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EPA's Gorsuch defends controversial leadership

WASHINGTON (AP) — Declaring that "times have changed," Anne M. Gorsuch defended her controversial leadership of the Environmental Protection Agency today, saying the new emphasis and methods will better protect the environment.

Testifying before an unusual joint hearing by four hostile House subcommittees, Mrs. Gorsuch said she has sought to make fundamental changes in the operation of the EPA to make it more efficient.

She said those changes have been distorted by critics to falsely impugn the administration's motives.

"We have proposed changes," she said, "some basic, some structural and some legislative, and we have done so in good faith. At every turn, these changes have been misconstrued, often misinterpreted and even misstated."

Despite that criticism, she said in prepared testimony, "We are committed to environmental results, not environmental rhetoric.... We are fully committed to a stronger, better directed and more effective Environmental Protection Agency."

Mrs. Gorsuch was confronting some of her harshest and most skeptical congressional critics. The hearing was criticized by Republicans earlier as a "political

sham" and a "witch hunt" aimed at Mrs. Gorsuch.

It also followed by a day charges by environmentalists and Democratic lawmakers that she was destroying the agency through budget cuts and disruption of enforcement programs.

Those witnesses, repeating criticisms that have been made since the day her nomination was first announced, charged Mrs. Gorsuch was involved in "a wholesale dismantling" of environmental programs through "non-enforcement, weak enforcement or perverse enforcement of the law."

"We are all appalled at the spectacle of EPA, entrusted with protecting our nation's health and environment, consciously abdicating that responsibility," said Russell Peterson, president of the National Audubon Society.

But Mrs. Gorsuch, refusing to bend, denied the criticism and said it was based on "rigid adherence to the single-tracked and inflexible policies of the past." She said critics ignore the environmental gains that have been achieved since her agency was created in 1970.

"With the passage of more than a decade, times have changed," she said, saying the agency was "rooted in

the problems of the 1960s, not the 1980s," when she arrived.

"Differing times require changes in approach," she argued. "It would have been easier to let the system coast along, tinkering here and there and leaving the basic flaws in the structure for someone else."

"I did not take that path, but chose to face the problems head-on, knowing that this would generate criticism, but hoping the logic of the changes would be convincing enough."

She said her changes "represent a melding of the best of past experience with improved management" and will result in solid, if not flashy, environmental protection.

Much of the criticism surrounding Mrs. Gorsuch has involved a sharp cut in actions taken by the agency against polluters. Sen. Patrick Leahy, D-Vt., charged Wednesday that EPA enforcement actions have dropped by 70 percent since she assumed office.

But Mrs. Gorsuch, devoting much of her 54-page statement to defending agency enforcement efforts, complained that her position has been misconstrued "because it does not fit into the mold many people want."

Schmidt decries deficits



West German Chancellor Helmut Schmidt speaks Wednesday at a Houston luncheon.

HOUSTON (AP) — There is a great danger the world will sink into a deep economic depression if the United States and other nations do not soon control their "exorbitant budgetary deficits," says West German Chancellor Helmut Schmidt.

Heavy budgetary deficits, particularly by the United States, are driving up interest rates to "unprecedented heights" and causing a decline in investments and a rise in unemployment, Schmidt told a Chamber of Commerce luncheon Wednesday.

"If we do not stop allowing this fatal downward spiral to continue, there is a great danger of the recession leading to a world economic depression," with consequences as serious as the depression of the 1930s, he said.

He said "one of the dominating factors of the world economic situation" is that the U.S. budget deficit has risen from \$26 billion in 1978 to more than \$100 billion.

"Here lies the responsibility which a national economy like that of the United States, which is so decisive for the world economy, must recognize and live up to," said Schmidt.

The West German chancellor gently chided Americans for ideas about his country's position in the conflict between the West and the East. He labeled as "cliche concepts" the beliefs that West Germany is not lifting its fair share of the NATO defense, or that West Germany is edging toward neutrality.

"The United States can count on us to continue to make our contribution to the preservation of a mili-

tary balance, just as we count on the United States," he said.

Notions that West Germany was becoming neutral, he said, are "nonsense."

"Such insinuations are a mark of ignorance, sometimes even malice," said Schmidt.

He noted, however, that West Germany favors continued negotiations with the Soviet Union and expects the United States to hammer out agreements with the Soviets on arms reductions.

"Peace cannot be made safer by confrontation," said Schmidt.

Differences of opinion in the Western alliance, said the German leader, are only "disputes within a family" and the European community continues to look to America for leadership.

"It often seems as though Europeans and others in the world do not overly like American leadership," he said. "But there is no choice: whether accepted or denied, whether liked or disliked, whether disguised or openly displayed, whether for better or worse, American leadership is unavoidable."

Schmidt called the decision to embargo U.S. technology in the construction of a gas pipeline between Western Europe and the Soviet Union "a very serious matter," but that England, France and West Germany will proceed with the pipeline despite U.S. opposition.

The fact that the embargo decision was made without consultation with European leaders, said Schmidt, "does not make it easier."

House working on defense bill

WASHINGTON (AP) — Disregarding what their Senate counterparts did more than two months ago, members of the House are standing by President Reagan on two major undertakings in his defense program.

In a session that stretched from late morning to mid-evening Wednesday, the House ratified the president's plan to begin production of the MX strategic missile and a new generation of Lockheed C-5 cargo planes.

The developments came as the House worked slowly through a \$177.1 billion defense authorization bill for the fiscal year starting Oct. 1.

Among the items likely to be considered today was an effort to remove \$54 million for production of a new type of nerve gas weapon. Sponsors voiced opti-

mism that they could win that fight.

Challengers to Reagan's MX and cargo plane programs had less success.

By 212-209, the House voted to earmark \$1.14 billion for production of the first nine MX missiles, as Reagan wanted, while putting a temporary hold on \$260 million of those funds until the administration makes a decision in December on how to base the weapon.

Last fall, the administration rejected former President Carter's "shell game" plan to shuttle 200 missiles among 4,600 shelters in western states. It now appears to be leaning toward a "dense pack" base of 100 missiles in super-hardened silos placed only about 1,800 feet apart.

Reps. Nicholas Mavroules, D-Mass., and Beverly Byron, D-Md., offered an amendment to delete all of the production money, as the Senate had done in May. They argued that it made no sense to proceed while the basing question remains open.

But the House instead voted on, and passed, the substitute offered by Rep. Samuel Stratton, D-N.Y.

Stratton and others said a slowdown of the MX program would undermine U.S. negotiators at the Strategic Arms Reduction Talks with the Soviet Union.

Later, Reagan stressed the same theme in a statement at which he expressed gratification with the House vote.



Staff Photo by Bill Hunter

Cool coons

Hanging around Wadley-Barron Park on a hot summer day is this passel of coons, er, Kuhn's. Mike Kuhn of 604 W. Estes Ave. gives his pet raccoons, 7-week-old Tasha and Tye, some fresh air at the park. Kuhn said he has raised raccoons since he was 12.

INSIDE TODAY

Closing his life



Dave Garroway, first "Today" host, died Wednesday of a self-inflicted gunshot wound. His son said he'd been despondent over the loss of his career and recent heart surgery.

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Weather

Fair and mild tonight. Partly cloudy and hot Friday. Details on Page 2A.

Service

Delivery.....682-5311
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Other Calls.....682-5311

British try to recreate IRA bombings

LONDON (AP) — A small blue car identical to the one used in the IRA nail bomb attack on the queen's ceremonial guard was parked in Hyde Park today in a police effort to recreate the bombing scene and jog the memory of witnesses.

Police said they have a description of one of the Irish Republican Army guerrillas who was seen parking a seven-year-old Morris Marina car in Hyde Park's South Carriage Road half an hour before it exploded Tuesday, killing three cavalrymen. Six other soldiers were killed in another IRA bombing in Regent's Park two hours later.

Detectives from Scotland Yard's anti-terrorist branch said they hoped that after seeing pictures of the car, many more witnesses would come forward.

The car was removed minutes before 15 mounted soldiers of the Blues and Royals rode past the spot where their three comrades were killed. A spokesman said a full reconstruction will be held sometime next week.

The Blues and Royals carried their now tattered standard, with battle honors dating back to 1662. It was torn and blood-spattered by the bombing but had been cleaned. One cavalryman said they wanted the ride to be "the best London has ever seen."

The Blues and Royals, riding to the Changing of the Guard ceremony in Whitehall for the first time since the bombing, came to attention in silent tribute to their comrades killed by the blast.

On a sidewalk flecked with dried blood stood two young women with their arms around each other in grief. One was believed to be the widow of a dead cavalryman and left the scene on the arm of a uniformed cavalry officer, too upset to speak to reporters.

The bombing in Regent's Park killed six army musicians as the band of the Royal Green Jackets Regiment gave an open-air concert. Police said the blast was caused by a time bomb concealed under the bandstand's floorboards.

Twenty-seven soldiers, two policemen and 21 civilians were wounded in the blasts, and seven of the cavalry horses were killed or had to be destroyed. The IRA, fighting to unite the British province of Northern Ireland with the Irish Republic, said it was responsible.

Scotland Yard, warning there may be further IRA attacks, said the witness who saw the man parking the car is under police guard.

"We want to hear, in the strictest confidence, from people who were either walking in either park, jogging or even from courting couples who may have been there the previous evening or on the morning of the explosions," said Cmdr. William Huckleby, head of Scotland Yard's anti-terrorist branch.

Police have tightened security throughout London and at ports and airports while warning legislators to stay alert for bombs and assassination attempts. Two weeks ago intelligence

reports from Ireland warned of a new IRA blitz in Britain, police sources confirmed.

The Changing of the Guard ceremony, one of London's biggest tourist attractions, continued despite the attack but an extra police escort accompanied the soldiers.

"We are continuing to mount a guard in the same fashion as that of the last 300 years," Col. Andrew Parker-Bowles, the commanding officer of the regiment, said on Wednesday. "It will take more than a cowardly attack like yesterday to stop us doing our duty."

While police hunted the bombers, Home Secretary William Whitelaw told lawmakers in Parliament he was thoroughly shaking up the security system at Buckingham Palace because of the invasion of Queen Elizabeth's bedroom by an apparently mentally unstable vagabond.

Tax appraisal board hikes budget, cites appraiser

By ED TODD
Staff Writer

The Midland County Tax Appraisal Board hiked its chief appraiser's staff budget 19.2 percent to \$991,674, raised the appraiser's staff cost-of-living wages by 12 percent, cited the Chief Appraiser Virgil Jones Jr.'s expertise in appraising but faulted his managerial performance, and told him to right almost \$430,000 in under- and over-payments to four taxing bodies Wednesday in an all-day meeting.

The four-member board, which was

missing its fifth member, County Commissioner Charlie Welch, due to illness, approved Jones' two-fold budget: \$907,662 for his appraisal section and \$363,992 for his collections section.

Jones collected about \$34 million in 1981 taxes for four taxing entities: The Midland Independent School District, which has a tax rate of 70 cents per \$100 valuation based on 100 percent of the fair market value, about \$20.8 million; city of Midland, 45-cent tax rate, \$9.2 million; Midland College, 10.3-cent tax rate, \$3 million, and Midland County Hospital District, seven-cent tax

rate, \$2 million.

"I don't see anybody from the taxing bodies," observed Board Chairman Gil Thompson as the board was rounding out its budget study in the Board Room in Dellwood Mall at Illinois Avenue and Midkiff Road, "so I guess that's a good sign, huh?"

Tompson and fellow board members Joe Nuessle Jr., C. Wallace Craig and David Grimes approved the salary hikes of the appraiser's 26-member staff after Jones had submitted proposed raises of 10 and 12 percent.

"IF YOU'RE GOING to stay neck and neck with the city, you're going to have to pay 12 percent," said Thompson, who noted that many of the appraiser's staffers once worked under Jones when he was the city of Midland's tax collector-assessor. Otherwise, "They'll feel like they should have stayed with the city."

Jones' 18 clerks will be drawing 1983 salaries from about \$14,000 to \$17,000. His eight appraisers are in the \$26,000 range. And Jones' salary in 1983 is set

(See TAX, Page 2A)

Help fight crime!



■ In Midland...to give information concerning a crime or to report a crime...call SILENT WITNESS, 685-1190.

