

COMING
SUNDAY

Coping with change

Learning how to cope with divorce and the changing structure of the family were a few of the topics covered in the recent School of Christian Living. Read about the "hope for the journey of life" in Sunday's Lifestyle.

Housing dilemma

Fires in vacant houses in Midland are on the increase and so is the danger to the homeless who call those houses their own. This particular twist of the Midland housing dilemma will be explored in Sunday's Reporter-Telegram.

Trinity's mini-term

It may seem like a vacation to the younger students, but the seventh through ninth grade students at Trinity School are still in a learning process. Read about Trinity's fun, week-long mini-term in Sunday's Reporter-Telegram.

The Midland Reporter-Telegram

METRO EDITION

DIAL 682-5311, P.O. Box 1650, MIDLAND, TEXAS

Vol. 52, No. 314 Daily 25c, Sunday 50c

FRIDAY, JANUARY 22, 1982
4 SECTIONS, 36 PAGES

Soviet arms sales record

WASHINGTON (AP) — Soviet arms sales to developing countries climbed to a record \$6.2 billion last year and played a key role in helping Moscow pay for food imports from the Third World, according to an economic consulting firm.

An analysis being released today by Wharton Econometric Forecasting Associates concludes that the importance of arms exports in the Soviet Union's overall hard-currency balance of trade and payments has "risen dramatically."

Without arms sales, the combined Soviet balance of trade with the industrialized West and developing nations "would have registered a deficit of around \$0.6 billion instead of the anticipated deficit of \$3.4 billion," the report said.

The 1981 arms figure amounted to an increase of \$572 million over the previous year and was nearly eight times higher than the Kremlin's \$780 million in weapons exports to developing countries in 1971.

Estimates given in the Wharton analysis excluded non-cash military grants and "unilateral Soviet arms transfers" to the Third World and thus tended to run somewhat lower than previous CIA-computed figures.

In 1981, the Wharton report said, "Soviet arms sales were primarily used to pay for imports of grain and foodstuffs from Argentina, Brazil, India, Thailand and other developing countries."



Owen Carron — seen in this August 1981 file photo — who has close ties with the IRA, was arrested at the Whirlpool Bridge that links Canada with the United States as he tried to slip into the United States from Canada.

Member of Parliament held in Canada

By ED McCULLOUGH
Associated Press Writer

BUFFALO, N.Y. (AP) — Two members of the political arm of the Irish Republican Army, one a member of the British Parliament, were being held today on immigration charges after allegedly trying to sneak into the United States with phony identification.

The men were bound for the annual testimonial dinner of the pro-IRA Irish Northern Aid Committee, being held tonight in New York City, according to the committee's national publicity director, Martin Galvin.

Owen Carron, 28, who was elected to Parliament after hunger striker Bobby Sands died, was arrested Thursday night at the Whirlpool Bridge, which links Niagara Falls, N.Y., with Niagara Falls, Ontario, said Benedict J. Ferro, district director for the U.S. Immigration and Naturalization Service.

Danny Morrison, also a member of Sinn Fein, the legal political arm of the IRA — the IRA itself is outlawed — was arrested while trying to enter the United States over the Peace Bridge at Buffalo, Ferro said.

Also arrested were two Canadians, whom Ferro refused to identify. He said the two drove the cars that carried Morrison and Carron.

Ferro refused to elaborate on the charges against the four, other than to say they were immigration violations. He also refused to say where the four were being held.

"We have been investigating their presence and we were aware of their desire to try and enter the United States," Ferro said of Carron and Morrison.

"Both were refused visas at American consulates overseas," Ferro said.

The men were expected to go before a federal magistrate today.

About the time Carron and Morrison were arrested, bomb threats were received at seven area Howard Johnson restaurants from callers who said they were from the IRA. The national restaurant chain was purchased in June 1980 by Imperial Group Ltd., the sixth-largest corporation in the United Kingdom.

Clayton: Considers options

By LANA CUNNINGHAM
Staff Writer

ODESSA — Speaker of the House Billy Clayton smilingly sidestepped questions about his future political career here Thursday before speaking to a joint meeting of Leadership Midland and Odessa, saying only that the official announcement will come Monday morning in Austin.

In answer to questions about what position he would be seeking, Clayton said only that he had "considered all the options, including lieutenant governor."

However, Clayton has indicated in past weeks that he will be seeking the Democratic nomination for land commissioner. If so, that will pit him against Midlander W.E. "Pete" Snelson and Garry Mauro in the race for the nomination.

Speaking after a luncheon at Odessa College for the two groups' first joint meeting, Clayton highlighted what he called the many good points of Texas but admitted he was stumped at how to deal with the problem of illegal aliens while listing water as critical to Texas' future.

CHILDREN OF ILLEGAL aliens are placing a burden on the state's school systems, said Clayton. "It puts a burden on them to educate children when there are no contributory taxes

to offset the cost. And the child may technically be a citizen," he said, explaining that often a Mexican national mother comes across the border to have her child.

Questioned by one participant about initiating a stiff penalty for persons who hire the illegal aliens, Clayton replied, "I don't know about that as I've used them (illegal aliens) some (on his farm)."

"I understand we're adding to the problem," he said, then outlined the need for "stoop labor" in the agriculture area, or jobs which only the illegal aliens seem willing to do.

"The answer is more than just the illegal alien. If a guy can't find anybody else, he'll hire that illegal alien who comes by."

A bracero program that was eliminated a few years ago was good, said Clayton. "We didn't have such a problem with illegal aliens under this program. You had to sign up for them and had to be responsible for them."

While realizing that federal immigration officials consider the illegal aliens to be a major problem, Clayton said he can understand why the Mexican nationals cross the border. "Put yourself in the shoes of those people. If you were living in a poor country like they are, you'd want to get out, too. I've had them (immigration officials) pick up



"Put yourself in the shoes of those people (illegal aliens). If you were living in a poor country like they are, you'd want to get out, too."

— Billy Clayton

the illegal aliens on my farm and take them way down there (to Mexico) and two weeks later the people would be back on my farm."

WITHOUT THAT LABOR provided by illegal aliens, noted Odessa Mayor Bob Bryant,

(See CLAYTON, Page 2A)

Hance's Reagan report card

By LANA CUNNINGHAM
Staff Writer

ODESSA — President Reagan's weakest point of his first year in office is the absence of a strong foreign policy, U.S. Rep. Kent Hance said Thursday as he spoke to a joint meeting of Leadership Midland and Odessa in the Odessa College Student Union Building.

While criticizing the lack of foreign policy, he continued to support the president's tax and budget cuts, advising the 75 participants that it will take several more months before an improvement in the economy can be seen.

Hance, who represents the 19th Congressional District and is the second congressman to represent Midland since the district was created, was slated to relate national issues to West Texas. Instead, the talk resembled a report card on Reagan.

One of Reagan's biggest problems in foreign policy has been Secretary of State Alexander Haig, said Hance, basing his opinion on a recent meeting involving Haig and leaders of Western Europe.

IN TRYING TO persuade the Europeans to allow the U.S. to place cruise missiles in their countries, Haig remarked that the U.S. "just might set off a nuclear warhead for demonstrative purposes. It took weeks for the president and Casper Weinberger (Secretary of Defense) to straighten it out with Western Europe. Foreign countries have more confidence dealing directly with the president than with Haig."

To demonstrate the effect Haig's remarks made, Hance said that shortly after the incident 250,000 people gathered in a European city to demonstrate against nuclear weapons. "It's not easy to get 250,000 people out for anything, but Haig did," Hance joked.

However, the lack of a foreign policy probably led the Administration to "squeeze Richard Allen (national security adviser) out of his position," surmised the congressman.

In his opinion, "Richard Nixon was the last president to have a foreign policy moving in one direction."

Marshal law instituted in late December in Poland puts that country in similar circumstances as Afghanistan, which was invaded two years ago by Soviet troops, Hance said. However, when former President Jimmy Carter placed a grain embargo on Russia, it was like "shooting ourselves in the foot. The big loss was not to the Soviet Union, but to us," where the farmers lost sales of grain.

However, he agreed with Reagan's move to shut off sales of high technology to the Soviets.

THE LOSS OF Anwar Sadat to an assassin's bullet is "a loss we cannot overcome. Egypt will remain a strong ally, but no one could take Sadat's place and have the ability and stature he had. Sadat will go down in history as one of the great statesmen. He threw the Soviets out of Egypt and signed a peace treaty with an arch enemy — Israel."

That peace treaty, known as the Camp David Accord, was planted and nurtured by former President Jimmy



The grain embargo was like "shooting ourselves in the foot. The big loss was not to the Soviet Union, but to us."

— U.S. Rep. Kent Hance

Carter. "It was one of Carter's accomplishments," related Hance, adding to the list Carter's recognition of the People's Republic of China.

That act is important to the U.S. for many reasons, but primarily two, according to Hance.

"China is important to us for agriculture exports. One new shirt for every-

(See HANCE, Page 2A)

Astronauts plan to fly shuttle in 'barbecue mode'

By JAMES R. KING
Associated Press Writer

SPACE CENTER, Houston (AP) — Astronauts say they plan to fly the space shuttle in the "barbecue mode" on its next voyage, with the sun shining continuously on one side for up to 80 hours to test its ability to withstand temperature extremes.

More testing of a remote control "arm" is also a top priority goal during the third mission of the Columbia, the only vehicle that can return from space and land on Earth like an airplane.

Astronauts Jack Lousma and Gordon Fullerton said Thursday the launch date for their seven-day mission — tentatively set for March 22.

Besides the heat test and more work-outs of the mechanical arm, the shuttle will carry eight different scientific experiments aloft, including one that mixes chemicals in the weightlessness of space in hopes of finding new ways

to make pure vaccines, which are impossible to mass-produce on Earth because of gravity.

