

Tuxedo Rental SPECIAL

\$29.95

at



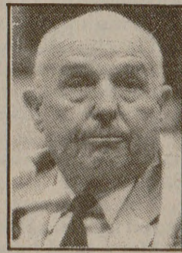
LADIES AND LORDS

707 Texas Ave.

Open Thurs. until 8 p.m.
next to the pink Taco Cabana

New budget predicts FDIC deficit

WASHINGTON (AP) — The Bush administration is projecting that the government fund insuring bank deposits will run out of money next year unless banks shore it up with billions of dollars.



Seidman

The forecast, to be included in the administration's budget due out Feb. 4, is the first official acknowledgment of a possibility that private economists have warned of for months.

By Sept. 30, 1992, according to the forecast, there will be a \$4 billion deficit in the Federal Deposit Insur-

ance Corp.'s bank fund, which stands behind \$2.2 trillion in deposits. By the end of 1995, the deficit will be \$22.5 billion, the Office of Management and Budget said.

Those losses likely will occur even if the FDIC in several months increases the insurance premium paid by banks to 23 cents per \$100 of deposits, OMB projects. That's an 18 percent increase over the current 19.5-cent premium and nearly double last year's 12-cent premium.

The forecast was presented last week to banking industry representatives who are struggling to agree on a mechanism for rebuilding the fund, and spoke on condition of anonymity.

The Congressional Budget Office is expected to present similar, or

even more pessimistic, findings to the Senate Banking Committee on Tuesday.

President Bush likely will mention efforts to strengthen the fund in his State of the Union speech Tuesday night. It will be part of the administration's larger proposal for the biggest overhaul of the financial system since the Depression.

However, Bush likely will not get into the specifics of how the fund will be recapitalized, other than to assure taxpayers that they will not have to pay for bank failures as they have for the collapse of the S&L industry.

The Treasury Department has proposed that banks provide an extra \$5 billion a year for five years — roughly an extra 20 cents per every \$100 in deposits.

The money would go into a special trust fund within the FDIC, be spent in an "early intervention" program to strengthen weak banks before they fail. Bankers would serve as trustees of the special fund, giving them some say over how money is spent.

Staff members of bank groups, who are evaluating the proposal at the request of the Treasury Department, agree that the FDIC should be shored up by their industry, rather than by taxpayers.

FDIC Chairman L. William Seidman acknowledged differences among bankers but said he remained hopeful they could ironed out in additional meetings this week.

Bentsen: Medicare cuts would jeopardize hospitals

WASHINGTON (AP) — The Bush administration may try to slash Medicare spending by \$20 billion over the next five years, a move that would jeopardize already struggling hospitals in Texas and around the country, Sen. Lloyd Bentsen said Monday.

Bentsen, a Democrat whose home state of Texas has led the country in the number of hospital failures since 1986, said about half of the \$20 billion would come at the expense of hospitals.

"Medicare cuts of the size we're hearing about would put severe strains on the ability of hospitals to cover rising medical costs," Bentsen, chairman of the Senate Finance Committee, said.

"I don't see how they can propose another \$20 billion cut when half our hospitals already lose money each time they treat a Medicare patient," Bentsen told the American Hospital Association's annual meeting. "It's obvious to me — and to most of you — that a growing number of hospi-

itals are simply not in a position to take another hit."

The Office of Management and Budget said it would not comment on the 1992 budget pending its release. Comment was not immediately available from the Department of Health and Human Services.

Ann Ward Rogers, spokeswoman for the Texas Hospital Association, said the proposed cuts could be trouble in Texas, which saw 16 hospitals collapse last year and now has 55 counties — out of 254 — without a hospital.

"There are many rural hospitals struggling to survive," Rogers said. "Any additional cuts would have a negative impact, and some hospitals won't be able to make it any longer and yes, they'll close."

The average Texas hospital suffered a loss of \$970 on each Medicare patient last year, Bentsen said. Such losses are projected to total \$241 million in 1991 in Texas, Rogers said.

"Hospitals in every major metropolitan area in Texas are incurring Medicare losses in the millions of dollars," she said.