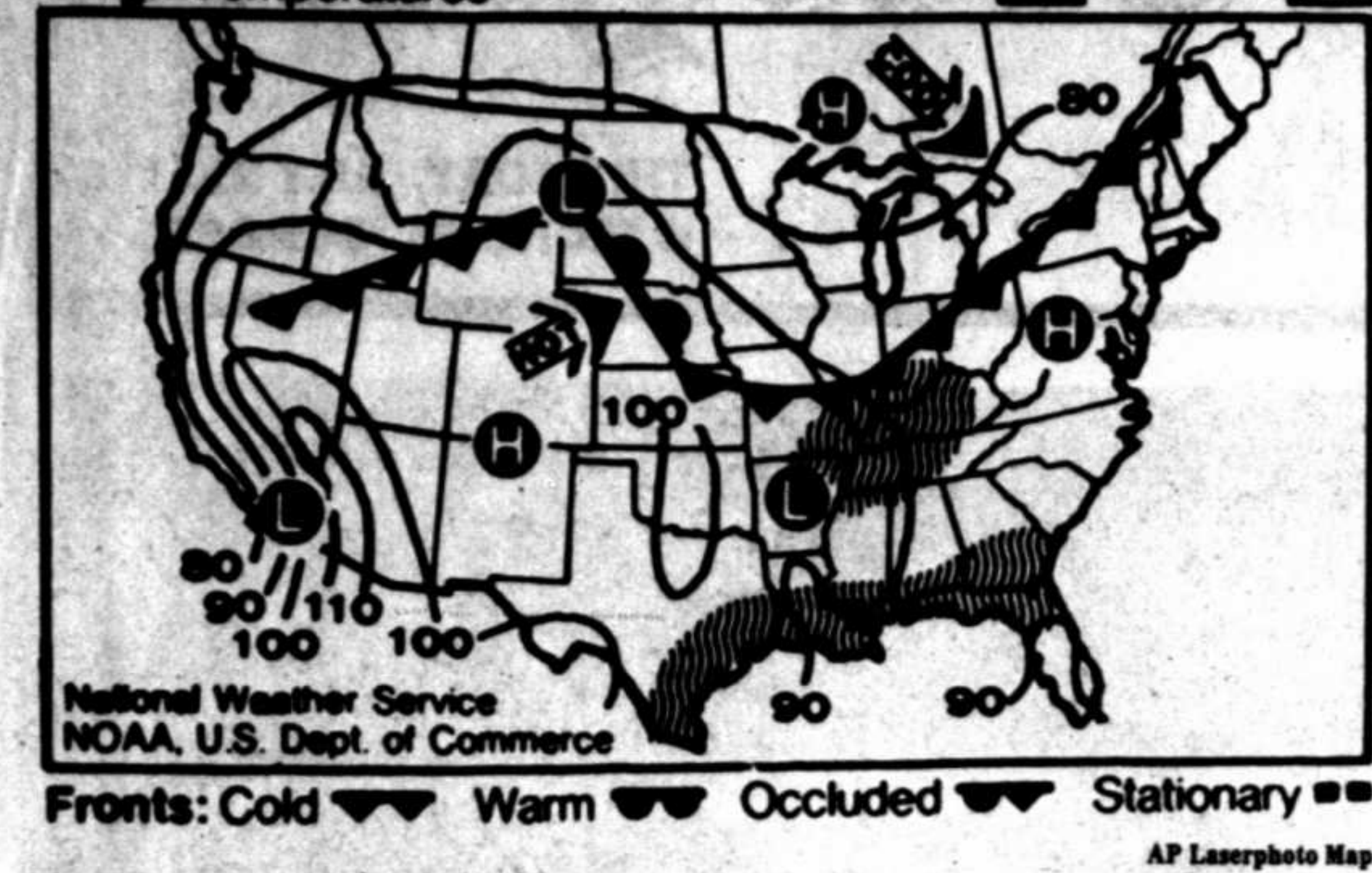
■ In Texas...to provide help in solving any felony offense case about which you have information...call CRIME STOPPERS, 1-800-252-8477.

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Complete anonymity guaranteed by Silent Witness and Crime Stoppers and cash rewards given if information leads to arrest, indictment or conviction. Rewards often offered for oilfield theft information.

WEATHER SUMMARY

The Forecast For 8p.m. EDT
Thursday, July 22
High Temperatures



The National Weather Service forecasts showers Thursday for the Gulf Coast from Texas to northern Florida and Georgia. Showers are also forecast for the Ohio River Valley.

Midland statistics

WEATHER FORECAST

Fair and mild tonight with a low in the upper 60s and winds out to southeasterly at 5-10 mph. Fair Friday morning, becoming partly cloudy and hot in the afternoon. High in the upper 90s with winds out to southeasterly at 5-15.

NATIONAL WEATHER SERVICE READINGS

Yesterday's High: 90 degrees
Overnight Low: 60 degrees
Sunset today: 8:30 p.m.
Sunrise tomorrow: 6:06 a.m.

Precipitation:
Last 24 hours: 0.00 inches
This month to date: 3.51 inches
1982 to date: 6.48 inches

LOCAL TEMPERATURES:

Time	Temp
6 a.m.	71
7 a.m.	71
8 a.m.	72
9 a.m.	76
10 a.m.	81
11 a.m.	85
noon	88
1 p.m.	89
2 p.m.	90
3 p.m.	90
4 p.m.	89
5 p.m.	84

SOUTHWEST TEMPERATURES:

City	High	Low
Albuquerque	86	74
Denver	87	61
Phoenix	90	66
San Francisco	72	58
Seattle	72	58
Portland	72	58
Los Angeles	84	73
San Diego	87	73
Las Vegas	90	73
Phoenix	90	73

The weather elsewhere

City	High	Low
Albany	80	45
Albuquerque	100	72
Anaheim	86	66
Anchorage	63	54
Ashville	88	68
Atlanta	92	73
Atlanta City	78	62
Austin	90	70
Baltimore	84	61
Birmingham	97	67
Bismarck	94	71
Boston	81	59
Boulder	75	52
Brownsville	86	74
Buffalo	81	57
Burlington	78	50
Cape	100	71
Charlottesville	90	70
Charlotte	88	66
Charlottesville	88	66
Chattanooga	88	66
Chester	92	59
Chicago	87	73
Cincinnati	90	66
Cleveland	92	62
Columbus	94	73
Columbia	83	65
Dayton	100	75
Denver	87	61
Des Moines	86	60
Detroit	83	63
Duluth	78	58
El Paso	100	72
Fairbanks	78	51
Fargo	81	55
Flagstaff	85	54

Proposed bill would double federal cigarette tax

WASHINGTON (AP) — Tobacco-state senators are joining forces to fight a proposal that would hit America's 55 million smokers by doubling the federal tax on cigarettes.

"This is a regressive tax that applies to the poor the same (rate) as it does to those who can afford to pay it," cautioned Sen. Walter D. Huddleston, D-Ky. "An obvious injustice," added Sen. Wendell Ford, D-Ky. He urged the Senate to strip from a catch-all tax-increase bill a provision boost the cigarette tax to 16 cents a pack.

But as the Senate worked its way through a stack of amendments on the Republican-written bill, it seemed clear that the higher cigarette tax — which would raise \$5 billion over the next three years — would pass.

Senate leaders hoped to complete action today on the bill, the largest tax increase in history.

It would boost a variety of taxes, mainly on businesses and high-income investors, by \$99 billion over the next three years and cut spending for Medicare and Medicaid health care programs and for aid to the needy by about \$17.5 billion.

The package is aimed at reducing the federal deficit so that the government will have to claim less of the nation's available credit. The result, sponsors hope, will be lower interest rates that will lead to a revitalized economy.

The Democratic-controlled House Ways and Means Committee, meeting behind closed doors, is beginning work on its version of the tax cut. House Speaker Thomas P. O'Neill said Wednesday that he expects the panel to have no trouble writing a bill but is not certain the House will pass any tax increase in this election year.

The taxation of cigarettes could affect about as many people as any part of the Senate bill, although the impact would be less than \$30 a year on the pack-a-day smoker.

The federal cigarette tax has not been raised since 1951, noted Sen. Bob

Dole, R-Kan., manager of the bill. He added that doubling the tax might discourage some teen-agers from starting the smoking habit.

Huddleston agreed on both counts. But while the federal tax has remained at 8 cents, state taxes have increased 350 percent since 1951, he said. And if the higher federal levy reduces sales, that will mean lower collections of state and local taxes and a loss of jobs for tobacco workers, he said.

The tobacco-state senators also argue that such taxes are far more onerous to lower-income people than to other taxpayers. One survey found that the 10 percent of Americans with the lowest incomes spend 4 percent of their money on tobacco, while the wealthiest 10 percent spend only 0.5 percent.

Meanwhile, Democrats in the Senate tried unsuccessfully Wednesday to shift more of the bill's tax burden away from lower- and middle-income families. They failed on a nearly party-line vote of 54-45.

The amendment, sponsored by Sen. Bill Bradley, D-N.J., and endorsed by the Democratic caucus, would have eliminated the proposed increases on cigarette and telephone taxes; kept deductions for medical expenses and casualty losses at current levels; moderated some of the Medicare cuts; and, in effect, denied the scheduled 10 percent tax cut in 1983 to any family with an income above \$78,700 a year.

Although they lost their major effort, Democrats were able to coax from the Republican majority a \$400-million reduction in the planned cuts in Medicare. After that concession, the net effect of the bill would be to require elderly Medicare beneficiaries to pay about \$4.20 more for health-care services in 1983.

Before passing the tax package, the Senate could face battles over a 10 percent tax withholding on interest and dividends and a proposal to tighten taxation of income from tips.

Efforts to repeal the 1981 "safe-harbor leasing" law that encourages unprofitable companies to sell some of their unusable tax benefits are also expected to spark debate.

MX considerations consume defense budget talk

WASHINGTON (AP) — A Senate-House conference committee soon will be wrestling with legislation on the MX missile and cargo planes in an effort to devise a plan that will appeal to both chambers.

The House voted 212-208 Wednesday to spend \$1.14 billion for the first nine MXs but withheld \$290 million of it until the Reagan administration decides how the missiles will be based. On a 289-127 roll call, representatives chose the C-5B over the Boeing 747.

However, the Senate in May deleted funds for the MX and chose the 747 over the C-5B.

The legislation is part of congressional action on a \$177.1 defense authorization bill.

Meanwhile, in the Senate on Wednesday, Republicans fended off a Democratic attempt to change a GOP-sponsored bill to raise taxes by \$99 billion over the next three years.

The Senate rejected by 54-45 a proposal that would have eliminated some tax increases on lower- and middle-income families, and postponed tax relief for the wealthy until the federal budget is balanced.

After the vote, the Senate began considering other amendments to the bill, which, in addition to raising taxes, would slash \$17.5 billion from Medicare and Medicaid over the next three years.

In the House, the Post Office and Civil Service Committee became the first congressional panel to defy the recently passed budget act by rejecting the spending cuts imposed upon its jurisdiction.

Instead, the panel approved 17-8 legislation to cut \$33 million from operating funds for all programs in the next fiscal year and \$113 million over the

next three years.

The budget act requires the committee to slash \$376 million from spending this year and \$3.2 billion over three years.

In other congressional business, Francis M. Mullen Jr., executive assistant of the FBI, told a special Senate committee investigating the undercover Abscam operation that, while informers usually provide the FBI with reliable information, "there's no such thing as an ironbound guarantee from a corrupt middleman."

In the House, four subcommittees heard panels of environmentalists and Democrats charge that Environmental Protection Agency Administrator Anne Gorsuch was destroying the agency's ability to battle pollution through budget cuts and dismantling of enforcement programs.

But Republicans labeled the hearings "a witch hunt," and said the two-day session was scheduled to give Democratic candidates a forum to attack the administration.

In other House business, Rep. John Dingell, D-Mich., himself a former congressional page, told a House committee that the system of employing teen-agers to run errands on Capitol Hill creates future leaders and should be preserved with only "modest corrections."

In the Senate, the Rules Committee voted 7-5 to reconsider Majority Leader Howard Baker's proposal to open up the chamber to radio and television broadcasts.

Baker, R-Tenn., said he will take up the bill after Labor Day. He said he was more optimistic this time about overcoming a filibuster like the one that snarled the measure earlier this year.

Tax appraisal board hikes budget

(Continued from Page 1A)

at \$50,160. Salary for a proposed administrator to manage the office and to free Jones almost exclusively for appraisal work is \$33,600.

Afterward, the board considered adding 24-hour on-and-off job insurance for the staffers but held off on that until next year.

"I hate insurance policies," said Nuesse, the city attorney, "and I don't like computers."

"I think we could sit and look at this stuff all day and not know what we're looking at."

The staffers are covered by Workman's Compensation.

"We're not totally without protection," Nuesse said.

AFTER QUERYING Jones on \$430,000 in over- and under-payment to the taxing bodies and on his taking payroll out of the two budgets instead of one, the board suggested that Jones devise an accounting system to prevent further slip-ups.

"I'm sure you don't have any objections to streamlining it," said Nuesse. Tompkins suggested the adoption of procedures to ensure "fail-safes" in the system.