The astronauts also will take seeds into orbit, where scientists hope to determine the effects of zero gravity on plant growth.

Lousma, who spent two months in space as part of the Skylab 3 crew in 1973, said he was looking forward to "the opportunity to look out the window and see the world go by" again.

Fullerton, a space rookie who used to be an Air Force test pilot, said, "Everything about this flight is going to be a new adventure for me. Re-entry and landing should be the culmination of what I think is the dream assignment for any test pilot."

Columbia's second flight last November, a planned five-day mission, was cut to three days when one of three batteries aboard failed. Fullerton called the battery breakdown a "random failure" that no one expects to happen again.

No "spacewalks" are planned for the mission, although the astronauts must be prepared to don cumbersome space suits and perform emergency tasks outside the ship in case something goes wrong.

Fullerton said it's so hard to get into the space suit that he has been lifting weights to prepare. "I go running and I have been lifting dumbbells to keep my arms in shape. The suit is really demanding on your arms," he said.

The astronauts said keeping various sides of the spaceship pointed at the sun for extended periods would bring extremes of cold and heat to various components to test their operating limits.

Plans call for pointing the tail of the ship to the sun for 30 hours, the nose for 80 hours and then the top for 26 hours in what the astronauts called the "barbecue mode."

"The 80-hour nose-to-sun attitude results in many of the subsystems (in the shade) getting too cold rather than too hot," said Fullerton. "The systems

that have fluid have to be kept above a certain level to keep their fluids liquid and not too viscous."

Fullerton will be the main operator of the shuttle's Canadian-built mechanical arm, which will undergo extensive testing during the week in orbit. It will grapple an 800-pound payload in the cargo bay and move it about as experts monitor its performance. It will be the first time the \$100 million mechanical crane will be tested with a payload in its grasp.

In later missions, the arm will be used to reach into the cargo bay, pick up an object and place it in orbit, or reach into space and pluck a satellite out of orbit. At present, satellites are launched from Earth by rockets and are not retrieved.

Lousma also used the news conference to lobby for the NASA budget. "One of the long suits of this country is basic research and technology, and if we shortchange ourselves in those areas I think we're undermining the very thing we're good at," he said.

INSIDE TODAY

David Jones of the State Medical Examiners Board in Kentucky explains causes of death of seven miners who died in Wednesday explosion.

— Page 10A

Bridge.....4B	Lifestyle.....1B
Classified.....6C	Markets.....6A
Comics.....4B	Obituaries.....10A
Crossword.....4B	Solomon.....8B
Editorial.....8A	Sports.....10C
Energy.....7A	TV Schedule.....4B



Weather

Service

Clearing and much colder tonight. Fair Saturday. Details on Page 2A.

Delivery.....682-5311
Want Ads.....682-6222
Other Calls.....682-5311

WEATHER SUMMARY



Rain is expected in the forecast period Friday until Saturday morning for East and West coasts. Snow is forecast for the northern Plains to the Northeast. Snow flurries are forecast for the Northwest. Cold weather is forecast from the northern Plains to New England.

Midland statistics

WEATHER FORECAST

Clearing and much colder tonight. Fair Saturday. Low tonight near 20. High Saturday midday. Winds shifting to southwest 10-15 mph tonight and Saturday.

NATIONAL WEATHER SERVICE READINGS

Yesterday's High: 70 degrees
 Yesterday's Low: 48 degrees
 Record High: 81 degrees
 Record Low: 27 degrees

PRECIPITATION

Last 24 hours: 0.00 inches
 This month to date: 0.00 inches
 1981 to date: 0.00 inches

LOCAL TEMPERATURES

Time	Temp
7 a.m.	41
8 a.m.	42
9 a.m.	43
10 a.m.	44
11 a.m.	45
12 p.m.	46
1 p.m.	47
2 p.m.	48
3 p.m.	49
4 p.m.	50
5 p.m.	51

SOUTHWEST TEMPERATURES

City	High	Low
Albuquerque	54	34
Denver	50	30
Phoenix	54	34
San Francisco	54	34
Seattle	54	34
Portland	54	34
San Diego	54	34
Los Angeles	54	34
San Jose	54	34
San Antonio	54	34
Fort Worth	54	34
Dallas	54	34
Houston	54	34
Chicago	54	34
St. Louis	54	34
Indianapolis	54	34
Philadelphia	54	34
New York	54	34
Boston	54	34
Washington	54	34
Atlanta	54	34
Memphis	54	34
Nashville	54	34
San Diego	54	34
Los Angeles	54	34
San Jose	54	34
San Antonio	54	34
Fort Worth	54	34
Dallas	54	34
Houston	54	34
Chicago	54	34
St. Louis	54	34
Indianapolis	54	34
Philadelphia	54	34
New York	54	34
Boston	54	34
Washington	54	34
Atlanta	54	34
Memphis	54	34
Nashville	54	34

The weather elsewhere

City	High	Low
Albuquerque	54	34
Denver	50	30
Phoenix	54	34
San Francisco	54	34
Seattle	54	34
Portland	54	34
San Diego	54	34
Los Angeles	54	34
San Jose	54	34
San Antonio	54	34
Fort Worth	54	34
Dallas	54	34
Houston	54	34
Chicago	54	34
St. Louis	54	34
Indianapolis	54	34
Philadelphia	54	34
New York	54	34
Boston	54	34
Washington	54	34
Atlanta	54	34
Memphis	54	34
Nashville	54	34
San Diego	54	34
Los Angeles	54	34
San Jose	54	34
San Antonio	54	34
Fort Worth	54	34
Dallas	54	34
Houston	54	34
Chicago	54	34
St. Louis	54	34
Indianapolis	54	34
Philadelphia	54	34
New York	54	34
Boston	54	34
Washington	54	34
Atlanta	54	34
Memphis	54	34
Nashville	54	34

Extended forecast

West Texas Fair. Cold Sunday with a warming trend Monday and Tuesday. High Sunday lower 40s north to lower 50s southwest warming to mid 50s north to near 60 southwest by Tuesday. Low Sunday near 30 above zero north to upper 30s south warming to lower 30s north to near 40 south Tuesday.

Curse given as reason for kidnapping of man

A woman who said removing a voodoo curse was her reason for wanting to kill a Midland man Tuesday night has been charged with aggravated kidnapping and unlawfully carrying a weapon.

Alice Mayes, 29, of 1306 S. Mineola St., remained in the city jail this morning under \$25,000 bond set by Justice of the Peace Robert Pine. Her alleged accomplice, a 16-year-old Midland girl, was remanded to the custody of juvenile authorities.

The pair is accused of kidnapping 24-year-old Stanley O'Neal, 4410 Latham, about 10 p.m. Tuesday. O'Neal said he knew the woman and agreed to help the two after they knocked on his door and told him their car had broken down.

As he was backing out of a parking place, the woman allegedly pulled a .22-caliber pistol and said they were going to kill him because his mother had put a curse on a mutual friend of theirs. The only way to break the hex, O'Neal said they told him, was to "kill his mother's favorite son."

O'Neal managed to disarm the woman and use the gun to hold the pair until police arrived. Police today said an attempt will be made to have the teenager certified as an adult to stand trial in the case.

Pound burglaries investigated; Several area fires reported

Police are investigating the burglaries of at least 10 vehicles being stored at the city pound in the 1600 block of Orchard Lane.

The matter came to light Wednesday when a man was released from jail and came back saying tools worth \$706 were missing from a tool box in the bed of his pickup truck.

A subsequent check disclosed that other vehicles at the pound also had been broken into. It is not known how much the total dollar loss will be.

Firemen battled a blaze that destroyed a bedroom of apartment 45-E at Haystack Apartments, 2438 Whitmore, shortly before midnight Thursday.

In addition to destroying the bedroom, the fire caused smoke damage throughout the apartment, which is occupied by Robert Jones and Joe Mor-

Police, Fire Roundup

ris, and also caused smoke damage to an upstairs apartment. The cause of the blaze is under investigation.

A fire blamed on an electrical short damaged an overhead heater in the paint shop of a hangar at Aquila Aviation at Midland Regional Airport about 12:30 p.m. Thursday. No other damage was reported.

Shortly before noon Thursday, an electrical short in a hot plate caused a fire that destroyed a house trailer and nearby car owned by Jim Jones of County Road 1080 South, a half-mile north of Cloverdale Road.

Firemen remained on the scene for three hours and used 5,000 gallons of water in extinguishing the blaze.

Weather Service says recent warmth will change to cold

The mild nights of the past few days will give way to chilling cold, according to the National Weather Service.

Although the low early Friday was 48, tonight's conditions will see the mercury drop to near 20 — still far above the record low for the date of 2 degrees set in 1956, however.

The high Saturday should reach into the mid 50s, somewhat below the pleasant 70 degrees recorded on Thursday. That mark was well off the record 84 set in 1974.

No official precipitation was recorded by the NWS, leaving the yearly total at 0.34 inch.

The extended forecast calls for fair skies Sunday through Tuesday, with colder temperatures on Sunday and a warming trend on Monday and Tuesday.

BIRTHS

MIDLAND MEMORIAL HOSPITAL
 Jan. 18, 1982

Mr. and Mrs. Mark Dwayne Balliff, 2910 W. Michigan Ave., No. 101, a boy.

Mr. and Mrs. Edward William Armstrong, Route 6 Box 400 Lot 119, a girl.

Mr. and Mrs. David Eldon Elliot, 3503 Gaston Drive, a girl.

Mr. and Mrs. Dale Wright, 4612 Seminole Drive, a boy.

Mr. and Mrs. James Pearce Beck, 2525 W. 3rd, Odessa, a girl.

Jan. 19, 1982

Mr. and Mrs. Michael Eugene Elliott,

Route 2 Box 171-J, a boy.

Dr. and Mrs. Robert Glen Young Jr., 3607 Crestridge, a boy.