Added Bentsen: "More than half of the hospitals in the country are losing money on Medicare patients. The Texas Hospital Association estimates that 70 percent of Texas hospitals are losing money on Medicare patients."

Last year's agreement to reduce the national deficit by \$500 billion over five years included \$45 billion cut to Medicare. As a result, hospitals will receive \$17 billion less over five years, including \$1.85 billion this year, Bentsen said.

Throughout the negotiations with Congress, the Bush administration sought deeper Medicare cuts, Bentsen said.

"But when it was all over I was under the deep impression that further cuts in Medicare were not going to be on the table this year," Bentsen said. "I thought we had a deal."

RALLY TO SUPPORT OUR TROOPS

Wednesday, Noon
MSC Flagroom

Sponsored by:
College Republicans
Copy Corner
First American Bank
Fred Brown Mazda/BMW
Pier 1 Imports
Rep. Steve Ogden
Sigma Chi
Tau Kappa Epsilon
Texas Aggie Bookstore
Young Conservatives of Texas

Surrender

If Iraqi forces fail to provide necessities, such as food, ammunition, leadership and communication, then dissent can occur, Burk says.

Interdiction of these needs, however, is not enough to produce submission. The coalition also must make the option of surrendering seem safe from the Iraqi point of view, Burk says.

Submission must be made to appear culturally acceptable to the Iraqi soldiers, he says. Iraqi troops must believe their capitulation is not a denial of soldierly virtue and that it is honorable, Burk says.

The allies also have to relieve the anxieties of the Iraqis. They must be assured that prisoners of war will not be tortured or otherwise mistreated, he says.

The decision to put Arab coalition soldiers in charge of POWs and on the front lines has helped, Burk says.

While ordinary units might be willing to yield to allied forces, Iraq's elite Republican Guard will act differently, he says.

"They (The Republican Guard) are likely to be harder to disrupt than conscripts," Burk says. "I don't think they are likely to surrender on the basis of air attacks alone, unfortunately."

He says the Republican Guard has a higher level of training than the regular Iraqi army. Burk says they also have a higher commitment to their roles.

Their greater morale results from

the higher expectations they have for themselves. The fear of letting others down makes them less inclined to capitulate, Burk says.

"The more we expect of ourselves, the more we get out," he says.

Burk says Iraq's use of Scud missiles against Israel and Saudi Arabia is not effective at present levels and will probably shore up coalition resolve.

"People who are bombed tend to stiffen resistance against their enemy," he says.

However, Burk says if Israel enters the war against Iraq, it probably will lower the morale of Arab coalition soldiers.

In addition, more dramatic effects would be felt in the civilian populations of nations such as Egypt, Syria and Jordan, he says.

The longer the war lasts, the more destabilizing it becomes to the coalition, Burk says. Israeli participation in the war would accelerate and intensify the process of opposition in the allied Arab countries, he says.

Burk says Iraq's policy of terrorist attacks outside the combat zone is wrong, as well as ineffectual.

"Targeting civilian populations is immoral," he says. "I know of no justification for it."

If terrorism became more effective, it could prolong the war, Burk predicts. Should terrorists cause heavy casualties in Europe or elsewhere, the coalition might expand military operations in Iraq beyond the liberation of Kuwait, he says.

SBSLC

as far away as Illinois and Minnesota to attend the conference.

"Originally, we planned to have the conference for students in the Southwest, but this year, we had students from other states," she said.

The third annual conference could not have been a success without help from committee members and advisers, Warmly said.

"Kevin Carreathers (director of the multicultural services department) was an inspiration to our pro-

gram, as well as Felicia James," Warmly said. "We couldn't have done it without them."

Warmly said she believed the conference was a success, but she will be glad to focus more on her studies after dedicating so much time planning the conference.

"If I was to be here next year, then how I would get involved in the conference is to just attend and enjoy it," she said.

Patriots knock out Scuds

RIYADH, Saudi Arabia (AP) — Patriot missiles turned back an Iraqi Scud missile attack on the Saudi capital late Monday, witnesses reported.