Due to errors, which Jones blamed on inexperienced help, in funneling tax revenues to the four taxing bodies, the Midland ISD was overpaid \$214,559.05 in a nine-month period and must refund the money, which will be distributed to the three taxing bodies which received underpayments. Shorted were the city of Midland, which is due a \$80,943.37 refund; Mid-

land College, \$20,971.32, and Midland County Hospital District, \$112,644.36.

Jones said he could prevent any further over- or under-payments, which are made daily to the taxing bodies, which want the revenue as soon as possible to draw interest on it and to meet bills and expenses.

"If you can get it straight now," asked Nuesse, "why not in the past?"

"Our employees just didn't know what they were doing," said Jones. "They still don't know what they are doing."

Appraiser Ron Stegall, whom Jones touted as a mathematician and computer expert, said he was appearing before the board as Jones' aide: "I'm going to work on it, and get it right myself," he said.

A member noted the \$112,000-plus overpayment to the hospital. "They must think you're a helluva tax collector."

"The school may not share that feeling," said Nuesse.

"They'll all nail our hides," jested Tompkins.

Grimes surmised that the school might have to make time payments in paying back the \$214,000-plus in over-payments.

"Now," said Nuesse. "They've got that kind of money."

IN OTHER related financial matters, Jones discussed flaws, which, he said, can be rectified, in his account procedures.

"I got a little nervous," Jones said. "We may switch (office help). We haven't got anybody that's got any bookkeeping experience."

Jones praised Stegall. "Of course, he's a college graduate; he certainly knows a little bit of accounting."

EARLIER, T.C. Tubb, chairman of the board's Appraisal Review Board, otherwise known as the board of equalization, lauded Jones as an appraiser and for running an efficient office.

"I just feel like they are doing a good job, and it's a pretty rough job to do. They've been absolutely cooperative," he said of Jones and his staff during the Review Board's recent sessions to hear complaints on valuations of property.

"It was well organized," said Jack Mogle, member of the Review Board. "It was a pleasure to what we've had before."

"In many instances," said Jones, "we were able to satisfy people (and) showed them how they (the appraisers) had arrived at the figures."

Mogle said the Review Board "had quite a few people from Greenwood." Those Greenwood people were concerned about their rising property values, he said.

"Greenwood School accepted Virgil's appraised values," Tubb said.

In other business, Tompkins gave Pritchard & Abbott, valuation engineers, "some credit" for setting values on oil and other minerals. However, the board did sever its contract for Pritchard & Abbott on setting values on utilities and railroad right-of-way. The board and the valuations engineers disagree on values P&A set on railroad properties. The board, Tompkins said, felt the values were somewhat low for Midland's economy.

Reagan visits boys' club

WASHINGTON (AP) — President Reagan was visiting a boys' club today in St. Louis, calling attention to the sort of rags-to-riches story he likes: A neighborhood program that grew from a storefront home to a \$1.85 million complex with no state or federal funds.

The stop at the Mathews-Dickey Boys' Club in North St. Louis was the first on an overnight visit to St. Louis, where Reagan will also attend a private fund-raising reception for his alma mater, Eureka College, and a fund-raising dinner for the U.S. Olympic Committee.

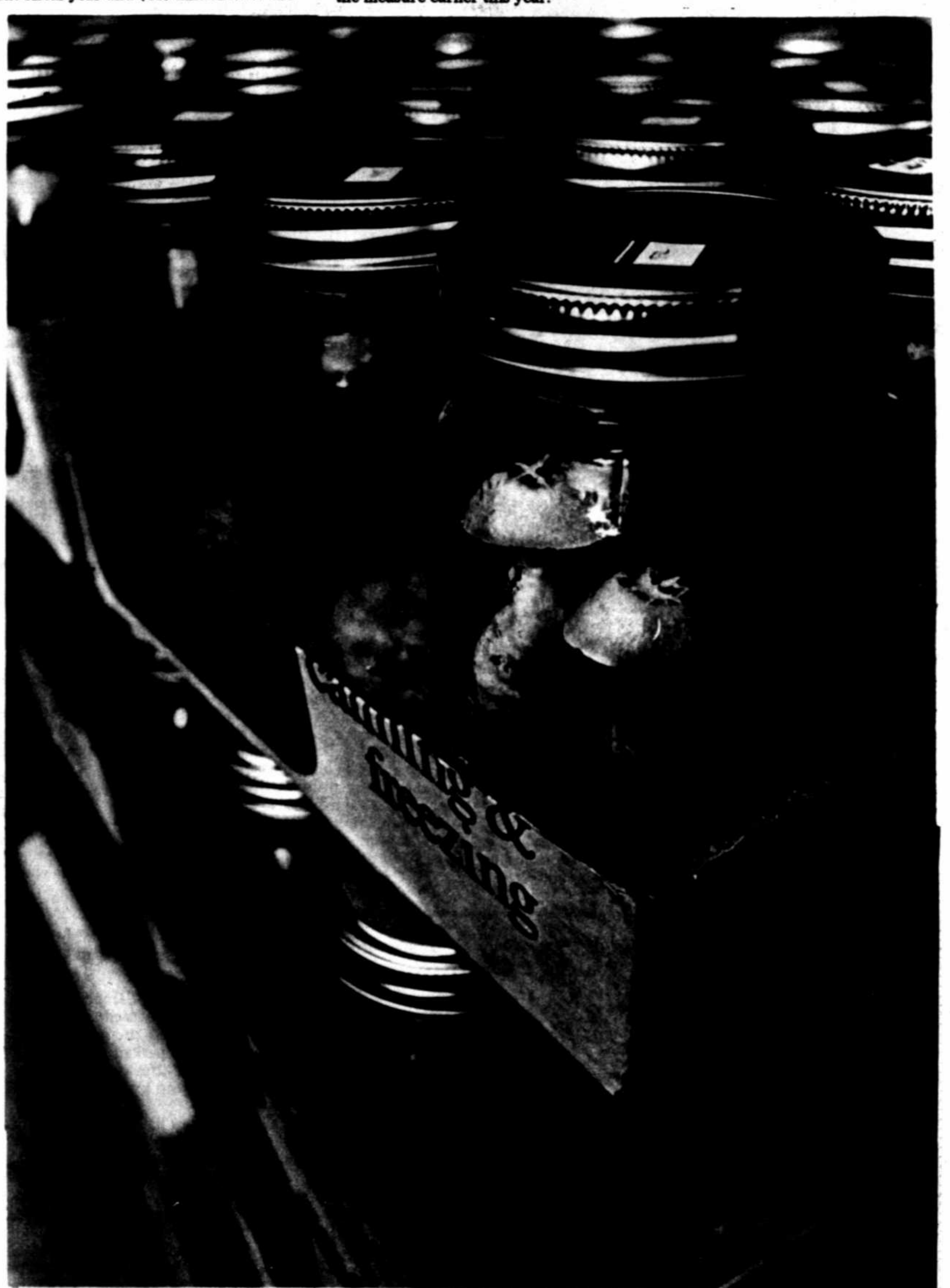
The president will also be in town when, if all goes according to schedule, his elder son, Michael, is arriving on a speedboat after an overnight trip up the Mississippi River from New Orleans.

Michael Reagan, aboard a 38-foot Scarab powered by three 800-horsepower outboard engines, is attempting to break the record of 26 hours, 50 minutes for the 1,027-mile trip.

Reagan, who rose from a poor childhood in the Midwest, often extols the virtues of hard work, free enterprise, and community and personal self-help.

In recent months, he visited a private school in Chicago, where most of the students are black, to call attention to its successful education efforts in a ghetto neighborhood. He also visited Baltimore to help publicize corporate efforts in revitalizing an inner city neighborhood.

The Mathews-Dickey Boys' Club was started in 1960 when two semi-professional baseball players, Martin Mathews and Hubert "Dickey" Ballantine, provided an organized sports program for boys in a primarily black community.



Staff Photo by Cady Bell

These are among 108 jars of "magic mushrooms" confiscated earlier this week in a drug raid conducted by local narcotics and law enforcement officers. The drug, officially known as psilocybin, produces a high similar to that of LSD. Some 14 persons

have been arrested in a month-long undercover narcotics and stolen property operation that also resulted in the confiscation of marijuana, cocaine, morphine and LSD. Bonds in excess of \$400,000 have been set on the suspects.

Cranston's campaign spending freely

WASHINGTON (AP) — Sen. Alan Cranston, sounding more and more like a candidate for president, has spent \$63,800 in the past six months exploring his prospects in 27 states.

In a report to the Federal Election Commission Wednesday, the Cranston for President Advisory Committee said it took in \$68,000 by July 15 and had \$4,200 in the bank.

The committee, authorized by the California senator in January, is not required to register with the commission, due to an exemption for what is called "testing the waters."

But Allyn O. Kreps, the Los Angeles attorney who is the committee's chairman, told the commission in January that the panel would file reports voluntarily.

Cranston, the assistant Democratic leader of the Senate, says he will make his decision on whether to run late this year, or early next year at the latest.

But he said in an interview last week he is "very encouraged" and more inclined to run now than he was in January.

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Fair, mild weather to continue

The weather should continue to be fair and mild at night and fair and hot during the day, according to the National Weather Service at Midland Regional Airport.

Low tonight should be in the upper 60s and the high Friday should be in the upper 90s.

Winds will be east to southeasterly tonight and Friday, but will increase from 5-10 mph tonight to 5-15 mph Friday.

Wednesday's high of 96 was only seven degrees cooler than the record high temperature of 103, set in 1981. The overnight low of 68 was eight degrees warmer than the 1961 record of 68 degrees.

Bond set on man accused in death

Bond of \$100,000 has been set on a man accused in the Tuesday night shooting death of 19-year-old Tommy J. Rameriz of 1202 S. Weatherford St. Justice of the Peace Robert Pine set the bond Wednesday on Billy Joe Bernard, 27, who police said was staying at 1510 S. Jefferson. Rameriz was found lying in the driveway at that address, shot twice with a small caliber handgun. No motive has been established in the case.

Bernard remained in jail this morning. Services for Rameriz are pending at Thomas Funeral Home.

Thunderstorms hit Mississippi Valley

By The Associated Press

Thunderstorms multiplied over the Mississippi Valley, producing hail and high winds east of the St. Louis River, spreading into Indiana and Kentucky and covering much of Illinois, where eight teen-agers were struck by lightning.

A group of 16- and 17-year-olds had been pulling weeds in a bean field near the north-central Illinois community of Meriden when they were struck by lightning Wednesday morning, said Lt. Tom Templeton of the LaSalle county sheriff's office. Three were hospitalized, one victim in critical condition.

Scattered showers dotted the East coast and much of the Southeast. It was partly cloudy over parts of the Rockies and the central and southern plateau, while the rest of the nation enjoyed clear weather.

Today's forecast called for thunderstorms from the Gulf and South Atlantic coasts to the lower Ohio Valley, especially in Mississippi, eastern Louisiana and northern Florida. Rain was also predicted for Arizona and the northern Plains, with clear weather elsewhere.

Highs in the 70s and 80s were forecast in the Northeast and from northern Montana to the north Pacific coast.

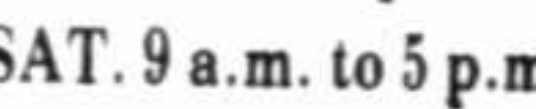
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**By The Los Angeles Times-
Washington Post News
Service**

Deaths. Public disturbances. The potential for major disaster.

None of these incidents aid the image of ultralight flying; a sport born with a tarnish because it technically and conceptually is little more than motorized hang-gliding that continues to be seen as a

The day, above all else, is a carnival, a meeting of identical interests and a picnic at a spot made popular by word of mouth and reliable conditions. And, always, there is information shared through "hangan flying," gossip between flights.



"This is really embarrassing. We've already put in ads about Santa Claus flying in. He'll be there even if he has to walk," promoter Sue Cannon said Tuesday. "We're not taking anything away from Christmas. It's just a publicity stunt."

Dillard's welcomes the American Express® Card



Homosexual ex-spy suing CIA for old job

WASHINGTON (AP) — An admitted homosexual who says he's not susceptible to blackmail wants a federal court to order the CIA to give him back his job.

The man, identified as "John Doe" because of the sensitive nature of his work, filed suit Wednesday claiming the spy agency's decision to fire him violated his constitutional rights as well as CIA regulations.

"Doe" said in the suit, filed in U.S. District Court, that he is "not embarrassed or ashamed about his homosexuality" and his "family and friends and some of his neighbors are aware of his sexual orientation."

"Accordingly, plaintiff's homosexuality does not render him susceptible to blackmail or other pressures," the suit says.

The electronics specialist said that CIA regulations require the agency to give him a statement of the reasons for his firing and 10 days to respond. He said the agency did not follow those regulations.