Mr. and Mrs. Larry Earl Lewis, 2800 N. Loop 250 No. 506, a girl.

Mr. and Mrs. Ray Buckles, 1907-A Keith St., a girl.

Mr. and Mrs. Carlos Najar Gross, 4733 Dengar Ave., a girl.

Mr. and Mrs. Christopher Elmo Cummins, 2613 W. Golf Course Road, a boy.

Jan. 20, 1982

Mr. and Mrs. Osbaldo Baltazar Louano, 938 N. Baird St., a boy.

Reagan hesitating on tax questions

By OWEN ULLMANN
 Associated Press Writer

WASHINGTON (AP) — Facing opposition from business and some congressional Republicans, President Reagan is reconsidering plans to raise excise taxes on consumer goods but still is expected to seek some kind of higher taxes in his 1983 budget plan, administration officials say.

Reagan expressed "second thoughts" Thursday about an earlier decision to press for higher excise taxes after a delegation from the U.S. Chamber of Commerce told him it would oppose such a plan, White House aides said.

One administration official said Reagan postponed a final decision on taxes until next Tuesday, when he is to deliver his State of the Union message to Congress. In the interim, the president will mull over whether to include higher excise taxes in his budget proposals.

Another official, however, said Reagan appeared "to totally reject any new excise taxes." The officials requested anonymity.

On Wednesday, several officials said Reagan had agreed tentatively to seek higher excise taxes on cigarettes, liquor, wine and some luxury goods, but rejected a tax increase on beer and was undecided about raising taxes on gasoline. House Republican Leader Bob Michel of Illinois had strongly opposed raising beer taxes, saying the move would hit the average "working man."

REAGAN ALSO AGREED Wednesday to propose a narrowing of several tax "loopholes," aides said. Altogether, the tax proposals would have raised about \$15 billion and enabled the president to hold the projected deficit for fiscal 1983 to about \$75 billion, they said.

Officials said Thursday that Reagan still was expected to seek a number of loophole closings when he submits his budget to Congress Feb. 8.

The officials declined to estimate how much the final tax package might be worth in added revenues.

Reagan remains the "lone holdout" in the White House against higher taxes, even though all his senior economic advisers say additional revenues are needed to hold the deficit under \$100 billion, one official said.

Aides said Reagan has been reluctant to propose tax increases only months after pushing the largest tax cut in history through Congress. His reluctance has been hardened by steady pressure from some congressional Republicans and business groups to reject higher taxes in any form.

Reagan is said to fear that any move to seek higher taxes would be interpreted as a sign his economic program of spending and tax cuts was not working.

"There are so many pressures and conflicts involved," one official said. "There are particularly a lot of political problems with excise taxes, which makes things very, very dicey."

"There are some ideas he is very reluctant to yield on — namely his abhorrence of taxes and the negative way they affect the economy," another aide said.

ACCORDING TO ONE account, Reagan became upset Thursday after representatives from the Chamber of Commerce told him they would fight any excise increases, adding that they doubted such measures would win congressional approval. The president then told his staff to search for other ways to narrow the deficit.

Reagan also has encountered resistance among his Republican allies in Congress.



President Ronald Reagan meets at the White House Thursday with members of the President's Commission on Fiscal Accountability. With him are

Interior Secretary James Watt, left, and commission chairman David Linowes.

Hance gives Reagan report card

(Continued from Page 1A)

one in China would use all our cotton crop in one year," he said.

Second, the Soviets focus much of their attention to the Chinese and the 500-mile common border the two countries share. "It's good for them to be at the border looking at the Chinese" rather than at the U.S., he said with a laugh.

When Reagan trumpeted his economic recovery program he made a mistake "by not telling the people there were going to be some difficult times ahead. You can't turn everything around overnight," Hance said in criticizing Reagan.

The congressman believes interest rates will be dropping soon, and argued that the economic recovery program hadn't been designed with 20 percent inflation rate. "Maybe some of the budget cuts should have been deeper," he said, supporting the 5 percent tax cut. "Increasing taxes won't balance the budget."

HANCE CO-AUTHORED the tax cut legislation with Barber Conable, which eventually was signed by Reagan. It calls for a 5 percent tax cut the first year and 10 percent cuts for each of the two following years. The bill also included a gift tax exemption and relief for royalty owners, he noted.

Uncertainty about the program's success has cropped up for two reasons — high federal spending and entitlement programs, he reasoned.

Clayton considers all options

(Continued from Page 1A)

"Odessa would shut down completely,"

The water bill proposed in the last amendments election probably was the best solution to Texas' water needs, in Clayton's opinion.

"Proposition Four gave initiative to the local people. It was merely a loan or guarantee of bonds so they could sell them (bonds) better." Although the finance committee is seeking a new plan, said Clayton, "It comes back to the fact that what was offered on the ballot is pretty much the way to do it."

The bill, which was defeated, stood a better chance of passing if it would have been presented to the Texas voter the previous year when there was a drought, he theorized.

After one participant noted that East Texas appeared to have plenty of water, Clayton pointed out that "Houston is getting ready to ciphon off that water."

Although the Stacy Dam project remains in limbo while being settled in court, the project to add water to the Colorado River Municipal Water District, which supplies West Texas cities, is needed. "Stacy Dam should be built," said Clayton, scoffing at the argument that it would take water from downstream.

IN OTHER STATE matters, Clayton noted:

Although Hance has supported a strong national defense program and a budget increase for that area, he admitted it had been given too much money. Supporting Budget Director David Stockman's remarks in a recent Atlantic Monthly magazine article, Hance said, "All budgets were closely scrutinized except the defense, and they were given a blank check. The defense budget will have to be trimmed; there is waste and fraud in it."

Continuing, he joked about the \$2 billion overrun bill for new helicopters sent to Congress by a Connecticut firm. Making light of the explanation, Hance said Congress was told, "Well, we were off a little."

ENTITLEMENT PROGRAMS comprise 76 cents out of every federal dollar. "You can only cut just so long on the other 24 cents," he said.

These programs, such as Social Security, are plugged automatically into each year's budget with a cost-of-living adjustment added.

Instead of giving an automatic 10 percent increase when inflation jumps 10 percent, Hance suggested cutting the raise. Explaining, he said if someone is receiving \$400 a month from Social Security, a 10 percent hike in living costs would mean an additional \$40. Under his suggestion of giving 85 percent of that amount, the recipient would see an additional \$34.

It may not sound like much of a cut, he said, but the few dollars could bail out the program.

"Pork-barreling is terminology used by opposing politicians because you got something for your people." He said a politician should get all that is necessary for his constituents, "but not something they don't need or don't deserve."

—Leadership of Midland and Odessa should work together on mutual problems, "because by the time the 1990 census is taken, you're going to be together whether you like it or not."

—Rising crime rate in the state "isn't something to be proud of. But it's a nationwide problem, not just a state problem. Because we have a common border with Mexico, Texas is a traffic alley for drugs."

—One of the "biggest messes" caused by the federal government can be seen with the Texas Employment Commission. Clayton, agreeing with President Reagan's idea to give more control back to the states, said that \$42 paid by each employer for every employee each year could be better handled by the state. "Of \$200 million we send to the federal government, we get back 37 percent."

—Makeup of the House and Senate will change after November's election. "It's a redistricting year. I predict there will be 50 to 60 new House members and at least half of the senators will be new."

He disagreed with Reagan's decision to appoint a commission assigned to study what should be done to heal the ailing Social Security program. "Every president since (Lyndon) Johnson has appointed a commission to study the problem." And he noted that no one has come up with the solution.

Joking, he said, "I know of a farmer in Muleshoe who said he'll tell the president what's happening to the Social Security system for \$500. It's simple. You're giving out more than you're taking in," he related.

However, certain government projects save money, the Lubbock Democrat contended, citing the foster child program. While a family receives \$110 a month to care for a foster child, Hance said the cost is negligible when compared to the alternative of putting the child in an institution.

AND THE WIN program to train mothers receiving Aid to Families with Dependent Children eventually puts the women off the welfare rolls and into income-producing jobs, according to the second-term congressman.

On the opposite side of the coin, "other programs have served their purpose and should be cut," he acknowledged.

In winding up his talk to the group of adults being trained for leadership roles in the two cities, Hance advised, "Don't elect demi-gods. Be involved and know what the real issues are; you have a duty and obligation to be involved."

Pecos bank shares may go to Midlanders

PECOS — J.T. Moore, president of the First National Bank of Pecos, has signed a contract to sell his majority interest in the bank to four Midland businessmen.

The sale to Olen M. Brock, R. Keith Moore, David L. Davis and J.L. Davis is contingent upon obtaining 80 percent of the bank's stock.

Of the 200,000 shares of stock in the bank, 160,000 must be acquired by the purchasers, or they will not be obligated to purchase any of the stock, according to the contract.

Moore, who owns 51.4 percent of the stock, said he will continue as a bank director, but will not be at the bank on a daily basis once the purchase is completed.

Brock, who has resigned his position as vice president and commercial lending officer at The First National Bank of Midland, plans to move to Pecos. Once the purchase is completed, Brock will serve as president and chairman of the board of directors, Moore said.

Before any change in the control of a national bank can occur, it must be approved by the Comptroller of the Currency, a process which can take as long as 60 days. But, according to Moore, it is only expected to take 10 days in this instance.

Poll shows small increase in optimism

NEW YORK (AP) — President Reagan's public approval ratings remain relatively low, but the latest Associated Press-NBC News poll reports a slight increase in optimism about the economy.

That represents a change from recent months, when both the president's public approval ratings and economic confidence made roughly parallel declines.

In the nationwide telephone poll, of 1,507 adults in a scientific random sampling Monday and Tuesday, 46 percent said Reagan is doing a good or excellent job as president. That is down slightly from his 48 percent approval rating in December and matches November's 46 percent — Reagan's lowest mark since taking office a year ago.