Sirens began wailing just after 9 p.m. (midnight CST) warning of a missile attack. Patriot missiles were fired shortly thereafter.

Seminar addresses economic markets, effects

The Texas A&M student chapter of the Society for Human Resource Management is sponsoring a seminar on the changing work force starting at 11 a.m. today in 114 Blocker.

Speakers will address issues such as the changing European and Japanese economic markets and their ef-

fects on U.S. workers. The seminar also will cover the aspect of diversity in the workplace and the role of health care in today's business world. Admission to all sessions of "Preparing Yourself for the Changing Workforce" is free. For more information about the seminar, contact David Dupre at 846-9688.

Radio

Continued from page 1

to contact."

When normal routes of communication become useless because of wars or natural disasters, the club usually sends radio messages to gather information about the situation. Amateur radio operators also transmit following tornadoes and hurricanes.

After Hurricane Hugo struck several Caribbean islands and South Atlantic states in 1989, the club helped A&M students locate families living in the area.

So far, no one with family in the Persian Gulf region has requested help.

Language barriers usually do not pose any problems because most radio operators speak English.

Riyadh, Saudi Arabia, has a small station even though the Saudi government is relatively protective, Maves says.

When someone calls and requests information about a disaster, they are asked for the name, address and phone number of the person being contacted, as well as their own phone number.

The radio operator then contacts another operator in that area using public airwaves, and asks them to find out about the person being sought.

Because "ham" operators use public airwaves, the calls are inexpensive.

When and if the operator is able to find the necessary information, he calls the operator at A&M who contacts the original person placing the request.

The A&M club operates one of the largest stations in the state, and is capable of contacting any country in the world.

In fact the station, using mostly used equipment donated by former club members, has contacted all but seven countries.

The Amateur Radio Club's office is on the third floor of the MSC.

GMAT up 90 points!

Classes Begin February 9th

call today 1-800-749-6336 for details

THE PRINCETON REVIEW

We Score More!

PETER MARSHALL

NEIL SIMON'S

RUMORS

A farce

A Special MSC OPAS Presentation

SATURDAY, FEB. 16

Rudder Auditorium

TICKETS: MSC Box Office, 845-1234

FOLEYS/Post Oak Mall

Shuttle service from Post Oak Mall and Manor East Mall available the evening of performance. Cost is \$2 per person.

Professional Computing HAS A CALCULATOR FOR YOU!

CALCULATORS FOR BUSINESS

10B....\$37.50	17BII...\$80.30
12C....\$70.00	19BII..\$129.95
14B....\$59.50	

CALCULATORS FOR SCIENCE & ENGINEERING

20S....\$37.50	32S.....\$50.95
21S....\$37.50	42S.....\$88.95
22S....\$44.50	28S.....\$173.90
27S....\$59.50	48SX..\$259.95

BUSINESS HOURS
M-F 8:00-5:30
SAT. 10:00-3:00

HEWLETT PACKARD
Authorized Dealer

505 CHURCH STREET COLLEGE STATION (409) 846-5332

Pi Sigma Epsilon Professional Business Fraternity

CO-ED OPEN TO ALL MAJORS

Mixing Business with Pleasure

Tuesday January 29 "Win, Lose or Draw" @ 8:30 PM MSC 212 Casual Attire

Thursday January 31 ORIENTATION @ 7:30 PM MSC 206 Business Attire

For more information call Jennifer at 764-2914.

STUDY ABROAD OFFICE

ENGINEERS SPEND SIX WEEKS IN GERMANY NEXT SUMMER

Through this TAMU/Council on International Educational Exchange (CIEE) Program TAMU Engineering Students can earn up to 7 hours of credit while studying in Germany

ELIGIBILITY:

- Declared engineering major
- Student in good academic standing
- Must have completed Freshman year at time of participation

COURSES: (all courses taught in English)

- Germany language
- Germany within the European Community
- Engineering in Germany and Europe

Application Deadline - March 1, 1991

Informational Meetings - January 29th

Study Abroad Office 845-0544

9:30 a.m. or 2:00 p.m. 251 Bizzell Hall West