Doe also claimed that the agency violated his constitutional right to due process and deprived him of property — his job — without due process of law.

CIA spokeswoman Kate Hall said she could not comment on the suit but added that the CIA makes decisions on homosexual employees on a case-by-case basis.

"There isn't any regulation per se," she said. "Sexual conduct is one of the areas looked into by the agency to determine suitability for employment. It is only one of a number of variables to determine a person's stability."

"We feel sexual conduct can be a relevant consideration if it indicates a personality disorder or could result in exposing the individual to pressure, blackmail or coercion. Foreign intelligence services are known to target for cultivation and exploitation persons known or believed to engage in homosexual behavior. In addition, homosexual activity is illegal in many areas of the world where agency personnel must serve."

Doe said he worked for the CIA from June 1973 until last May 7. He said he voluntarily told a CIA security officer of his sexual preference on Jan. 31.

The suit said that Doe took a lie detector test that showed he never disclosed classified information to unauthorized people, including his homosexual partners.

Represented by the American Civil Liberties Union, Doe said in his suit that a CIA security officer told him April 14 that his homosexual activities posed a security threat.

On May 11, the suit added, a CIA attorney told Doe's ACLU lawyer that CIA Director William Casey "deemed it necessary and advisable in the interests of the United States to terminate" Doe's employment.

"Plaintiff was subjected to far more extensive examination of the intimate details of his personal life than are similarly situated heterosexual CIA employees whose sexual activities could pose a security threat," the suit said.

Doe asked for reinstatement to his job with back pay.

In the alternative, he sought an injunction requiring the CIA to provide him with a statement of the reasons for his firing and a full and fair opportunity to respond to those reasons.

Y director moving

Rowland K. Wong, metropolitan director of health and physical fitness of the Midland YMCA, was appointed the health and physical fitness field agent for West Texas region by the regional YMCA office at Minneapolis, Minn.

Wong joined the Y in June 1981. His responsibilities include providing leadership in the area of health and physical fitness for the Ys of the West Texas region, including southern New Mexico and west of Dallas.

Wong received a bachelor's degree from Portland State University in Oregon and a master's degree in exercise physiology from the University of Arizona.



Rowland K. Wong

Model's ex-lover says he's 'appalled' at \$1 million judgement against him

NEW YORK (AP) — A fashion model's former lover says he is "appalled" with a million-dollar judgment against him for allegedly ruining her career and using her life savings to promote the career of actress-model Margaux Hemingway.

Mia Lancaster, 28, who represented herself in the week-long trial in State Supreme Court, won the jury award from Tyrone Kindor last Friday.

Kindor's lawyer, Ephraim London, said he will appeal if the \$1,021,000 verdict is not dismissed by acting Justice Joseph Modugno.

Miss Lancaster said Wednesday that the jury found Kindor, an Arizona business consultant, had violated an agreement to invest her \$11,000 savings in Florida land, and instead had kept her personal property.

Miss Lancaster said in court papers she met Kindor in 1971 at age 17, and began living with him "in contemplation of marriage" while attending college and working as a model in 1973.

In January 1974 — after telling Miss Lancaster he would marry her — Kindor moved to Coconut Grove, Fla., with her belongings, "with the understanding" that she would join him after completing her last semester of college, she said.

But, Miss Lancaster charged, Kindor then "made himself increasingly difficult to contact" and never provided any investment returns. She also accused Kindor of investing her money in a promotional campaign for Ms. Hemingway, whom he once claimed to manage.

Former pages attest to program's worthy qualities

WASHINGTON (AP) — Several former pages, including some current members of Congress, have told a House panel that their experiences working on Capitol Hill were broadening and worthwhile.

"The kids we bring down here are the future of the country...They've gone home enriched by the experience," Rep. John Dingell, D-Mich., told the House Speaker's Commission on Pages Wednesday.

The panel, which meets again today, is reassessing the page system which has been shaken by recent allegations of drug use and illicit sex.

Dingell, a page from 1938 to 1941, has sponsored more than 100 pages since he became a member of Congress in 1955.

House pages range in age from 16 to 18, while Senate pages are between the ages of 14 and 17.

Some officials, including former page Sen. Christopher Dodd, D-Conn., have suggested hiring college students, who would not require the provision of housing and education.

His summer as a page was a "wonderful experience," Dodd told the panel, but he added that "it's kind of a throwback to the days of child labor."

Dingell disagreed.

"I think the age is at the exact point that it should be," he said, although he called the Senate's 14-year-old minimum "too young."

Dingell agreed more supervision is needed and said some of it should be provided by sponsoring members. The youngsters generally find their own residences and are unsupervised except during work and school hours.

Dingell, one of several supporters of a central dormitory for pages, also told the panel: "Housing for pagestinks."

Probe probe requested

WASHINGTON (AP) — The chairman of the Senate Labor Committee says he'll try again to get the panel to consider a measure that would permit it to probe the FBI's handling of Labor Secretary Raymond J. Donovan's background investigation.

Chairman Orrin G. Hatch, R-Utah, recessed a committee hearing Wednesday after Sen. John P. East, R-N.C., objected to the panel's meeting while the Senate was in session, a violation of the body's rules unless there is unanimous agreement.

The panel is set to meet again today, but Hatch said he was not sure he could get a necessary quorum to conduct business.

The resolution, an outgrowth of the Donovan hearings last year, would authorize "an investigation to resolve any and all questions concerning whether the committee received full, complete and timely disclosures of all information in the confirmation of Secretary Donovan."

Hatch said again that the investigation would not look into allegations that Donovan had dealings with organized crime.

Special Prosecutor Leon Silverman, in a June 23 report, found no evidence to charge Donovan with a crime for any activities while he was an executive of a New Jersey construction company and a fund-raiser for President Reagan's election campaign.

East's delaying action came after the committee voted 10-5 to reject his proposal to postpone consideration of the FBI resolution for one week.

East, along with Sen. Jeremiah Denton, R-Ala., objected to taking up the resolution immediately because it had been changed somewhat from its original.

Curtis Mathes

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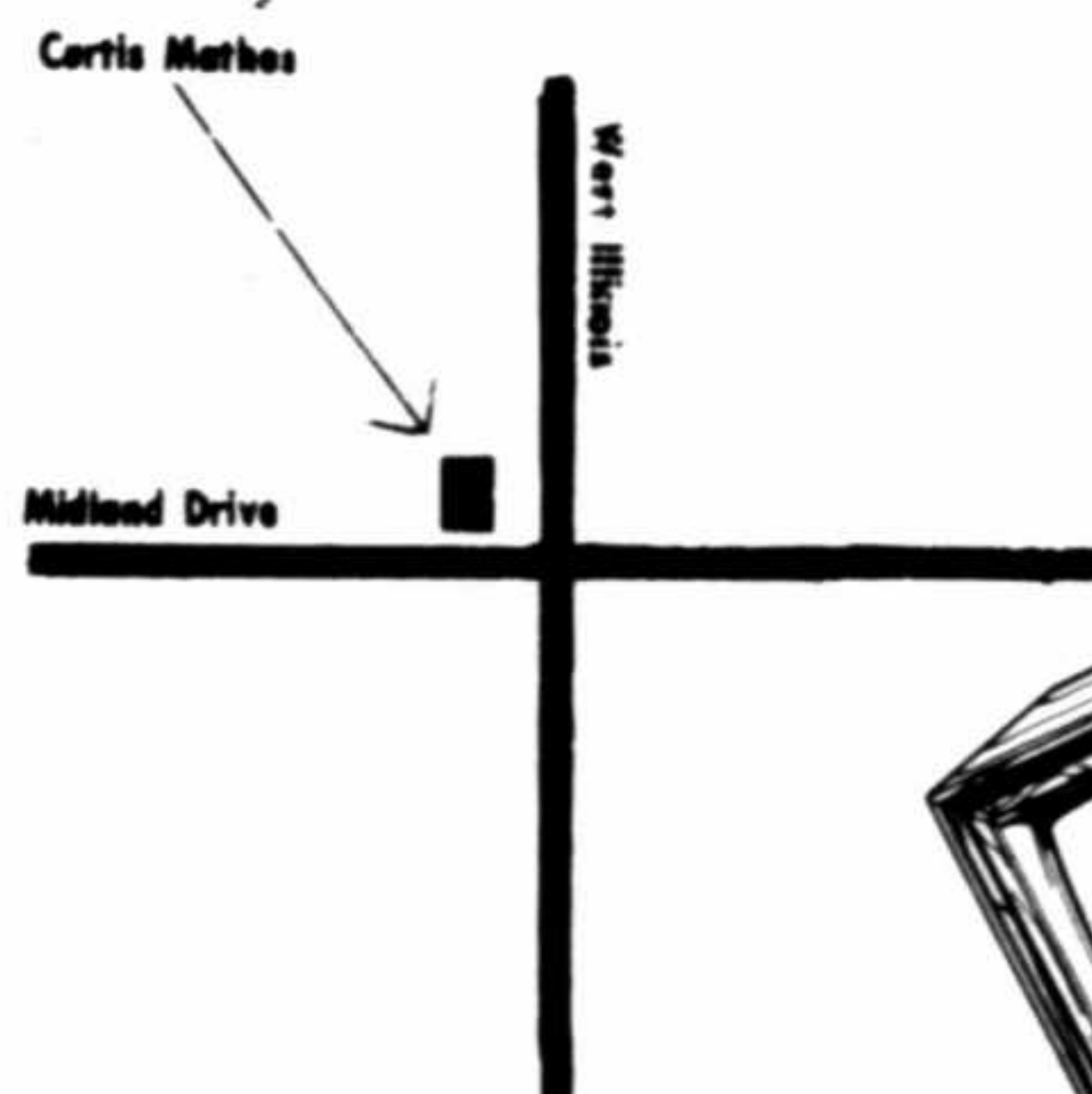
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Oregon hoping visitors believe 'welcome' sign

ASHLAND, Ore. (AP) — Oregon hung out a new welcome sign at its southern border, hoping that Gov. Vic Atiyeh hopes will dispel the state's come-but-don't-stay image.

Atiyeh and former Gov. Tom McCall, who had cold-shouldered newcomers during his eight-year administration, dedicated the new "Welcome to Oregon" sign at a brief ceremony Wednesday along Interstate 5 on the Oregon-California line.

The new aluminum sign covers a \$10,000 redwood billboard that said, "Welcome to Oregon. We hope you will enjoy your visit."

Atiyeh had once threatened to blow up the old redwood message, and staged the sign-posting to show that Oregon wants to dispel the image that newcomers aren't wanted.

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July 24 & 25

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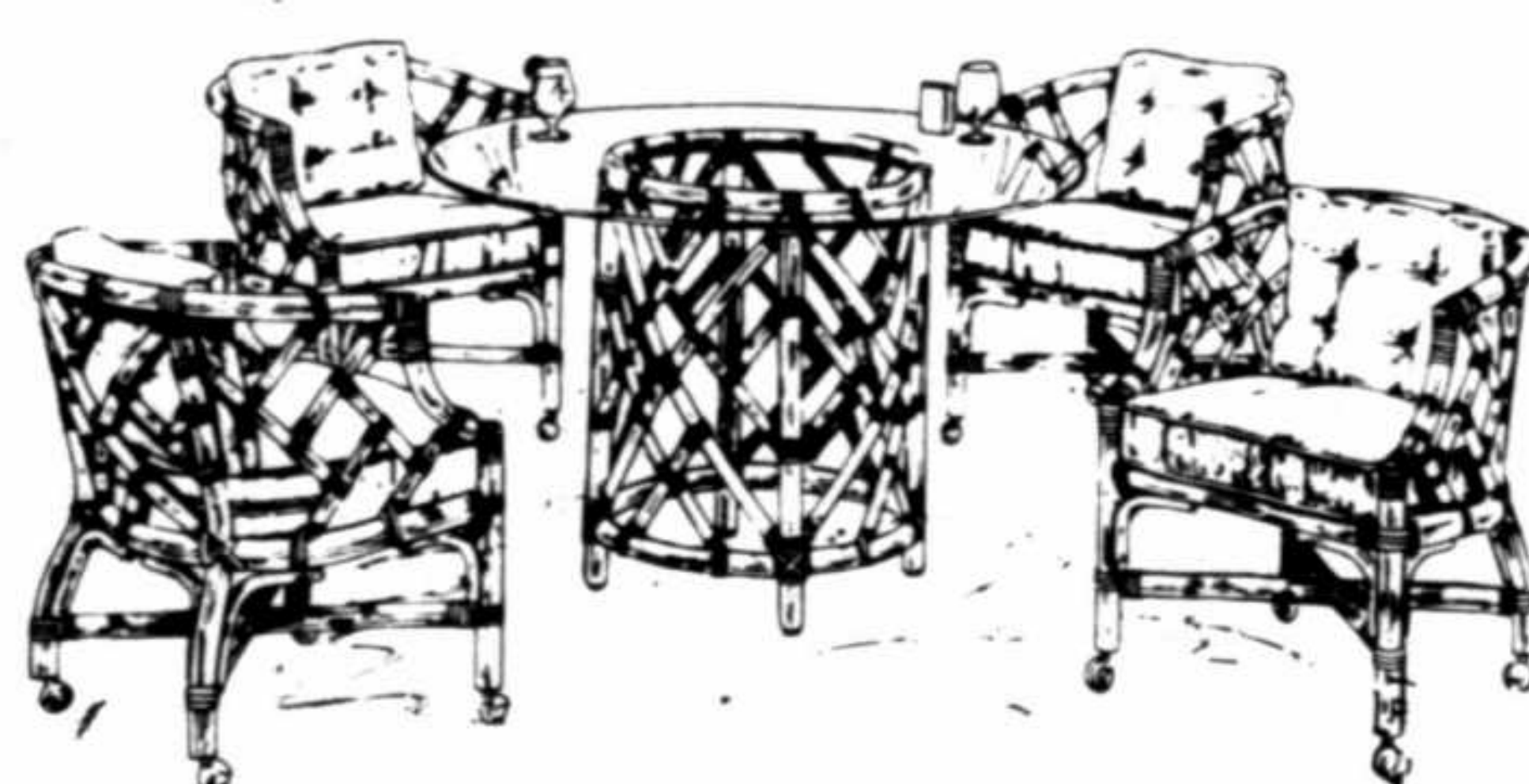
1306 E Taylor
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All net proceeds go to Cancer Aid