The latest poll said 35 percent think Reagan is doing a good or excellent job in handling the economy, compared with 36 percent last month and 35 percent — again, Reagan's lowest — in November.

However, despite responses that only one in four are saving more money than they were a year ago and that concern about unemployment continues to rise, there were also signs of growing optimism about the economy.

For instance, 34 percent said they think the economy will get better during the next year.



Fuller

Fuller files for Democratic nomination

State District Judge Larry Fuller of Monahans has filed for the Democratic nomination for the position of Associate Justice of the Court of Appeals, 8th Supreme Judicial District, Place 2, which covers 22 counties in West Texas.

In announcing his candidacy Thursday, Fuller said he filed for the seat with the state Democratic chairman and has served more than five years as district judge for the 143rd Judicial District. Prior to that, he was district attorney for the same district.

He holds a law degree and a bachelor's degree in business administration from The University of Texas. He's been a resident of Monahans since 1971 and had previously lived and practiced law in Midland with the firm formerly known as Turpin, Kerr, Smith and Dyer. He was also a partner in that firm before moving to Monahans.

Jurisdiction of the appeals court post he's seeking includes Midland, Andrews, Brewster, Crane, Crockett, Culberson, Ector, El Paso, Gaines, Glasscock, Huddspeth, Jeff Davis, Loving, Martin, Pecos, Presidio, Reagan, Reeves, Terrell, Upton, Ward and Winkler counties.

The Midland Reporter-Telegram
 (USPS 501-600)
 Published by Midland Newspapers, Inc. evenings (except Saturday and Sunday) and Saturday and Sunday morning, 281 E. Illinois Street, P.O. Box 1088, Midland, Texas 79702.
 Second Class Postage Paid at Midland, Texas

HOME DELIVERY

Paid in Advance		L-T, 6-Mos. 1-Yr.	
Evenings and Sunday	\$22.50	\$22.50	\$22.50
Evenings Only	\$22.50	\$22.50	\$22.50
Sunday Only	\$22.50	\$22.50	\$22.50
MAIL RATES IN TEXAS		L-T, 6-Mos. 1-Yr.	
Evenings and Sunday	\$22.50	\$22.50	\$22.50
Evenings Only	\$22.50	\$22.50	\$22.50
Sunday Only	\$22.50	\$22.50	\$22.50
MAIL RATES OUTSIDE TEXAS		L-T, 6-Mos. 1-Yr.	
Evenings and Sunday	\$22.50	\$22.50	\$22.50
Evenings Only	\$22.50	\$22.50	\$22.50
Sunday Only	\$22.50	\$22.50	\$22.50

Foreign and other rates furnished upon request. All subscriptions are in advance. All subscription rates expire October 1, 1978.

people

Reagans' California home back on market

LOS ANGELES (AP) — Ronald Reagan's home overlooking the ocean at Pacific Palisades is back on the market after a \$1.9 million deal with a group of investors fell through.

Parties involved in the sale have different versions of what happened, but a broker says the deal was ruined by comments attributed to industrialist Justin Dart, a friend of the president who has been helping him market the house.

In an article in the Los Angeles Times on Jan. 13, Dart was quoted as saying the house was overpriced at \$1.9 million and that the Reagans would take \$1 million for it.

Lester Lynch, a representative of the brokerage firm that was trying to put together the deal, said the sale backfired because the bank would not write a \$1.1 million mortgage on the house when it heard that it was only worth \$1 million. He said the bank's loan committee "came to a complete impasse" on the correct price of the house Tuesday.

However, Dart has denied making the statement and Ted Clandening, vice president of Valley First Federal Savings and Loan, said the deal fell through because an escrow deadline was not met.

W.C. Ogle, a member of the Zoller Group, which was going to buy the home, said, "I can assure you that whatever remarks were made, the house is worth far more than \$1 million."

The Reagans decided to sell the house when they moved to Washington.

LONDON (AP) — Barry Manilow is getting bad notices in the newspapers, but rave reviews at the box office in a tour of Great Britain and Ireland.

Manilow's recent concert at Royal Albert Hall in London was described as "one of the worst I've ever seen" by John Blake, a critic for The Standard. The Daily Mirror said Manilow looks "gawky and awkward and ugly" and has a bad voice.

But Manilow's 15 concerts in five cities are sold out, and scalped tickets are said to be going for as much as \$280 for a \$37.60 seat.

PROVIDENCE, R.I. (AP) — Cartoonist Edward Koran, creator of the furry figures that dress and speak as humans, has sued a Providence restaurant, claiming it used his characters without permission. The suit filed in U.S. District Court seeks a court order barring Noah's Arkade from using the cartoon characters on its signs, menus or advertisements and seeks the portion of restaurant profits that can be attributed to the drawings.

According to exhibits attached to the suit filed Tuesday, the drawings used by the restaurant were taken from the Brookfield, Vt., artist's copy-right book, "Do You Want to Talk About It?"

Koran's characters look like humans, but are covered with fur and have long snouts. His cartoons usually appear in The New Yorker and Harper's Magazine.

The suit said he has been paid for the use of his cartoons to advertise Xerox copiers, Yoplait Yogurt, Pioneer stereo speakers and Japan Air Lines.

Downing Associates of Providence and Pasta Express of Warwick are named as owners of the restaurant. Restaurant manager David DiCenso said he could not comment on the suit and said the owners were not available for comment.

DES MOINES, Iowa (AP) — Rock singer Ozzy Osbourne was treated for a possible case of rabies after telling doctors that he bit the head off a bat during a concert at Veterans Auditorium.

A spokesman for Broadlawn Medical Center said Osbourne, a former member of the group Black Sabbath, was given a rabies shot and a tetanus shot.

The spokesman said the medical report said, "Patient bit head off bat."

Osbourne also sought treatment at Mercy Medical Center, and was to check in with hospitals along the concert tour to continue the vaccinations.

The city's chief humane officer, Frank Harmon, said someone in the crowd supposedly threw the bat to Osbourne.

Des Moines Police Lt. Derald Leaming said he was skeptical of the story. "Police officers tend to be a little skeptical, anyway, but you have to wonder if he didn't do it for a publicity stunt," he said.

Leaming said he had heard of Osbourne's reputation of "sticking birds and things in his mouth" during performances.

Legal officer first casualty in battle over rapists

By JEFF BRADLEY
Associated Press Writer

LONDON (AP) — Nicholas Fairbairn, the Conservative government's legal officer for Scotland, has become the first casualty in the public outcry in Britain over leniency shown by male judges and prosecutors toward rapists.

Fairbairn, the 48-year-old solicitor-general for Scotland, resigned Thursday after a storm over the dismissal of charges against three Glasgow teenagers accused of raping and slaying a 30-year-old woman.

The Press Association, Britain's domestic news agency, said government sources told it Prime Minister Margaret Thatcher demanded Fairbairn's resignation.

Fairbairn told the House of Commons earlier in the day that Mrs. Thatcher reprimanded him for talking to the press about the case before reporting on it to Parliament.

"In the circumstances, I have decided that I ought no longer to remain in office," he said in his letter of resignation. He admitted making "errors of judgment" in speaking to the press before making an official statement, but he insisted he was "entirely satisfied" with the way the case was handled.

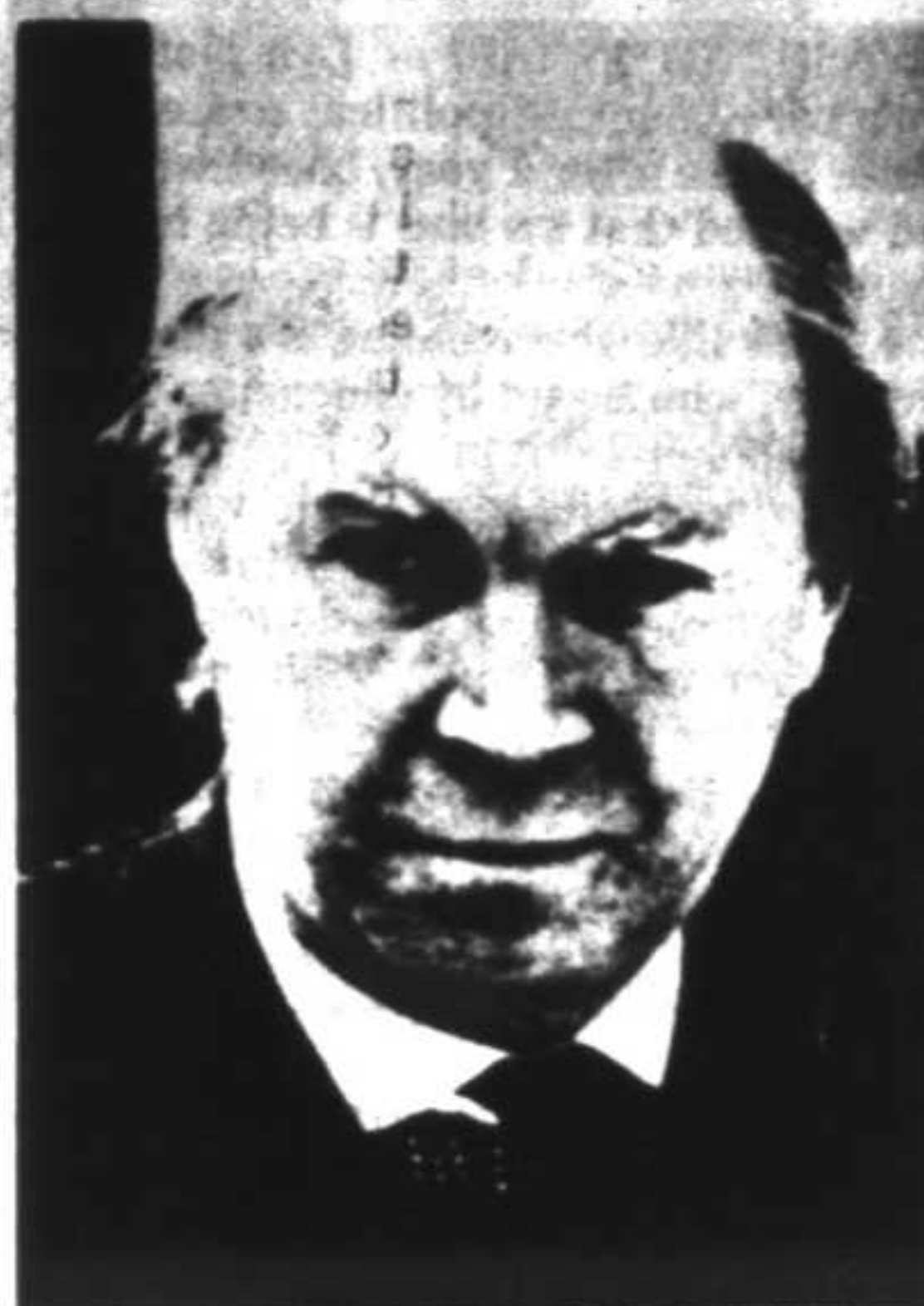
Laborite members of Commons jeered Fairbairn and demanded his dismissal when he explained that the young suspects in the case were not prosecuted because a psychiatric report indicated the victim might commit suicide if she had to testify.

