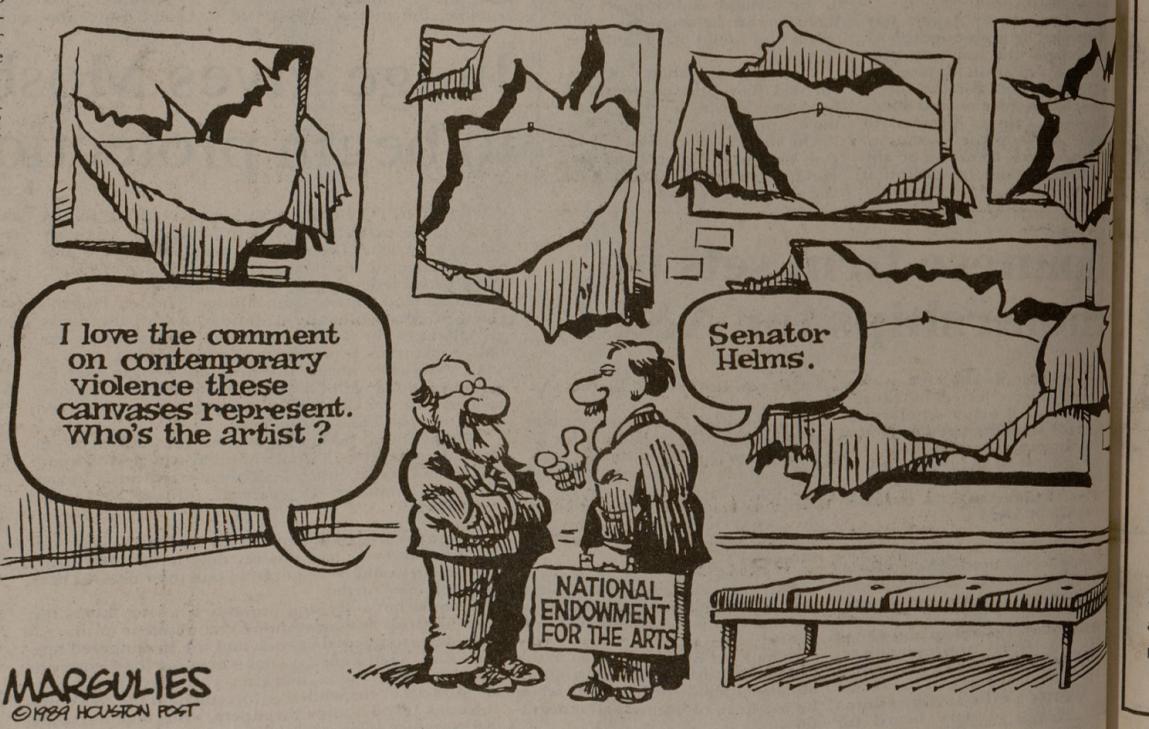
The Corps of Cadets should not be shut down. There are many students at A&M who will always want to be a part of the Corps, and with good reason.

The Corps is a great part of this great university.

However, non-regs are also a part of this great university, and those who want to participate in the ROTC without being attached to the Corps should have that opportunity.

The armed services are looking for a few good men. But if they only look toward the Corps, they will miss some good non-regs who might prefer the Corps military training.

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The Battalion

(USPS 045 360)

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Opinions expressed in The Battalion are those of the editorial board or the author, and do not necessarily represent the opinions of Texas A&M administrators, faculty or the Board of Regents.

The Battalion also serves as a laboratory newspaper for students in reporting, editing and photography classes within the Department of Journalism.

The Battalion is published Monday through Friday during Texas A&M regular semesters, except for holiday and examination periods.

Mail subscriptions are \$17.44 per semester, \$34.62 per school year and \$36.44 per full year. Advertising rates furnished on request.

Our address: The Battalion, 230 Reed McDonald, Texas A&M University, College Station, TX 77843-1111.

Second class postage paid at College Station, TX 77843.
POSTMASTER: Send address changes to The Battalion, 216 Reed McDonald, Texas A&M University, College Station TX 77843-4111.