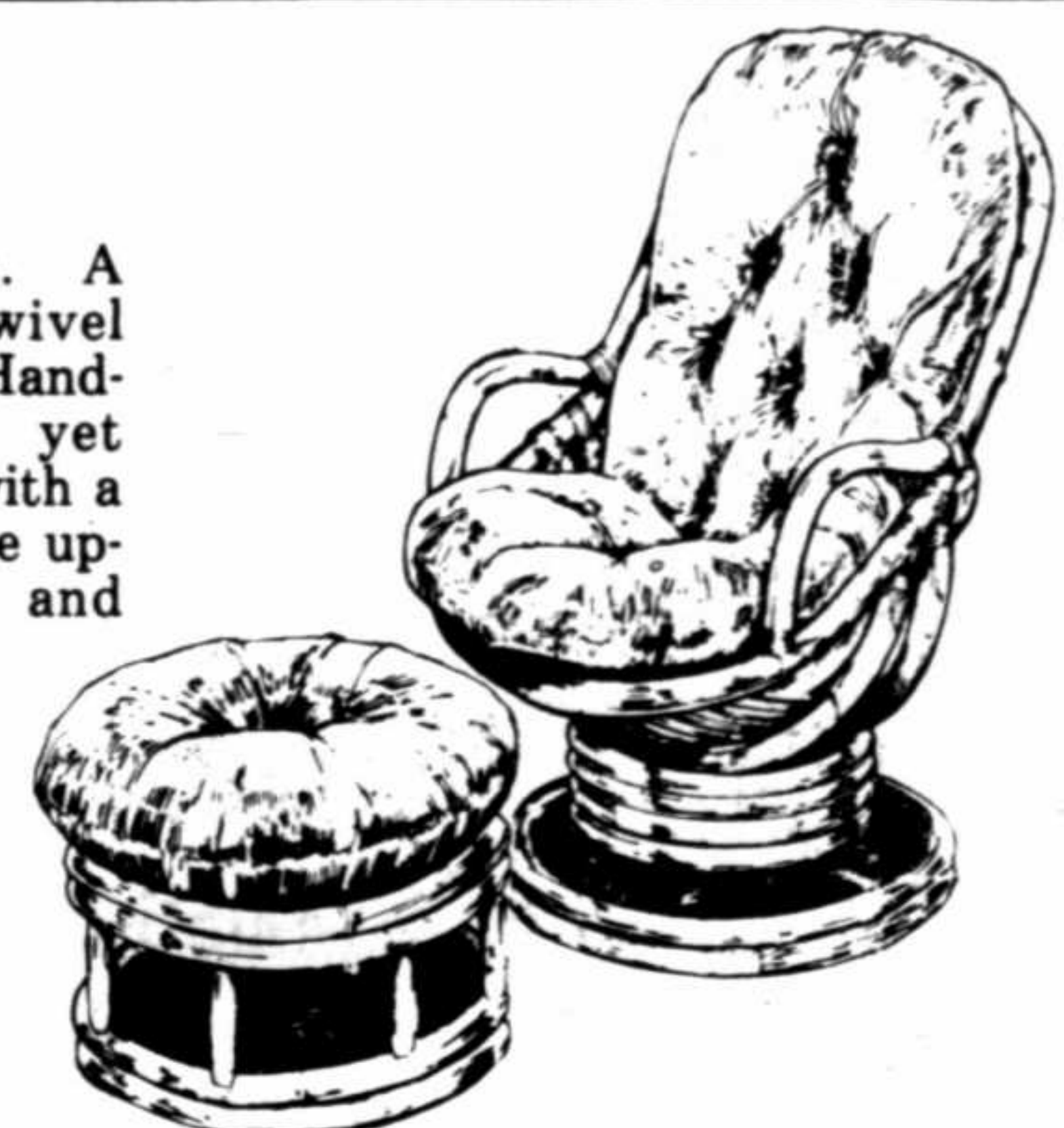
RATTAN... THE *MAN SAYS, "IT'S TOUGH."

*Noah Webster

rat tan (ra-tan) n. The long, tough slender stems of a climbing tropical palm, used for wickerwork, cane



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DEATHS



Hub C. Baumler

Hub C. Baumler, 61, 1006 Shell Ave., died Tuesday at a Midland hospital following a heart attack.

Services were to be at 10 a.m. today at the Chapel of First United Methodist Church with the Rev. J.B. Stewart and Bill H. Weir, associate ministers of the church, officiating. Burial was to be in Nowata Cemetery in Nowata, Okla. Services are under the direction of New-

nie W. Ellis Funeral Home.

Baumler was born Aug. 17, 1920, in Potosi, Wisc. He spent his early life in Wisconsin. He attended Wisconsin School of Mines and began his business career with Cities Service in Bartlesville, Okla. He married Sylvia Washburn in Gary, Ind., after he was transferred to East Chicago, Ill. He entered the armed services from Oklahoma and served in the South Pacific during World War II. Upon his discharge he returned to Oklahoma and graduated from Oklahoma University in 1947 with a degree in mechanical engineering. He returned to Bartlesville with Cities Service. He lived in Texas, eastern and western Kansas and Bartlesville before moving to Midland in 1972. He was a member of the First United Methodist Church and the Great Bend Masonic Lodge in Kansas. He had been with Cities Service for over 40 years.

Survivors include his wife, Sylvia Baumler of Midland; a son, Steve Baumler of Huntsville; a daughter, Mrs. Marty Mayfield of Arlington; a sister, Beth Kormann of Minneapolis; and a grandchild.

Esteban Castillo

Esteban Castillo, 91, 1012 N. Loraine St., died Monday at his home.

Rosary was recited Wednesday at the Newnie W. Ellis Funeral Home chapel.

Mass was to be said at 10 a.m. today at Our Lady of Guadalupe Catholic Church with the Rev. Jim Foelker officiating. Burial was to follow at Resthaven Memorial Park under the direction of Ellis Funeral Home.

Castillo was born Dec. 26, 1890, in Mexico. He moved to the United States in 1921, moving to Midland in 1942. He worked in the construction business until retiring in 1961. He had been ill for several years. He was a member of the Catholic church.

Survivors include his wife, Juanita Castillo of Midland; two sons, Vicente Castillo Jr. of Midland and Raul Castillo of San Jose, Calif.; two daughters, Paulita Rubio and Victoria Reyes, both of Midland; a brother, Pedro Castillo of Laredo; 15 grandchildren and 15 great-grandchildren.

Pallbearers were Ted Reyes, Rodolfo Garcia, Johnny Reyes, Roman Reyes, Freddy Robledo and Mario Jimenez.

Mabel E. Hale

PIEDMONT, Calif. — Memorial services for Mabel Eugene Hale, 100, of Piedmont, Calif., were Wednesday in San Francisco, Calif.

Ms. Hale died July 18th at her home in Piedmont.

She was a frequent visitor to Midland and at one time owned property here.

Jimmy Lee Hollis

HOUSTON — Graveside services for Jimmy Lee Hollis, 31, of Houston, brother of Debbie Maddox of Midland, were Wednesday in Roseland Cemetery.

Hollis died Friday.

He was born Nov. 6, 1950.

Other survivors include his wife, two daughters, his mother, his father and two brothers.

Wilford A. Dees

Services for Wilford A. Dees, 54, of Denver, Colo., brother of Bernice Courtney, Lois Chandler and Nadine Hays, all of Midland, were to be at 10 a.m. today at Highland Mortuary in Denver. Burial was to follow in Denver.

Dees died Sunday from injuries suffered in a motorcycle accident in Denver.

Dees was born Dec. 7, 1927, in Balmorhea. He also was raised in Balmorhea. He was a retired Navy Chief Petty Officer and served in World War II and Korea.

Survivors include a son, Kenny Dees of Denver; a daughter, Debbie Majer of Denver; two brothers, Walter Massey of Paulsbo, Wash., and John Massey of San Diego, Calif.; two other sisters, Beryl Culver of Snohomish, Wash. and Thelma Bowington of Jal, N.M.; and four grandchildren.

Iran, Iraq play one-upmanship with war claims

By The Associated Press

Iran today claimed its forces made a major new thrust into southeast Iraq and shattered four Iraqi divisions, but Iraq claimed it counter-attacked with "brilliant success" and annihilated the invaders.

A communique carried by Iran's state-run Islamic Republic News Agency said Iranian forces advanced four miles during a fierce seven-hour battle Wednesday night near the Iraqi border post of Zaid, northeast of the strategic oil port of Basra.

It was the second major Iranian offensive reported since July 13, when Iranian troops stormed across the border to establish a foothold in Iraqi territory north of Basra for the first time in the 22-month Persian Gulf war. Iraq claimed it repulsed the first Iranian push.

Iran's war communique said its troops succeeded in "dispersing four enemy divisions" before returning to their original positions. It said Iranian forces killed an unspecified number of Iraqi troops, took "a large number" of prisoners and destroyed more than 224 Iraqi tanks and personnel carriers.

An Iraqi military communique conceded Iranian troops advanced three miles into Iraqi territory, but said Iraqi forces succeeded in "nipping in the bud the enemy attack" and immediately retaliated with "brilliant success."

The Iraqi communique, carried by the state-run Iraq News Agency, said "all Iranian troops were wiped out except those taken prisoner." It said the Iranians retreated leaving thousands of dead and military equipment behind.

Both nations routinely ban foreign correspondents from the front, making independent verification of the rival claims impossible.

Tehran Radio, which first announced the latest Iranian offensive, said Iranian forces had "crushed the enemy's forward lines and reached the heart of his forces after clearing vast minefields and crossing enemy fortifications."

Iran claimed to have captured the border post of Zaid last week, but an Iraqi communique at the time said the Iranians had been lured into an ambush and pushed back across the border.

Iranian troops were last reported entrenched about three miles inside Iraq just north of Basra along the Shatt-al-Arab estuary that forms part of the disputed border between both countries. Iraq claimed 1,942 Iranians killed and 15 tanks destroyed in action east of Basra Tuesday night and Wednesday.

Tehran Radio said reports on Iranian operations "on other axes" would be issued later, suggesting the Iranians launched a multi-pronged offensive.

Iran's state-run media also said both sides were engaged in heavy artillery duels across the narrow Shatt-al-Arab, and that 25 Iraqis were killed in cross-border barrages around Iran's major oil-refining center at Abadan.

Both sides reported an Iranian air attack on Baghdad Wednesday morning, the first attack on the Iraqi capital since the first months of the Iran-Iraq border war that erupted in September 1980.

Iraq reported that it had repelled the air raid, shooting down with missiles one of Iran's invading U.S.-made Phantom jets. An Iraqi military spokesman said the pilot was killed and co-pilot taken prisoner.

Iraq claimed its aircraft bombed Iraqi oil facilities in Baghdad and caused heavy casualties and damage. It conceded one jet crashed due to "technical difficulty."

Iraq also said it staged air raids Wednesday on the southern Iranian cities of Dezful and Ahwaz, an oil refining center. It gave no damage reports.