The woman, who required 168 stitches, told reporters earlier that she "was prepared to go through" with the trial and didn't learn it had been called off until she read about it in the papers.

Laborites demanded a "full judicial inquiry" and a revision of the Scottish law that prohibits the reinstatement of charges once a suspect has been discharged, regardless of any new evidence that might surface.

The effects of the hue and cry over leniency toward alleged rapists also was felt in a Scottish courtroom Thursday when a top criminal judge, Lord Wheatley, rejected appeals from two convicted rapists.

"The sooner it becomes realized that people who indulge in this form of



Nicholas Fairbairn

criminal activity will be faced with long and severe sentences, perhaps the sooner the streets and houses will be safe to live in," he said.

This tough line was laid down last week by the lord chief justice, Lord Lane, who said convicted rapists should be sent to prison except in "wholly exceptional circumstances." Mrs. Thatcher endorsed this in Commons earlier this week, and the Times of London reported Home Secretary William Whitelaw was preparing legislation to make imprisonment mandatory for convicted rapists.

Lord Lane's admonition was in response to the decision of a judge in Ipswich, Bertrand Richards, who freed a convicted rapist with a \$3,800 fine and accused his young victim of contributing to the rape because she hitched a ride home late at night after a dance at an air base.

Mrs. Thatcher, the chief justice, other officials and women's groups condemned the judge's action, and there were calls for his resignation or ouster from two Laborite members of Commons. Only the lord chancellor, Lord Hailsham, can remove a judge, either by dismissing him for "misbehavior" or requesting his resignation. But judicial errors or unpopular decisions are not considered misbehavior.

Navy fliers parachute to safety

MANILA, Philippines

(AP) — Four U.S. Navy fliers parachuted to safety from their disabled Grumman Prowler jet moments before it crashed during a routine training exercise near a U.S. Air Force target range in the Philippines, the Navy said.

The fliers suffered only minor cuts and bruises and were in good condition at the Clark Air Base

hospital. Chief Petty Officer Dale Pittman of the information office at

Subic Naval Base told The Associated Press in a telephone interview.

H & R BLOCK DOES ALL TYPES INCOME TAX RETURNS

H & R Block does all types of income tax returns, not only the 1040A's but also business & farm returns are done at a modest fee.

This is the 25th year for America's largest tax service. The company was built on the \$5.00 and up tax return and today still charges only \$7.50 and up for a 1040A. The average fee last year in the Midland Area was less than \$25.00. H & R Block this year is instantly processing 1040A's, which means the guaranteed 1040A return will be done in only one visit.

The phenomenal growth and high percentage of returning customers is maintained in the seasonal business by conveniently located offices and

modest fees.

The H & R Block guarantee shows their confidence in their ability. The guarantee states that if Block makes an error and as a result you owe additional taxes, while you have to pay the additional taxes, Block pays all the penalty and interest.

H & R Block will make the laws work for you at any of their three Midland offices and outlying towns, including Odessa, Andrews, Big Spring, Crane, Ft. Stockton, Iran, Kermit, McCamey, Monahans, Pecos, Rankin & Seminole. Midland offices are located at 114 Andrews Hwy., Tele. 684-6741; Delwood Plaza Annex, Tele. 697-3681; also in Sears Midland Park Mall. Adv.

Plants by Evergreen

409 Kent St. Across From Peyton's Bikes

FRIDAY-SATURDAY-SUNDAY JAN. 22, 23, 24

New Truckload Arrived

Tuesday!

SHOP SALES

10" Sansevieria	\$12.95
24" 6" Totem Pole Ivy	9.95
36" 8" Totem Pole Ivy	15.95
48" Totem Pole Ivy	24.95
60" Totem Pole Ivy	49.95
72" Totem Pole Ivy	69.96

Many More Good Buys
NURSERY SALES

Big Springs & 868

Low Wholesale Prices on Everything

New Live Oaks and Red Oaks

Many Too Choose From

If we don't have something we will get it!!

Nursery
682-5399

Free Estimates on
Landscaping and Atriums

Shop
682-9199

2615 Midland Dr.
694-2563
Hours: Mon. Fri. 9-6 Sat. 8-5

La Casa Verde TREES

GARDEN CENTER, INC. Just Arrived!

LIVE OAKS & RED OAKS

\$89.95 to \$199.95

YAUPON TREES

\$42.50 to \$65.00

MONDALE PINES

10 ft. 159.95

CHINESE TALLOWES

5 gal. 18.95

HI-YIELD CRABGRASS CONTROL

• Containing Balan

20,000 sq. ft. coverage 24.95
5,000 sq. ft. coverage 10.95

FERTI-LOME DORMANT OIL SPRAY

• Controls scale on pecans, fruit trees, & shade trees
Pint 3.98
Quart 4.98

FERTI-LOME PECAN & FRUIT TREE FOOD

• 19-10-5 w/Iron & Zinc

20 lb. bag 10.95

FERTI-LOME PRUNING SEALER

• For roses, shrubs, shade trees, and fruit trees
15 oz. aerosol can. 3.98



NO NEED TO DIG HOLES!

"Penetrating action" goes directly to root system!

ferti-lome



Stop Crabgrass and feed your Lawn

Easy to apply!

ferti-lome

January Clearance SALE

DINING ROOM SPECIALS

during our

STOREWIDE SALE

Dining room deck by Heritage, rich fruitwood finish, 6 drawers, one only.
Reg. 299.00 NOW

69⁵⁰

Continental height traditional country English styled dining table by Drexel, warm honey brown finish on oak.
Reg. 849.00 NOW

399⁵⁰

Traditional china cabinet by Drexel, interior lights, grooved and adjustable glass shelves, antique white finish with gold trim, silver liner.
Reg. 1,689.00 NOW

759⁵⁰

Side chair by Heritage, contemporary styling, fully upholstered legs, Harlan cotton cover.
Reg. 349.00 NOW

69⁵⁰

Unusual solid brass tea cart imported from Italy, two glass shelves.
Reg. 600.00 NOW

399⁵⁰

Contemporary styled china cabinet by Heritage, rich brown finish on pecan, grooved and adjustable glass shelves, interior lights, polished brass pulls.
Reg. \$1,669.00 NOW

799⁵⁰

Arm chair by Heritage, fully upholstered, rich fruitwood finish, cotton print cover.
Reg. 450.00 NOW

99⁵⁰

Credenza by Drexel, country French styling, pecan solids and veneers, rich fruitwood finish, casters, silver liner.
Reg. 889.00 NOW

499⁵⁰

Henredon china or bookcase, Scene I group, glass doors and shelves, brass pulls and hinges, dark brown finish, interior lights, mirrored interior.
Reg. 1,700.00 NOW

1,295⁵⁰

Arm chair by Heritage, transitional styling, fruitwood finish with navy blue velvet cover.
Reg. 389.00 NOW

119⁵⁰

Contemporary styled server by Heritage, casters, mirrored top, cane doors, brass pulls and trim.
Reg. 1,019.99 NOW

499⁵⁰

Traditional style dining table by Drexel, dark rich finish, oak veneers, extra leaves.
Reg. 619.00 NOW

299⁵⁰

Mirrored top dining table by Tomlinson, two leaves, parsons legs with fret work, rich brown finish, As is.
Reg. 1,729.00 NOW

399⁵⁰

Heritage china, contemporary styling, interior lights, brass pulls, solar bronze glass doors, grooved and adjustable glass shelves, rich oak finish.
Reg. 2,950.00 NOW

1,499⁵⁰

Many, Many Others

Many, 'Many Others

Many, Many Others

ETAGERE

Five Shell open bookcase by Drexel, elegant traditional styling, rich fruitwood finish on pecan.

299⁵⁰

Reg. 619.00 NOW

Knorr FURNITURE
No. 15 PLAZA CENTER

SERVING TABLE

Contemporary styled serving table or sideboard by Drexel, 2 solar bronze glass shelves, honey brown finish on pecan, brass legs.

199⁵⁰

Reg. 569.00 NOW

DEATHS

Y.T. Alcalá

Y.T. "Lanny" Alcalá, 63, of Midland died Tuesday in a Midland hospital.

Rosary was recited Wednesday night in St. Ann's Catholic Church. Funeral Mass was said at 11 a.m. Thursday in the Newline W. Ellis Funeral Home chapel with Father Cliff Blackburn officiating.