Iraq and Iran have engaged in border disputes for centuries. Iraq managed to take large areas of southeastern Iran in the first year of this latest conflict for control of the shared Shatt-al-Arab, Iraq's only outlet to the Persian Gulf. The Iranians drove the Iraqis out of Iran in the spring.

Teen-ager chooses suicide rather than live with dialysis

WINSTON-SALEM, N.C. (AP) — A 14-year-old boy facing a "dismal" lifetime on a kidney dialysis machine said goodbye to his friends at church, then halted the treatment and ended his life.

"I may not be seeing you again," Tim Clark told churchgoers last Wednesday, knowing he would die without the blood purification treatment. "And if I don't see you here on Sunday, goodbye."

Tim died at home Saturday afternoon. With his last breath, he called to his mother, Sue Clark.

"Last week was the happiest of his life," Mrs. Clark said Tuesday. "Tim made the decision, and I felt like I just had to abide by it."

The youngster spent hours having his blood cleansed artificially. Tim's physician, Dr. William B. Lorentz, said the trauma of depending on a machine for life was hard to bear.

"He's been through hell the last 3½ years," Lorentz said.

"The outlook for Tim was dismal," the doctor said. "He could possibly have gone on for 20 years, but Tim has wanted to stop dialysis for a long time...In some ways, he was a social leper from other children his age."

Tim's problems began in 1979, when doctors said the youngster had glomerulonephritis, an inflammation of the kidneys. He was feverish, sluggish and developed high blood pressure, his mother said.

The disease rendered his kidneys useless, making a dialysis machine a necessity. His father donated a kidney, but it failed after 19 months.

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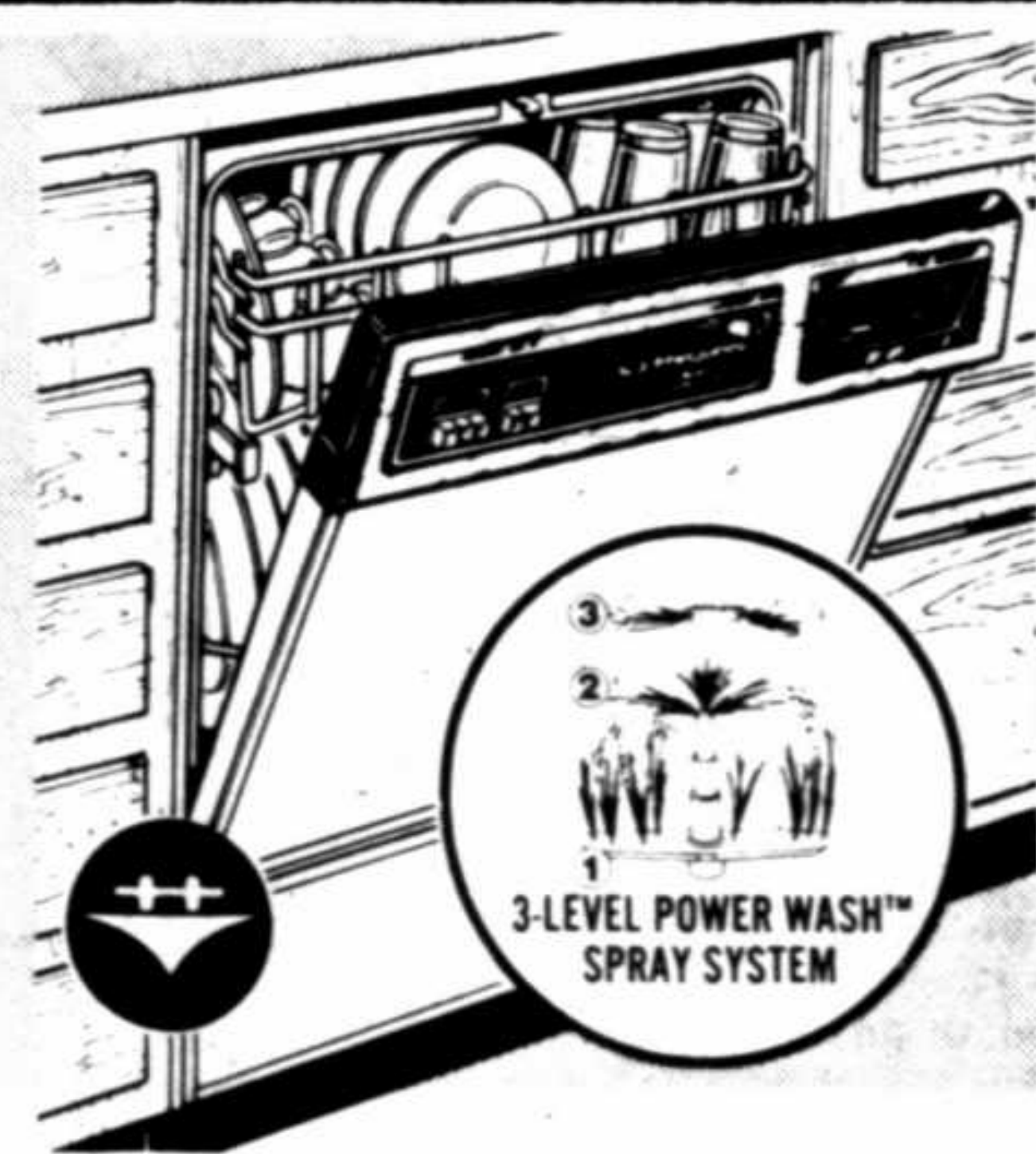


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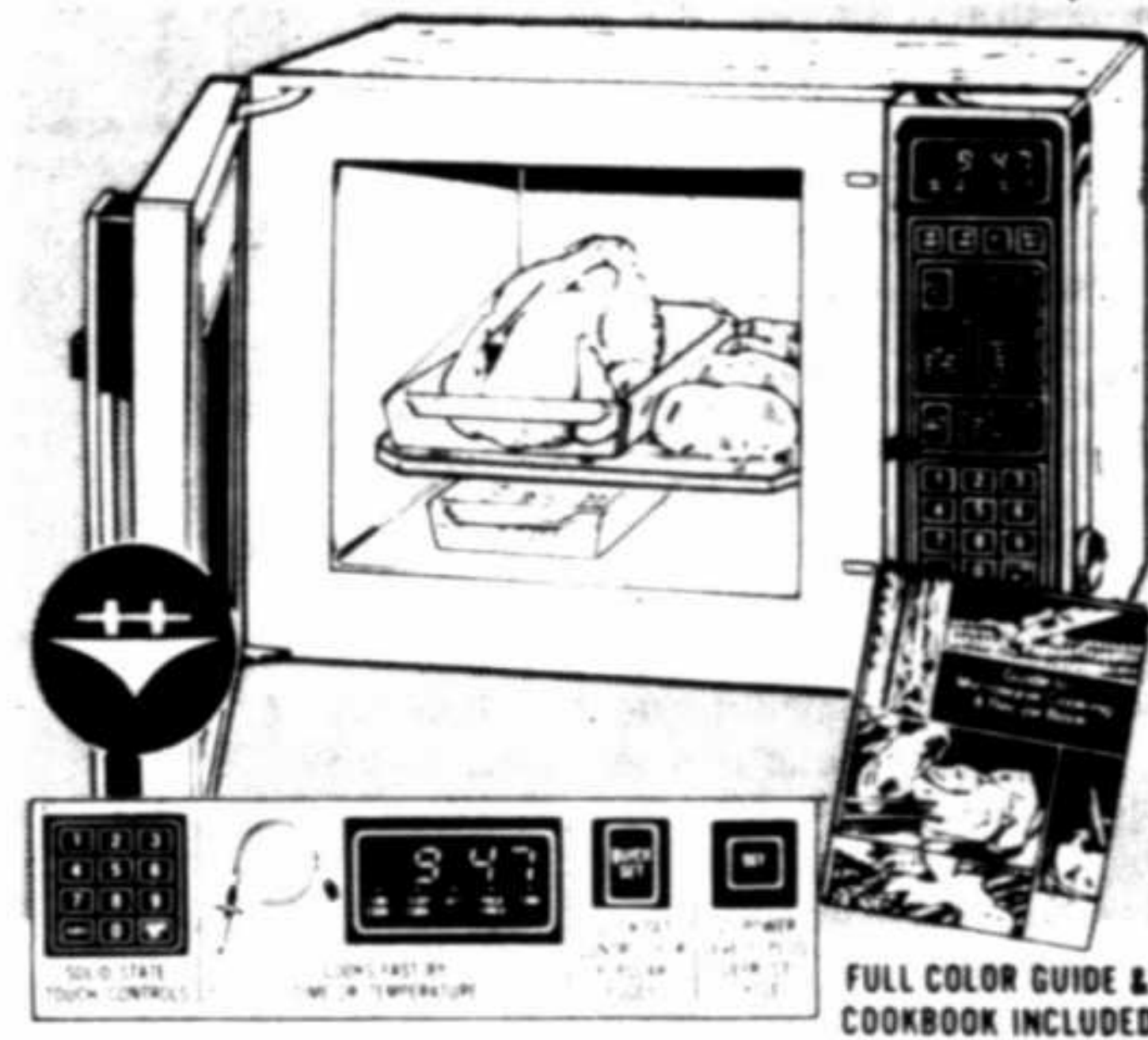
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Israelis, PLO battle, imperiling cease-fire

By FAROUK NASSAR

BEIRUT, Lebanon (AP) — Israeli gunners fought fierce battles today with Palestine Liberation Organization guerrillas trapped in west Beirut, and witnesses called the fighting the most serious breach of an 11-day-old cease-fire sponsored by the United States.

In Jerusalem, Israeli Foreign Ministry officials warned Syria to rein in the guerrillas under its control in eastern Lebanon, following the death of five Israeli soldiers in a guerrilla ambush Wednesday.

Israeli Foreign Ministry officials also said that President Reagan's meeting Tuesday with the Saudi Arabian and Syrian foreign ministers produced no progress on what the Israelis called the two main issues: getting the PLO out of Beirut and finding an Arab country to give them sanctuary.

Lebanese police said Israeli warships, tanks and artillery furiously pounded PLO enclaves in West Beirut. Israeli military sources in Tel Aviv attributed the fire to "local nervous shooting by terrorists" and denied there was any tank or naval shelling.

Jets lit up Beirut skies with flares as the barrage erupted at midnight and raged without letup until daybreak, when police said fighting tapered off into sporadic exchanges.

PLO guerrillas fired massive barrages from Soviet-made multiple rocket launchers on Israeli positions on the hills south and east of Beirut and at gunboats blocking sea escape routes for PLO chairman Yasser Arafat's 8,000 trapped guerrillas.

There was no immediate word on casualties in the blitz that police said endangered the truce arranged by U.S. special envoy Philip C. Habib.

The bombardment came as Israeli Prime Minister Menachem Begin met with his Cabinet in Jerusalem for a special session amid heightened pessimism about chances for a diplomatic solution to extricate the guerrillas.

The early morning two-hour Cabinet session followed a meeting late Wednesday between Begin and U.S. Ambassador Samuel Lewis, who reported the latest U.S. efforts to persuade the PLO to evacuate its besieged fighters.

Israeli newspapers and radio quoted government sources as saying Washington had made no progress in finding an Arab country to provide sanctuary for the encircled PLO, and the Cabinet had to weigh a U.S. request for more time against its own repeated threat to use military force in Beirut to rout the guerrillas if diplomacy failed.

In a speech after the meeting with Lewis, Begin told an American Jewish delegation that Israel "will have to take care that all the terrorists leave Beirut and Lebanon. None of them will be left."

Begin said "there is a problem. We shall solve it soon."

Jewish leader hopes for peace

NEW YORK (AP) — If a large segment of the Palestine Liberation Organization accepts U.N. resolutions recognizing Israel's right to exist, it would be "a great step" toward lasting Middle East peace, says Edgar Bronfman, president of the World Jewish Congress.

At the same time, Bronfman cautioned the Reagan administration against breaking with Israel and unilaterally dealing with the PLO.

"That would make every Israeli so hawkish, so solidly behind Prime Minister (Menachem) Begin, that he would be impossible to deal with," Bronfman said.

The Seagram liquor magnate, who heads the world's largest Jewish organization, spoke in an interview Wednesday as U.S. Arab and Israeli diplomats worked in Washington and the Middle East to try to bring the Lebanon crisis to a peaceful end.

The Israelis, whose army surrounds the PLO guerrilla core in Beirut, say the only item to be negotiated is the expulsion of the beleaguered guerrillas from Lebanon.

But PLO Chairman Yasser Arafat is trying to turn military defeat to political advantage. The PLO is sending out signals that it is ready to do something it has long rejected — to acknowledge the Jewish state's right to exist, in effect burying the long-standing PLO demand for dismantling Israel and replacing it with a non-religious state of Palestine.