Palbearers were to be Frank Repman, Lalo Camarillo, Glen R. Brown, Enrique Farrias, Ted Noel and Felipe Morales.

Honorary palbearers were to be Ed Allaire, William Porter, Russell Wickman, Mark Stanley and members of the Knights of Columbus.

Chester Connally

Chester W. Connally, 61, 100 E. Shannon Ave., died early Tuesday at a Midland hospital following a lengthy illness.

Services were to be at 2 p.m. Thursday at the Newline W. Ellis Funeral Home chapel. Burial was to follow at Resthaven Memorial Park under the direction of Ellis Funeral Home.

Palbearers were to be Vernon Lynn, Bobby Ellis, Ronnie Norris, Tracey Norris, Jimmy O'Neal and Frankie Keller.

Nanette C. Brown

Nanette C. Brown, 56, 4721 Ric Drive, died early Wednesday in a Midland hospital.

Graveside services for Mrs. Brown will be at 2 p.m. today at Fairview Cemetery with Father Cliff Blackburn officiating. Services are under the direction of Newline W. Ellis Funeral Home.

Mrs. Brown was born May 24, 1925, in Brooklyn, N.Y., but spent most of her life in Klamath Falls, Ore., until the death of her husband. She moved to Midland in 1981 and was employed by Mutual of Omaha as an agent. She was a member of the Catholic Church.

Survivors include a son, Michael Ernest Pierce of Eugene, Ore.; four daughters, Laurie Brown of Midland, Jo Ann Elizabeth Ross of Glendale,

Arla, and Bonnie Joanne Brown and Susan Marie Rudie, both of Salem, Ore.; a sister, Edythe Johnston of Chula Vista, Calif.; and a grandchild.

Elizabeth Dublin

Services for Elizabeth D. Dublin, 81, of 1803 W. Louisiana Ave., were at 9 a.m. Thursday at the Chapel of the First Presbyterian Church with Dr. Robert B. Smith, pastor, and Dr. F.A. Riddle, associate pastor, officiating. Burial was to follow at Fairview Cemetery under the direction of the Newline W. Ellis Funeral Home.

Mrs. Dublin died Tuesday at her home.

Palbearers were to be Don Smith, Bill Smith, Bob Smith, Jim Dublin of San Antonio, Marvin Baker and Jack Ladd.

Dennis D. Byrom

Dennis D. Byrom, 20, of rural Midland, died early Thursday at his residence.

Services are pending at Newline W. Ellis Funeral Home.

Byrom was born Dec. 14, 1961, in Stanton. He grew up in Midland and graduated from Robert E. Lee High School in 1980. He was a member of the Baptist Church.

Survivors include his father, Dale Byrom of Midland; his mother, Viola Byrom of Odessa; two sisters, Teresa Edwards of Midland and Loretta Hamilton of Irving; paternal grandparents, Mr. and Mrs. C.M. Byrom of Archer City; maternal grandparents, Mrs. Johnnie Maw Hearn of Eastland; and several aunts and uncles.

Dean Adams

RICHLAND SPRINGS — Services for Dean Adams, 58, of Brownwood, brother of Mrs. Carvel Mills of Midland, were to be at 2 p.m. today at the First Christian Church in Richland Springs. Burial was to be in Adams Cemetery under the direction of Howell-Doran Funeral Home of San Saba.

Adams died Wednesday at a Brownwood hospital.

Nofziger decides he's had enough

By TERENCE HUNT
Associated Press Writer

WASHINGTON (AP) — Lyn Nofziger, Ronald Reagan's bare-knuckled political strategist, is quitting the White House after a year, bored with the bureaucracy and worried that his boss is being hurt by staff infighting.

"I don't like government, it's just that simple," said Nofziger, who is said by colleagues to be too irreverent and outspoken to fit in.

So the man who teamed up with Reagan in 1966 — before anyone else in the White House — is leaving today. Again. Just like he's done several times before.

Nofziger chafed under White House rules. He would not wear the lapel pin that identified staff members to the Secret Service and refused to fill out forms for an FBI background check giving his past addresses.

"If they're so damn smart," Nofziger barked, "let them figure it out." Nofziger's wife Bonnie and an assistant filed it out for him.

IN AN ADMINISTRATION tailored in three-piece suits, Nofziger sported a Mickey Mouse tie and a rumpled sports coat, with shirttail hanging out and cigar clamped in teeth. He made no secret of his fondness for gin.

With impeccable conservative credentials, Nofziger served as Reagan's lightning rod for complaints from the party's right wing. He also made a crusade of tracking down Democrats hidden in jobs in the bureaucracy and replacing them with Reagan loyalists.

He complained he wasn't able to throw enough of them out.

Nofziger's departure comes as signs of trouble crop up in the White House inner circle of chief of staff James A. Baker III, counselor Edwin Meese and deputy chief of staff Michael K. Deaver. A recent spate of stories based on anonymous sources blamed Meese for a foul-up embarrassing to the administration, and one account said Meese might be gone within a year.

Nofziger refuses to point a finger publicly at any

suspects but says, "I would hope that the people in the White House who appear to be feeding negative things to the press about other members of the White House staff would come to the conclusion sometime that the man they're hurting is the president."

Despite his old ties with Reagan and his prominent role in the 1980 campaign as chief spokesman, Nofziger never became part of the White House high command. He says he does not regret it turned out that way, and that he talked to Reagan "whenever I've needed to and wanted to."

Deaver says there were many occasions in the past year when Reagan paused during a policy meeting and said, "I wonder what Lyn would say about this," then called him up and got his opinion.

NOFZIGER IS NOT the first high-ranking White House aide to leave. National Security adviser Richard V. Allen resigned under pressure after being cleared in White House and Justice Department investigations, and Max Friedersdorf, the administration's highly regarded congressional lobbyist, quit to become the top U.S. diplomat in Bermuda, saying it was time to do something different.

Deaver plans to leave at the end of this year, saying he can't get by on a salary of \$80,662.

"Most people who come into a place like this either like government or they begin to get out," Nofziger says. "You will see in the next year people leaving as they figure they've had it or they've done all they could do, or they've got better things to do. And then you'll see people fighting to stay in here. But I was fighting to get out."

Nofziger lasted 21 months with Reagan in the governor's office in California before quitting. He was with Reagan again for the 1976 presidential race and then set up the organization that Reagan used as a springboard for his next, ultimately successful, attempt. In 1979, Nofziger was squeezed out of the Reagan campaign by other aides. He rejoined in the summer of 1980 and quit again after Reagan's election — only to be persuaded to return.



Nofziger

Examination of water heater valves likely

SPENCER, Okla. (AP) — An independent laboratory may be asked to analyze safety valves scavenged from a water heater that caused a deadly blast at Star Elementary School, fire investigators say.

Oklahoma City public schools this morning were to hold a 15-minute memorial service for the five school children and the teacher who died in Tuesday's lunchroom explosion. Thirty-five other people were injured.

Fire marshals have confirmed that valves failed on the water heater, causing the noontime explosion.

Star School remained closed today, while Oklahoma City School Superintendent Tom Payzant worked on finding class space for the 270 students.

The school is within the Spencer city limits but is part of the Oklahoma City School District.

Agents from the state fire marshals' office are rebuilding the exploded water heater. Putting the shattered appliance together "should help us determine whether all the parts that should have been there were there," said John Guest, assistant state fire marshal.

Guest said Thursday an independent testing laboratory probably will be contacted today to begin analyses of safety-control devices found among the 80-gallon heater's wreckage.

So far, investigators' suspicions have focused on two valves that should have released the excess pressure when the temperature inside the tank rose dangerously high.

Valves examined at the

blast scene Wednesday were closed, investigators said.

Meanwhile, two crews of plumbers used a check list Thursday to inspect the eight other Republic water heaters — the brand that blew up Tuesday at Star — located in other Oklahoma City schools.

School officials said late Thursday that no problems were found in those heaters, and the inspections were to continue today.

After those water heaters are inspected, other brands of water heaters and boilers will receive special inspection, school officials said.

Payzant said the inspections had "top priority."

After those water heaters are inspected, other brands of water heaters and boilers will receive special inspection, school officials said.

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Payzant said the inspections had "top priority."

Representative calls probe into recruit death 'whitewash'

DALLAS (AP) — A Dallas congressman accused the Marine Corps of a "whitewash" in its investigations into the death of a Dallas recruit who drowned during training and said additional reviews, including a possible congressional investigation, still were necessary.

U.S. Rep. Jim Mattox, D-Texas, told a Thursday press conference he has asked the Secretary of the Navy to review internal Marine Corps investigations into the death of Randall Christian, 18.

But Mattox said his demand for the Navy review is only a "last resort" before he seeks a full congressional inquiry.

Mattox said his letter seeking the review was delivered Thursday to Secretary of the Navy John F. Lehman Jr.

In it, Mattox wrote, "I have regretfully concluded that we are faced with an official whitewash of the events surrounding the drowning and a stark example of a glaring abuse of the military system of justice."

Christian drowned Aug. 27 during a 10-minute endurance swim at the Marine Corps Recruit Depot in San Diego. The Marine Corps has conducted two investigations into the drowning, including a formal board of inquiry that heard testimony for three weeks.

Both investigations concluded the drowning was an "unfortunate training accident" and that none of the training officers involved should be disciplined.

Mattox and Christian's father, Artie Christian, said neither investigation resolved inconsistencies in statements from recruits and officers who witnessed the drowning.

Bowl bus couple killed

DETROIT (AP) — Two people riding a bus jammed with Super Bowl revelers fell out and were killed on a Detroit freeway, apparently after the press of passengers triggered a door-opening device, police said.

Detroit police said the victims, identified as Ivan Ludington III, 29, of Bloomfield Township, and Susan Birdsall, 24, of Livonia, were pronounced dead at the scene of the Thursday night accident.