Reports from Beirut say the PLO would do this by finally accepting U.N. Security Council Resolutions 242 and 338, which guarantee Israel's existence within secure borders. In exchange, the PLO would want U.S. and Israeli recognition and a place at the negotiating table to draft a peace treaty between Israel and all the Arab governments.

Israel has long demanded that the PLO also eliminate a section in its charter calling for abolition of the Jewish state. But Bronfman, who differs with the Begin government on a number of issues, said he believed Palestinian acceptance of the U.N. resolutions should be enough to move the peace process forward.

"Renouncing terrorism and accepting the resolutions — that would be explicit recognition of Israel," said the 53-year-old, Canadian-American industrialist.

He indicated he would prefer a decision by the entire PLO, but he noted that hard-line groups within the organization are likely to resist.

But if Fatah, Arafat's own group and the PLO's largest component, "stands on its own and says, 'We're going to do this,' that would be a great step forward,"

said Bronfman.

The World Jewish Congress has no formal connection with the Israeli government, but it acts as a spokesman for Jewish groups in 80 nations and is an important source of financial and international political support for Israel.

At a meeting in Paris July 9, its executive board reaffirmed its "total solidarity" with Israel's invasion of Lebanon. But for the first time it expressed support for the "legitimate rights of the Palestinian people."

Bronfman, who met with Begin in Jerusalem last week, said that once the Lebanese crisis is settled, the Israeli leader must "face the substantive problems" in the negotiations for Palestinian autonomy in the Israeli-occupied West Bank of the Jordan River and Gaza Strip.

The negotiations have stalled because of Israeli-Egyptian disagreements over how much power the Palestinians should be given.

Bronfman reiterated his view that Israel should reverse its policy of establishing Israeli settlements in the largely Arab West Bank. He also said it is time for the Reagan administration to "be a little tougher with both sides" in the autonomy talks.

The current Iran-Iraq War presents the United States with a "golden opportunity" to bring "moderate" Arabs — including Palestinians, the Saudi Arabians and Jordan's King Hussein — into the Camp David peace process, he said.

"The Arabs are much more frightened by Iran than they could possibly posture at being by Israeli designs," he said.

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Polish leader offers 'carrots'

By THOMAS W. NETTER

WARSAW, Poland (AP) — Poland's Communist rulers coupled the new relaxation of martial-law curbs with another ultimatum to Solidarity and showed they are in no hurry to deal with the demands of the independent labor movement.

Gen. Wojciech Jaruzelski in his speech to Parliament Wednesday said nothing about revival of the suspended union.

Instead, he said some unionists were driving their organization to "self-annihilation." He said martial law

An Analysis

could be suspended by the end of the year if the nation remains calm. And he warned that Pope John Paul II's visit will be permitted only after "actions endangering the state" are halted.

"The speech is a masterpiece in that it offers a short-term and a long-term carrot to the people," one Polish observer said.

"The stick (martial law) is already known. The short-term carrot is the possibility of lifting martial law by the end of the year, but only if the people behave and turn a deaf ear to Solidarity. Easing foreign travel is an extra sweetener."

"The long-term carrot is the papal visit. The two carrots may help hold Solidarity's head down and possibly erode some of its influence throughout the nation."

When Archbishop Jozef Glemp announced Wednesday that the pope had postponed until next year the visit he had planned to make next month, the Polish primate said the church did not "want this trip to take place in a period of nervousness and excitement."

The Polish pope's return to his homeland in 1979 touched off a groundswell of pride and nationalism that erupted again the next year in the strike wave that produced Solidarity. The Soviet bloc's first legal independent union quickly won the support of most of Poland's workers and enjoyed enormous prestige until Jaruzelski proclaimed martial law last Dec. 13 and suspended it.

Since then, thousands of unionists have been held in internment camps, hundreds have been jailed for violating martial law, and others have gone underground, circulating protest leaflets and debating what to do.

Longtime observers of the Communist Party said the release Wednesday of 1,227 internees, including all women, and the additional easing of martial-law restrictions indicates Jaruzelski and his associates feel secure.

"This easing of restrictions is a rather bold step," said the Polish observer, "considering that only a month ago there were still major street demonstrations in some cities and that an underground is still active."

The expert said the easing of restrictions could also be seen as a gesture to the United States to show the government is trying to meet its conditions for the lifting of Western sanctions while at the same time assuring Soviet leaders that Jaruzelski is in full control of the country.

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NAME DROPPING

Hired

Ab R. Ellis has joined Flare Inc. as president and general manager of its newly organized Flare Geological Services Corp. subsidiary.

Ellis has a broad range of both exploration and development geological experience. He served with Texaco Inc. as a geologist for almost 30 years with assignments in the Southwest, Gulf Coast and Rocky Mountain areas of the United States as well as in Libya, Mauritania and Angola in Africa.

He is a graduate of the University of Texas, and a member of the American Association of Petroleum Geologists, West Texas Geological Society, Permian Basin Section of the Society of Economic Paleontologists and Mineralogists, Society of Professional Well Log Analysts and Permian Basin Well Logging Society.



Ellis

Promoted

Richard R. Oelze has been promoted to assistant land manager for Pioneer Production Corporation and transferred from Midland to the company's headquarters in Amarillo.

Oelze was previously Pioneer production's district landman in Midland.

He joined the company in 1980 as a landman in Midland.

Douglas D. Ketterman, Midland has been commissioned as a trooper with the Texas Department of Public Safety.

He is the son of Mr. and Mrs. Duane E. Ketterman of San Antonio.

Ketterman, 21, has been assigned to the Highway Patrol Service and will be stationed at Midland.

Susan Marie Rudie, Salem, Ore., has been commissioned as a trooper with the Texas Department of Public Safety.

She received her commission as a State of Texas law enforcement officer at DPS Headquarters in Austin.

Rudie has been assigned to Highway Patrol Service and will be stationed in Midland.



Ketterman



Rudie

Robert O'Nale has been appointed division manager of the Odessa service office of Cudd Pressure Control Inc.

He will supervise operations and sales of Cudd's West Texas service lines in snubbing, coiled tubing, nitrogen applications, wireline and well control.

Charles Foshee, formerly nitrogen supervisor, has been promoted to district manager of the Odessa facility.

Honored

Clifford C. Kyzer was presented a 27 year service award June 23 as a field safety meeting in Denver City.

Kyzer joined ARCO in Lovington, N.M., as a roustabout with the Sinclair Oil & Gas Co. He transferred to Denver City as a gang pusher in 1965, and was transferred to Hobbs, N.M., as a gang pusher in 1969. In 1972 he returned to Denver City as a roustabout. He is presently a lease pumpjack in the Willard Unit at Denver City.



Kyzer

Clements to tell South's governors of energy plan

AUSTIN (AP) — Southern governors will get a look next week at a proposed national energy policy that its developer, Texas Gov. Bill Clements, says would be the nation's first.

Clements announced the plan at a news conference Wednesday but declined to release any details.

The proposal will be presented Tuesday to the Southern Governors Association meeting at Hilton Head, S.C., and forwarded to congressmen and other governors, Clements said. Clements will be chairman of the four-day conference.

Clements said his energy policy "properly represents the state of Texas' position with regard to a national energy policy, which this country has never had."

Clements characterized President Reagan's energy policies as "in limbo." "He will strongly advocate deregulation of gas in next congressional session," said Clements. "But so far as an overall national energy policy, this administration doesn't have such a policy."

Watt puts five-year offshore lease plan in effect

WASHINGTON (AP) — Interior Secretary James Watt, ignoring outcries from environmentalists, is putting into effect a program that offers virtually the entire U.S. coast for oil and gas drilling over the next five years.

Under the program Watt adopted Wednesday, 1 billion acres off the U.S. mainland and Alaska will be considered for leasing in 41 sales starting next month and ending in June 1987.

Watt said his five-year plan was designed to "enhance the national security, provide jobs and protect the environment while making America less dependent on foreign oil sources."

Critics accused the interior secretary of running roughshod over objections from affected states and adopting a plan that will jeopardize fragile coastal areas.

The Natural Resources Defense Council, an environmental group, said it was filing suit today to stop the plan in court and congressional critics said they would introduce a resolution in Congress to have the program overturned.

Watt called those attacks "political posturing." He said he expected to be sued also by the states of California and Alaska, but he predicted the courts and Congress would uphold his plan.

"They (members of Congress) recognize it as a wise and balanced program that is needed," Watt said Wednesday night in an appearance on PBS's "MacNeil-Lehrer" program.

The five-year plan replaces one drawn up by the Carter administration which, instead of making 1 billion acres available for leasing, would have offered about 55 million acres.

Watt greatly expanded the effort by making entire offshore planning areas available for leasing. The planning areas range in size from 8 million acres to 133 million acres. In the past, lease sales have covered about 2 million acres.

While entire planning areas will be made available for leasing, the actual lease sales will cover smaller areas that are nominated by industry and approved by the Interior Department.

Watt said he hopes to actually lease

between 5 million and 12 million acres annually. The most offshore acreage ever leased before was 2.2 million acres last year.

Environmentalists have said the amount of acreage being considered is too large and will make it impossible for the government to adequately assess environmental dangers.

"The program still offers 1 billion acres over a very short period of time. There is no way Secretary Watt can assure adequate protection of the marine and coastal resources," said Francis Beinecke, an attorney for the Natural Resources Defense Council.

Rep. Edward Markey, D-Mass., the leader of the congressional attempt to get the plan overturned, said Watt's program "lacks any sense of compromise, lacks any concern for the environment and lacks any appreciation for the impact on affected coastal states."

In addition to making more acreage available, Watt's program streamlines the pre-leasing process and moves up sales in so-called frontier areas that

offer high potential for oil and gas but which have never been explored.

Watt said his program would cut in half the time needed to process lease sales in these frontier areas, many located off Alaska.

There will be 16 sales in Alaskan waters over the next five years, 12 sales in the Gulf of Mexico, eight in the Atlantic and four off California. There will also be one sale reoffering all tracts not sold previously.

Watt did make some changes in the program, which he first unveiled in April 1981. Responding to state complaints, he dropped three sales in environmentally sensitive areas off Alaska and he divided a South Alaska sale into three smaller sales.

He also postponed a scheduled August sale in the Georges Bank fishing grounds until October. The state of Massachusetts is trying to get Watt to delete 600,000 acres from the proposed 3W1 million-acre sale.

Lease sale schedule under Watt plan

WASHINGTON (AP) — Here is the schedule of the 41 offshore lease sales called for under Interior Secretary James Watt's five-year leasing plan:

1982
August, reoffering sale covering tracts not previously sold: September, Deep Field, Alaska; October, North Atlantic, Gulf of Mexico; November, Norton Basin, Alaska.

1983
February, St. George Basin, Alaska; April, Mid-Atlantic; May, Gulf of Mexico; July, South Atlantic; August, West Gulf of Mexico; September, Central and Northern California; November, East Gulf of Mexico.

1984
January, Southern California; February, North Atlantic; March, Norton Basin, Alaska; April, Central Gulf of Mexico; June, Deep Field, Alaska; July, West Gulf of Mexico; October, Gulf of Alaska and Cook Inlet, December, St. George Basin.

1985
January, South Atlantic; February, Barrow Arch, Alaska; April, North Atlantic Basin, Alaska; May, Central Gulf of Mexico; June, Mid-Atlantic; August, West Gulf of Mexico; September, Central and Northern California.

1986
January, Southern California; February, North Atlantic; March, Norton Basin, Alaska; April, Central Gulf of Mexico; June, Deep Field, Alaska; July, West Gulf of Mexico; October, Cook Inlet, Alaska; December, St. George Basin.

1987
January, South Atlantic; February, Barrow Arch, Alaska; April, Central Gulf of Mexico; June, Mid-Atlantic; August, West Gulf of Mexico; September, Central and Northern California.

Tall City, area unemployment at highest levels in eight years

Data released by the Texas Employment Commission reveals that Midland's unemployment rate in June, 7.6 percent, was higher than it has ever been since the TEC began compiling statistics for the Tall City in 1974.

That number translates into 5,000 people out of work here, compared to 2,950 in May. But at the same time, the TEC reported there were more Midlanders at work in June than in the previous month, with that figure climbing to 60,800 from 59,700 in May. The previous high was 7.0 percent,

recorded in June, 1974. Since that time Midland's unemployment rate has averaged 4.1 percent, although the rate has seen-sawed this spring. In April it was 7.0 percent; in May it had fallen to 4.7 percent. A year ago in June it was 7.3 percent.

The upward trend in unemployment may continue. As of July 22, the Midland TEC office had processed as many unemployment claims as it processed in all of June, according to Charm Carl. There are around 650 claims on file in the office, an approximate ten-fold

increase from this time last year.