It was not known whether the two were hit by a car after they fell out, Detroit police Sgt. Daniel Carr said. A passing motorist notified police of the incident, he said.

Detroit police Officer George Anthony said 70 to 80 revelers had packed into the bus, which was traveling among Detroit nightspots as part of the Super Bowl XVI festivities. The National Football League championship game between the Cincinnati Bengals and the San Francisco 49ers is scheduled for Sunday at the Pontiac Silverdome.

Pressure from people in the bus apparently triggered a mechanism that opened the rear side door, spilling Ludington and Miss Birdsall onto a ramp of the Lodge Freeway, which skirts the southwest side of downtown Detroit, Anthony said.

Anthony said it was not known how fast the bus was traveling. He also said he did not know the authorized capacity of the bus.

WOLFE NURSERY ORCHARD SALE

SPECIALS GOOD THROUGH TUESDAY

FRUIT TREES

Start your orchard today with top quality stock from Wolfe Nursery. Select your favorite varieties of Peach, Apricot, Pear, Plum, Apple, and Cherry. Balled reg. 11.99. SALE PRICE 9.88

BARE ROOT FRUIT TREES

Choice Apple, Pear, Plum and Peach. 2.49 ea. 5/12.00

The Planting Pair

PERMA GRO MULCH Wolfe's own exclusive bark mulch. 3 cu. ft. 3.98. ROOT STIMULATOR 3 cu. gal. 7.98

SHRUBS

FLOWERING SHRUBS Choose from Grape Myrtle, Forsythia, Althea, Spirea, Flowering Quince, Lilac, Mock Orange, Snowball Viburnum, and Weigelia. 1 gal. 3.99

EVERGREEN SHRUBS

Prepare now for a lovely landscape. Top quality nursery stock including Wax Leaf Ligustrum, Japanese Boxwood, Dwarf Burford Holly, Dwarf Chinese Holly, Burford Holly and Dwarf Yaupon Holly. 1 gal. 2.99

Write today for your FREE full color catalog of Pecan, Fruit & Shade trees plus roses and flowering shrubs. WOLFE NURSERY, P.O. Box 957 M STEPHENVILLE, TX. 76401

GRAPES & BERRIES

GRAPES Choose from our large selection including Siebel 9110, Concord, Fredonia, Niagara, Thompson Seedless, Catawba and Golden Muscat. 1 gal. 3.99

BERRIES

Large selection of Blackberries, Dewberries, Boysenberries, and Raspberries. 1 gal. 3.99

PECAN TREES

Over 50 years experience of growing trees of selected paper-shell varieties for higher yields of flavorful kernels. Select from Stuart, Wichita, Desirable, Choctaw, Cheyenne, Mohawk Kiowa and Burkett.

5-6 ft. reg. 16.99. SALE PRICE 13.88. 6-8 ft. 19.99. 8-10 ft. 24.99

SHADE TREES

Add beauty to your landscape while increasing the value of your property.

FRUITLESS MULBERRY Balled 6-8 ft. reg. 16.99. SALE PRICE 11.97



OPEN 9-6 MON.-SAT. 10-6 SUN.

Factory "Unauthorized" Sale

SAVE \$ \$ \$ \$ \$



TWIN SIZES \$100 SET Sale prices start at

FULL SIZES 5100 SET Priced as low as \$239.00. QUEEN SIZES 5100 SET Priced as low as \$299.00. KING SIZES 5100 SET Priced as low as \$419.00



Serta Perfect Sleeper "Firmness that feels good!"

Ask About Our Financing Plan VISA MasterCard

"For Those Who Appreciate The Finest At Reasonable Prices" Kittiwake HOME FURNISHINGS MIDKIFF AT WADLEY 694-9588

WORKS: 10 to 6 Monday-Sat.

Ample Free Parking

Dillard's Saturday Savings

during Dillard's saturday spectacular, you'll find even more top quality fashions, and home needs at super low prices! more for you, your home, more for your entire family!

Clearance Merchandise, not all sizes and colors are available.



save 1/3 on misses storm coats

59⁹⁹

Reg. \$90. Polyester coats with detachable hoods, pile linings, stitched detailing and more. Great colors. 8-20.



save \$40 to \$90 on leather coats

99⁹⁹

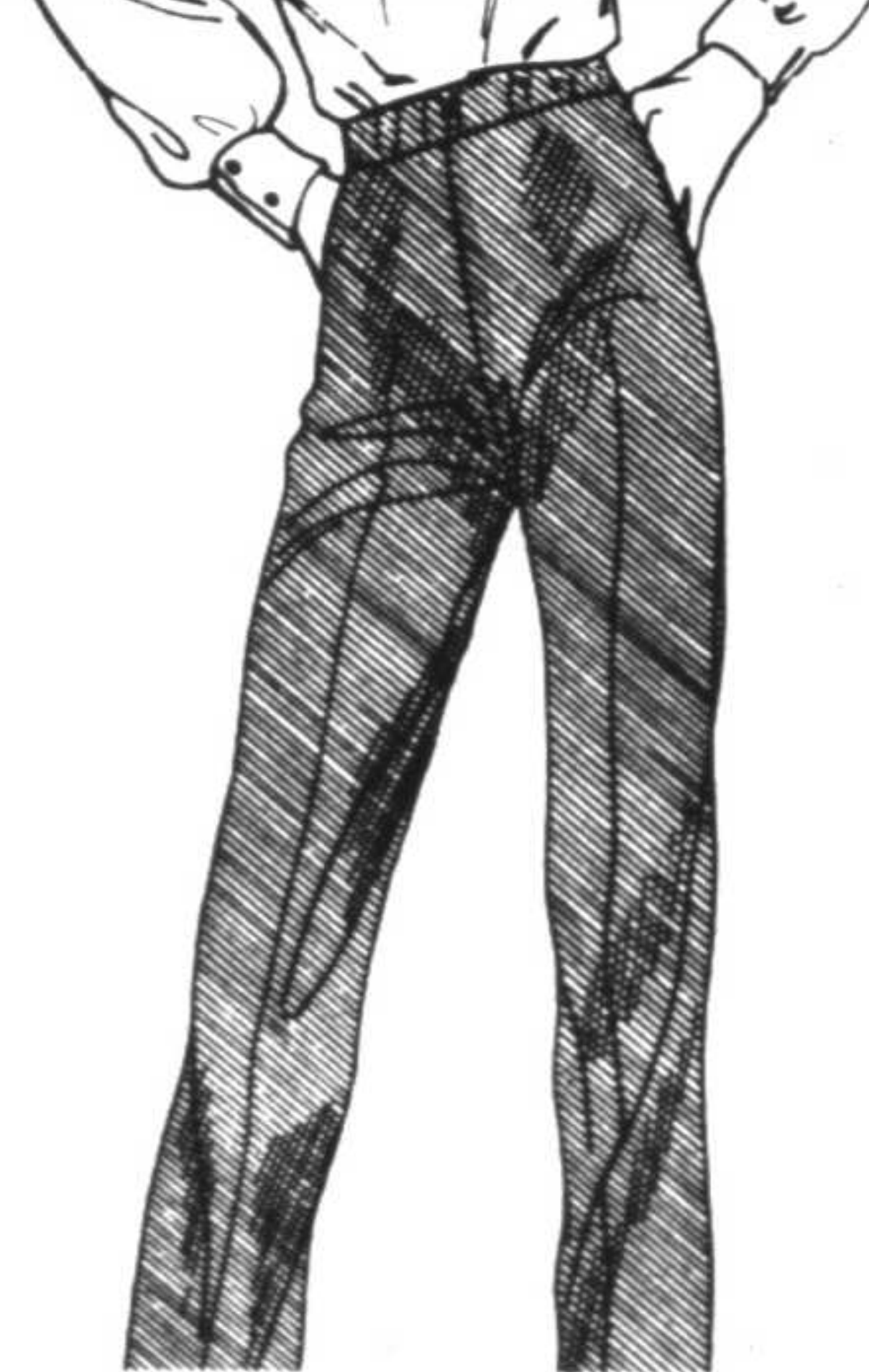
Orig. \$140-190. This select group includes jackets, pants-coats and full-length styles sizes 8-16 some with lamb collars. A high quality leather coat at a low price.



save \$10! sweaters from Kenneth Cole

9⁹⁹

Orig. \$20. Orlon acrylic T- or V-necks, mock-turtlenecks too, in an array of fall colors, misses' sizes S-M-L. Excellent buy!



save 1/3 to 1/2 on misses' pants, skirts

9⁹⁹

Orig. \$15-28. Save \$5 to \$18 on this select group of pull-on pants or skirts in the season's best solids or colors, 10-18.



save \$12 to \$39 on junior coordinates

1/2 off

Orig. \$24-78. Select group of jackets, pants, skirts, blouses, sweaters and shirts for career juniors!



save 1/2 and more on misses' skirts

14⁹⁹

Orig. \$34-38. Polyester/wool/nylon skirts in popular seasonal plaids or solids. Excellent buy for misses. Sizes 8-18.



save \$9 to \$16! junior bottoms

15⁹⁹

Orig. \$25-32. Polyester/cotton twill or corduroy knickers, trousers, pants with banded bottoms in brights, neutrals. 3-13.



save \$5 to \$8 junior sweaters

9⁹⁹

Orig. \$15-18. Crews and V-necks in solids, stripes and novelties, sizes S-M-L. Buy several at this low price!



save \$17 to \$36! fleece robes

1/2 off

Orig. \$34-72. A select group of polyester or triacetate-nylon robes in mid-tones or jewel tones. P-L.



save \$5 to \$6 on sport shirts

9⁹⁹ to 14⁹⁹

Orig. \$16-20. Save on this group of shirts with long-sleeves, made from easy-care polyester/cotton.



save \$5! Arrow dress shirts

14⁹⁹

Orig. \$20. Save on long-sleeved dress shirts in stripes or checks, in polyester/cotton, 14 1/2-17 1/2, sleeves 32-35.



save 1/3 on young men's shirts

9⁹⁹

Reg. \$15. These are short-sleeved shirts with traditional open collar, in madras plaid cotton, S-M-L-XL.



save \$8 on Haggag chino slacks

19⁹⁹

Reg. \$28. These are traditionally-styled, belted polyester/cotton chino slacks for men, in navy or tan, 30-42.



save \$2 to \$7 on all brass-ware

1/2 off

Reg. \$4-14. Paperweights, keychains, desk accessories and more from our Stationery Department!



save \$25 to \$50! Samsonite luggage

1/3 off

Reg. \$70-148. Samsonite Silhouette II hardside, molded luggage! Totes, garment bags, pullmans, more.

SHOP DILLARD'S MONDAY THRU SATURDAY 10-9 AT MIDLAND PARK MALL

we also welcome American Express Card

New York's stock market report

NEW YORK (AP) — Today's stock market was a strong start Thursday, but wound up settling for a narrow gain.

Stocks responding to fourth-quarter earnings reports produced some of the session's biggest moves among individual issues.

The Dow Jones average of 30 industrials, off 9.23 points in the last two sessions, recovered 2.38 to 848.27. At its early-afternoon peak, the widely recognized average had been up about 7 points.

New York Stock Exchange volume came to 46.61 million shares, falling just short of Wednesday's 48.86 million total.

The daily tally on the NYSE showed about eight gainers for every seven losers, and the exchange's composite index picked up 20 to 67.00.

Nationwide turnover in NYSE-listed issues, including trades in those stocks on regional exchanges and in the over-the-counter market, totaled 57.41 million shares.

Standard & Poor's index of 400 industrials rose 55 to 129.24, and S&P's 500-stock composite index was up 48 at 115.75.

At the American Stock Exchange, the market value index dropped 2.05 to 287.55. The NASDAQ composite index for the over-the-counter market closed at 186.40, up .68.

Commodities

CHICAGO (AP) — Futures trading on the Chicago Board of Trade Thursday

Open High Low Settle

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Retirees should put assets to work

By BILL DOYLE

Q. I am a retired widower and have a living trust, with my daughter as beneficiary. The trust provides me with income of about \$26,000 a year. The trust's assets include \$105,000 in U.S. Treasury bills and notes, \$77,000 in bank savings certificates and 3,200 shares of Mobil Corp. common stock.

I own \$12,200 annual pension and annuity income. I own my home and have \$20,000 in a savings account and \$4,000 in a checking account.

The trust officers at the bank recommend I diversify the trust's assets into more stocks, "for future growth." I counter that, at age 81, I am interested only in current income, at the lowest possible risk. Am I being ultraconservative?

A. Yes, you are. But given your age and financial situation, there's nothing wrong with that. Retired people should put assets to work in safe places, producing high income. Then, if they can afford it, they should own some good common stocks, for increases in future dividend income.

To me, your trust seems very well invested. My advice is to leave it as it is.

Your holdings outside the trust are a different story. Unless you have reason to write an awful lot of checks, why in the world are you keeping \$4,000 in that checking account? And, why do you have \$20,000 in a savings account, paying no more than 5.5 percent?

Most of that money should be put to work at high yields, in such things as short-term Treasury securities, savings certificates or money market mutual funds.

Don't touch your trust. But concentrate on improving your income from your other \$24,000.

Q. When I took my mother-in-law's savings account passbook to the bank to have the interest updated, I learned that it pays only 4 percent interest. Knowing that banks pay 5.25 percent on savings I asked why.

I was told that this particular bank pays 5.25 percent only on savings accounts on statements that are mailed out each month and that it pays 4 percent on passbook accounts. They claim they send letters to depositors, explaining this. Grandma never got such a letter. If she had, she would have asked us to explain. She does this with all her mail. Isn't she being ripped off?

A. "Ripped off" has somewhat different meanings to different people. The bank is within its rights, in paying only 4 percent on her account.

Federal regulators set the maximum interest insured institutions are allowed to pay on accounts. It may come as a surprise to you to learn that a fair number of banks pay less than the maximum. And many more pay higher interest on "statement" savings accounts than on passbook accounts.

Whether or not your mother-in-law received the letters the bank says it sent doesn't make much difference now. By this time, grandma most likely took her account to a different bank or savings and loan association. If she hasn't, she should.

Q. My wife and I have a living trust, which holds most of our assets. We want to purchase an "all savers certificate" for the trust. The bank says we can't. Why?

A. The section of the Economic Recovery Tax Act authorizing all savers certificates (ASCs) paying tax-free interest, specifically states that interest will be fully taxable if paid to trusts — other than common trust funds under Section 584(c) of the Internal Revenue Code.

The tax law doesn't say you can't buy an ASC for your trust. But, if you do, tax will be payable on the interest. Because higher interest is available on other certificates, that would be a foolish move. Why don't you buy an ASC in your own names, outside the trust, and get \$2,000 of tax-free interest?

Success in one area may cause problems

NEW YORK (AP) — Can success in one area cause problems in another? It might, if you're talking about President Reagan's economic program.

One of his obvious successes has been in spreading the word about the dangers of overspending. People listened, and have been cutting back on purchases and raising their savings rate over the past few months.

High interest rates also have played a big role in discouraging people from buying, but there seems little doubt either that Reagan's ideas on government budgets have been applied to household budgets too.

And perhaps to corporate matters as well. Recent government reports indicate no surge in capital spending this year in spite of tax incentives aimed at stimulating such investments. And that means of course a setback of Reagan's hopes to make industry more productive.

As seen by Richard Nenneman, investment strategist for the Girard Bank trust department, Reagan's goals individually and eventually are achievable. But, he observes, "it seems fairly clear that...the pieces do not add up to a coherent whole within the same time frame."

Despite a widely publicized tax cut, taxes might

To Place a WANT AD, DIAL 682-6222

Warren Faller

COMMERCIAL & INDUSTRIAL REAL ESTATE

697-2221

Stock market gains

NEW YORK (AP) — The stock market got off to a strong start Thursday, but wound up settling for a narrow gain.

Stocks responding to fourth-quarter earnings reports produced some of the session's biggest moves among individual issues.

The Dow Jones average of 30 industrials, off 9.23 points in the last two sessions, recovered 2.38 to 848.27. At its early-afternoon peak, the widely recognized average had been up about 7 points.

New York Stock Exchange volume came to 46.61 million shares, falling just short of Wednesday's 48.86 million total.

The daily tally on the NYSE showed about eight gainers for every seven losers, and the exchange's composite index picked up 20 to 67.00.

Nationwide turnover in NYSE-listed issues, including trades in those stocks on regional exchanges and in the over-the-counter market, totaled 57.41 million shares.

Standard & Poor's index of 400 industrials rose 55 to 129.24, and S&P's 500-stock composite index was up 48 at 115.75.

At the American Stock Exchange, the market value index dropped 2.05 to 287.55. The NASDAQ composite index for the over-the-counter market closed at 186.40, up .68.

Commodities

CHICAGO (AP) — Futures trading on the Chicago Board of Trade Thursday

Open High Low Settle

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Corn 3.50 3.75 3.50 3.50

Oats 1.50 1.75 1.50 1.50

Rice 1.00 1.25 1.00 1.00

Wheat 3.00 3.05 3.00 3.00

Barley 1.00 1.05 1.00 1.00

Soybeans 11.00 11.50 11.00 11.00

Investor's Guide

By BILL DOYLE

Q. I am a retired widower and have a living trust, with my daughter as beneficiary. The trust provides me with income of about \$26,000 a year. The trust's assets include \$105,000 in U.S. Treasury bills and notes, \$77,000 in bank savings certificates and 3,200 shares of Mobil Corp. common stock.

I own \$12,200 annual pension and annuity income. I own my home and have \$20,000 in a savings account and \$4,000 in a checking account.

The trust officers at the bank recommend I diversify the trust's assets into more stocks, "for future growth." I counter that, at age 81, I am interested only in current income, at the lowest possible risk. Am I being ultraconservative?

A. Yes, you are. But given your age and financial situation, there's nothing wrong with that. Retired people should put assets to work in safe places, producing high income. Then, if they can afford it, they should own some good common stocks, for increases in future dividend income.

To me, your trust seems very well invested. My advice is to leave it as it is.

Your holdings outside the trust are a different story. Unless you have reason to write an awful lot of checks, why in the world are you keeping \$4,000 in that checking account? And, why do you have \$20,000 in a savings account, paying no more than 5.5 percent?

Most of that money should be put to work at high yields, in such things as short-term Treasury securities, savings certificates or money market mutual funds.

Don't touch your trust. But concentrate on improving your income from your other \$24,000.

Q. When I took my mother-in-law's savings account passbook to the bank to have the interest updated, I learned that it pays only 4 percent interest. Knowing that banks pay 5.25 percent on savings I asked why.

I was told that this particular bank pays 5.25 percent only on savings accounts on statements that are mailed out each month and that it pays 4 percent on passbook accounts. They claim they send letters to depositors, explaining this. Grandma never got such a letter. If she had, she would have asked us to explain. She does this with all her mail. Isn't she being ripped off?

A. "Ripped off" has somewhat different meanings to different people. The bank is within its rights, in paying only 4 percent on her account.

Federal regulators set the maximum interest insured institutions are allowed to pay on accounts. It may come as a surprise to you to learn that a fair number of banks pay less than the maximum. And many more pay higher interest on "statement" savings accounts than on passbook accounts.

Whether or not your mother-in-law received the letters the bank says it sent doesn't make much difference now. By this time, grandma most likely took her account to a different bank or savings and loan association. If she hasn't, she should.