June's figures reflect the highest unemployment rate for the state as a whole since the TEC began tabulating Texas figures in 1970, said a TEC spokesman in Austin, with the state unemployment rate reaching 7.7 percent in June. It was 6.4 percent in May.

Nearly every city in the state reported June unemployment was at or near an all-time high. Generally, the unemployment figures for June will be the highest we've seen in years for all areas of the state, a TEC spokesman

said.

Odessa posted an 8.4 percent unemployment rate, up from 5.1 percent in May and 5.0 in June 1981. In raw numbers, 6,100 people were unemployed in that city, the TEC said, compared with 3,650 in May. Odessa and Midland share the same labor force, according to the TEC.

San Angelo reported 7.3 percent, Dallas/Fort Worth reported 7.2 percent, and Houston reported unemployment at 7.1 percent.

The higher rates reflect a number of factors: more people are available for

work in the summer months, which normally leads to higher unemployment figures, as students, graduates, and school faculty members enter the labor force in late May and early June. The work force in Midland grew from 62,650 in May to 65,800 in June, and in Odessa, it rose from 71,550 in May to 72,700 in June.

Higher unemployment rates are also a direct result of the national recession and the drop in the oil field exploration, servicing and manufacturing industries.

Administration acknowledges less robust recovery

By The Associated Press

Administration officials acknowledge that the recovery may be less robust than they expected, but they say the recession is letting go its grip on the economy.

The Commerce Department reported Wednesday that the inflation-adjusted gross national product, a key barometer of economic activity, grew at an annual rate of 1.7 percent in the three months ended June 30.

That was a big improvement over declines of 5.3 percent and 5.1 percent in the final quarter of last year and the first three months of 1982.

Murray Weidenbaum, chairman of

President Reagan's Council of Economic Advisers, told reporters after a Senate hearing that "the worst of the difficult times are behind us" and that he thought "we are in the early stages of an upturn."

But Commerce Undersecretary-designate Robert Dederick said although better times seem to be ahead, "we don't look for a rapid recovery."

Outside the administration, Donald Straszheim, vice president of Wharton Econometrics, said he thought recovery was indeed under way, a verdict still being weighed by many other economists.

Asked if a robust rebound can be

expected, he replied simply, "No way."

Inflation-adjusted, or "real," GNP is the government's estimate of the market value of all U.S. goods and services. A gain in such a broad measure was bound to be seen as an encouraging sign of an end to the recession that has plagued Reagan's first two years in office, resulting in higher unemployment and more bankruptcies.

The administration's mid-year economic review — due for release later this week — is expected to hold to the earlier forecast that real GNP will grow at an annual rate of 4 percent to 5 percent for the rest of this year and on through 1983.

France orders Soviets supplied with U.S. goods

PARIS (AP) — The French government today ordered a French company to supply U.S.-developed technology for the new Soviet natural gas pipeline to Western Europe, defying President Reagan's boycott order.

In a direct political and legal challenge to the United States, President Francois Mitterrand's socialist government said it "cannot accept the unilateral measures taken by the United States on June 18."

The Reagan administration last month expanded sanctions on exports of oil and gas equipment to the Soviet Union to include equipment produced abroad under U.S. licenses. The sanctions are aimed at punishing the Soviets for their alleged role in the imposition of martial law in Poland last December.

The Soviet pipeline is scheduled to begin supplying Western Europe with natural gas in 1984. France, Britain, West Germany and Italy, the major western participants in the project, all have resisted intense and persistent U.S. pressure to back out of the deal.

The debate over the Soviet pipeline is seen in Europe as the deepest political split between the United States and Western Europe in years. It has also exacerbated an already serious deterioration of relations between the United States and France.

"The government specifies that the contracts concluded by French companies for the d'Ouergui pipeline must be honored," said the two-paragraph statement from the office of Prime Minister Pierre Mauroy.

"Deliveries scheduled in 1982 must therefore be effected on time," it said.

U.S. ambassador to France Evan G. Galbraith has repeatedly told French officials that violation of the sanctions could lead to stiff fines and even criminal penalties under the U.S. Export Controls Act.

Only Wednesday, Galbraith told reporters he thought the chances of France defying the sanctions were "remote."

"It just doesn't make economic or political sense," he said.

Galbraith today met for 45 minutes with French Foreign Minister Claude Cheysson. He declined to make any comment at the end of the meeting.

The only French company affected by the expanded sanctions is Alstom Atlantic, the French power engineering group that has a \$50 million contract with the Soviets to supply 40 sets of giant rotor blades manufactured under license from U.S.-based General Electric Co.

France's insistence that Alstom fulfill its contract, which represents only a small fraction of the country's total investment in the pipeline, came as a direct slap at Washington's attempt to slow down the project.

In his meeting with reporters Wednesday, Galbraith said a decision by the French government to demand that Alstom go ahead with the project could result in "the possibility of obstruction of justice charges, violations of U.S. conspiracy laws, lawsuits by minority stockholders and lawsuits in France."

"It would open up a real mess," he said.

Alstom is one of three European turbine makers that have sizeable contracts with the Soviets to provide equipment made under license with General Electric.

Galbraith said that in their licensing agreements with General Electric, all three companies also signed pledges that "unless prior authorization is obtained" from the U.S. Office of Export Administration, they would not "knowingly" re-export equipment to any country on a U.S. embargo list.

"Legally we're clearly on sound ground," Galbraith said. "They signed the agreement. That's one of the prices of doing business."

The Reagan administration sees the project, which eventually may include five separate pipelines, as the key to rejuvenation of the Soviet economy, which the United States is convinced is in deep trouble.

The Europeans see the pipeline issue as a question of economic realism. The United States has not come up with a practical alternative to Soviet gas supplies, and the pipeline means jobs and trade for Europeans during the worst economic recession since the depression of the 1930s, they say.

WTGS to hear of Marfa Basin

Joseph Mauch, Getty Oil Company, Houston, will be the featured speaker of the West Texas Geological Society, at 11:30 a.m. Tuesday at the Midland Hilton.

Mauch will present the results of his studies in Presidio and Brewster Counties with a talk entitled "The Late Paleozoic Tectono-sedimentary History of the Marfa Basin, West Texas."

He recently completed his M.S. degree at Texas Christian University, Fort Worth.

The cost is \$7.50, and reservations may be made by calling the Society at 6183-1573 before 4 p.m. Friday.

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Q. I own stocks in a telephone company and two electric utilities and am in the dividend reinvestment plans of all three. The telephone dividend is about \$3,200 a year, the utilities about \$550 and \$200 respectively. Would it be to my advantage, as far as taxes are concerned, to take the telephone dividends by check and invest that money in the electric companies' stocks?

NEW YORK (AP) — The stock market backed away from an early gain and finished mixed Wednesday as open-market interest rates turned upward.

NEW YORK (AP) — The stock market backed away from an early gain and finished mixed Wednesday as open-market interest rates turned upward.

My husband and I are retired. We own our condominium and manage very nicely on our pension checks, having recently returned from a trip to Ireland.

The exclusion is \$750 a year for each taxpayer and \$1,500 for a married couple filing a joint return. So, you can duck paying income tax on electric utility dividends you are now reinvesting. And, by using the \$3,200 of telephone dividends to buy more electric utility stock, you can increase that tax break.

Q. What rules are used to determine whether or not a company is a "qualified utility" and have a plan through which stockholders can exclude reinvested dividends from federal income tax?

And, at least 60 percent of the property the company acquired over the last 10 years must be public utility property that meets rather complicated depreciation requirements for corporate tax purposes.

be able to exclude from federal income tax all the dividends, which amount to less than \$1,500 a year. The shares we receive through these reinvestments have a "zero cost basis." So, if we ever sell them, the entire amount received from the sale will be subject to tax as a long-term capital gain.

the prices of shares acquired through dividend reinvestment. That's not hard. Just hang on to the reinvestment statements you receive.

When you sell, the easy way to do it is through the dividend reinvestment plan agent. That's either the company itself or a bank administering the plan. In

A. A good source is Standard & Poor's Corp.'s weekly publication, "The Outlook," which prints such a list once a year. Copies of the list are available by sending \$2 to Department D, Eileen Britchard, Marketing

Doyle welcomes written questions, but he will be able to provide answers only through his column. Address questions to Bill Doyle, King Features, c/o The Reporter-Telegram, Midland, Texas 79702.

in high interest rates

As practiced by the Federal Reserve Board, of which Volcker is chairman, monetary policy seeks to limit the supply of funds to the economy, the purpose being

That's the most familiar example, but there's a long list of others, all related to tight money and resulting high interest rates, all reflecting what policy-makers feel is a need to lessen demand.

And, as the purge continues and demand is curtailed, unemployment has risen to 10 million or more workers. Eventually, policy-makers say, the country will learn to live within its income, seek to consume no more

John Wright, whose organization advises large institutions and handles trust department portfolios for banks, feels Federal Reserve policy has condemned the economy to a limbo from which it will be difficult to rise. That is, unless the Fed changes its money supply

Over the past 20 years, says Wright, a tremendous shortfall of money has developed.

about \$400 a year, the answer would be to my advantage, as far as taxes are concerned, to take the telephone dividends by check and invest that money in the electric companies' stocks?

My husband and I are retired. We own our condominium and manage very nicely on our pension checks, having recently returned from a trip to Ireland.

A. Assuming the electric companies are "qualified utilities," the answer has to be yes, strictly from a tax standpoint. When you reinvest your dividends in shares of a qualified utility, you can "exclude" and not pay federal income tax on some or all of those reinvested dividends.

The exclusion is \$750 a year for each taxpayer and \$1,500 for a married couple filing a joint return. So, you can duck paying income tax on electric utility dividends you are now reinvesting. And, by using the \$3,200 of telephone dividends to buy more electric utility stock, you can increase that tax break.

This exclusion provision became effective just this year and is due to end after 1985. By that time, you should be able to tuck away enough in tax-free dividends to pay for what my Hibernian relatives are fond of calling another "trip home."

...

Q. What rules are used to determine whether or not a company is a "qualified utility" and have a

plan through which stockholders can exclude reinvested dividends from federal income tax?

A. First off, of course, the company has to be in the utility business of providing electric, gas or telephone service. Then, the shares stockholders receive by reinvesting their dividends must be newly issued shares, not shares the company buys back in the open market, and then sells to stockholders who reinvest.

And, at least 60 percent of the property the company acquired over the last 10 years must be public utility property that meets rather complicated depreciation requirements for corporate tax purposes.

What this all boils down to is that almost all electric utilities qualify. Some gas utilities do; some don't. Most telephone utilities don't.

Q. My wife and I reinvest the dividends we receive from a qualifying utility. As a result, we will be able to exclude from federal income tax all the dividends, which amount to less than \$1,500 a year. The shares we receive through these reinvestments have a "zero cost basis." So, if we ever sell them, the entire amount received from the sale will be subject to tax as a long-term capital gain.

The statement we receive after each quarterly reinvestment merely shows the number of full and fractional shares acquired. If we sell, how can we identify the specific shares sold?

A. Carefully. You should keep meticulous records of the prices of shares acquired through dividend reinvestment. That's not hard. Just hang on to the reinvestment statements you receive.

When you sell, the easy way to do it is through the dividend reinvestment plan agent. That's either the company itself or a bank administering the plan.

compactly taken of a week's earnings. If you sell just some of your shares, instruct the agent to sell the shares you acquired between certain dates. If you decide to sell all your shares, instruct the agent to do so.

Q. Where can I obtain a list of companies — not just utilities — with dividend reinvestment plans?

A. A good source is Standard & Poor's Corp.'s weekly publication, "The Outlook," which prints such a list once a year. Copies of the list are available by sending \$2 to Department D, Eileen Pritchard, Marketing Department, Standard & Poor's Corp., 25 Broadway New York, N.Y. 10004.

Or, you could save the \$2 by visiting the financial reference section of a big public library. You'll find the list in the June 9 issue of "The Outlook."

Doyle welcomes written questions, but he will be able to provide answers only through his column. Address questions to Bill Doyle, King Features, c/o The Reporter-Telegram, Midland, Texas 79702.

BUSINESS MIRROR

Tight money results in high interest rates

NEW YORK (AP) — It is the traditional wisdom: We must keep a tight grip on the nation's money supply if we are to lick inflation. It has just been reaffirmed by Paul Volcker, the big man in monetary policy.

Unimpressed and angry, John Wright hopes for the day when policy won't be so hidebound. As he has for months, he tells clients of Wright Investors' Service, Bridgeport, Conn., that monetary policy is ruinous.

But first, the conventional wisdom.

As practiced by the Federal Reserve Board, of which Volcker is chairman, monetary policy seeks to limit

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