

GSL program secure

The ASUO is all worked up over the fact that Citizen's Bank of Oregon has decided to phase out its guaranteed student loan (GSL) program.

There's no reason to get excited. The GSL program is still attractive to the state's major private credit institutions, and there's no reason to think that's going to change.

Guaranteed loans are a no-risk proposition. Even the interest rate is guaranteed. Loans are repaid at the going interest rate on 90-day Treasury notes, within a five per cent limitation, so banks can't get burned by fluctuating interest rates. Any bank with extra cash lying around will be happy to farm it out in guaranteed loans.

If this sounds like a sweetheart deal between the government and the banks, it should, because that's exactly what it is. But the government gets its back scratched, too.

The reason private credit is involved in federal loan programs is that banks are better at loaning and collecting than the government. The default ratio on the GSL program is 7.5 per cent, while the default ratio on the government-administered national direct student loan program is three times that.

If guaranteed loans are such a good deal for the banks, why is Citizen's Bank phasing out the GSL program? There are two reasons, the first having to do with the cash-flow situation of smaller credit institutions.

Unlike U.S. National or Bank of America, Citizen's has a very limited amount of money to lend. When they can loan all the money they've got in short term, high risk transactions, they'll do just that. Larger banks will usually have more money lying around to bet on a sure thing.

The other reason Citizen's is getting out of the student loan business is that the GSL program, like all government programs, requires a good deal of paperwork. The cost of administering the GSL program was just too high to make it worthwhile for Citizen's to continue. The ASUO should concentrate on reforming and consolidating the paperwork involved in the GSL program to make it easier, meaning more profitable, to administer.

Losing Citizen's Bank from the GSL program isn't going to hurt anyone. The worst consequence will be that students may have to deal with the real giants of corporate capitalism, but small banks are still part of the GSL picture, so that's not a real problem yet.

Striking out a Citizen's Bank for withdrawing from the GSL program is striking at the wrong target for the wrong reasons. Students should instead examine the circumstances that have made it unprofitable for smaller banks to compete for student loans even under such ideal conditions as the GSL program.

Letters

Gallo buys trust

It should be obvious by now that Gallo is trying to purchase a little more than advertising space from the Daily Emerald. They are engaged in exploiting the prestige of many campus newspapers to buy back a reputation that has been considerably tarnished by their role in past labor struggles.

How strange to be infiltrated with our very own campus Gallo agents! Why are they so carefully recruited and strategically placed in universities? Much more than the quality of wine is at stake. Try finding our secret agents for Almaden, Swiss Colony or Annie Green Springs!

The wide publicity, sanctimonious recitations of constitutional rights and fearful cries of censorship are their familiar ploys to stir up undeserved sympathy. How about some perspective? How can those of us who voted just the other day afford to forget that recently farmworkers in California were stripped of their right to choose their labor representation by votes? Political pressure of big agribusiness dried up funding of farmworker elections. Our nation's most manipulated and marginal group is now its most completely disenfranchised. Who's next?

We should let these people know that not everything can be bought in this country, not even in our Daily Emerald. The reputation

of a company has to be earned instead.

It is too much of a price to pay to have Gallo and its part time salesmen insult our intelligence, confuse our democratic priorities and fill the pages of our newspaper with a carefully engineered plan to weaken the Gallo boycott among some of its strongest national supporters: college students who are concerned with the quality of both our natural and social environments.

Enrique Lamadrid
Assistant Professor
Romance Languages

Anti-Gallo petition

In response to Mr. Mark Rose's Letter in opposition to taking Gallo adds off the Emerald, I answer that I seek all the other friends of the United Farm Workers to actively sign a petition to remove this needless form of debauchery, this sellout and over-exposure, and make sound advertising policy here at the University of Oregon.

It is obvious Mr. Rose operates on less principle when he directs personal endeavor vs. the people's who provide labor in producing scab wine.

The choice is clearly up to everyone in purchasing, and options are available. I personally wouldn't take too much prestige in being a Gallo glutton representa-

tive. Mr. Rose credits himself and the biggest wine barrel he can get for you. He is seeking free advertising and mixing his personal dollar discount and wine tasting enticements.

I can hardly be sentimental to Mr. Rose's appeal, especially since he is mixing ethics and principles in this advertising matter. The Emerald can do without the fifty-dollar section and fill it with other local advertisement as it has in the past.

I urge all of you to make a clear signature and a clear stand in getting the rich Gallo industry off our campus. Mr. Rose is but one of a dozen representatives selected nation-wide to spoil the United Farm workers' pledge.

Last year we were flooded with Mocnezuma Tequila propaganda that at least handed out calendars and other guides. The Emerald can find Eugene monies to advertise here.

Please stop by the fish-bowl and put in your endorsement if you have a conscientious view against another form of monopoly around campuses. A table will be provided, so check our sincere view even if you don't sign the petition the coming week.

Efren Valdez
Senior, science
MECHA member

Gallo busts unions

I would like to respond to the editorial opinion of Mark W. Rose on Nov. 10, 1976. Mr. Rose's objections to banning advertising are quite well taken. Indeed the existence of a free people is largely dependent upon the First Amendment guarantees of the free press.

However, in his haste to expound upon the principles of the free press, Rose neglected a basic responsibility. I refer specifically to the concept of a "responsible press." By his own admission Mr. Rose conceded the "First Amendment rights guarantee the right to a full exposure of a wide realm of ideas." Why then, does Mr. Rose proceed to offer only half the story concerning the E & J Gallo Company and the UFW? I hesitate to offer as an answer, Rose's position as Gallo's campus representative.

It is true, as Rose stated, Gallo is organized by the Teamsters. By strict definition, therefore, Gallo does not maintain a "scab" operation. However, Rose omitted various other evidence concerning Gallo's disposition towards uninhibited labor relations.

Prior to the 1973 expiration of its contractual obligations, Gallo was

organized by the UFW. Coterminal with the expiration of its contracts, Gallo began a systematic effort to prostrate the UFW. As the contracts expired, Gallo simply fired its UFW employees. These people had been out on strike, demanding a new contract with the company. Ernest Gallo even admitted the strikers were terminated upon refusing to work without contractual protections.

Gallo's next move was to hire strikebreakers (scabs) to fill the jobs vacated by fired UFW employees. As a requisite to employment, however, all new employees were required to authorize the Teamsters as the exclusive bargaining representative. Needless to say, Gallo had broken the UFW.

No, Mr. Rose, Gallo is not a "scab" operation by definition; only by action. As concerns your future efforts to uphold the rights of a free press, I encourage you. However I must insist that as a journalist, you will report all the facets of a story. Only then will you be able to contribute to the credibility of the journalistic profession and a free people.

Bradley K. Witt
Graduate, labor relations

Dump the rascals

What the devil is going on in this newspaper?

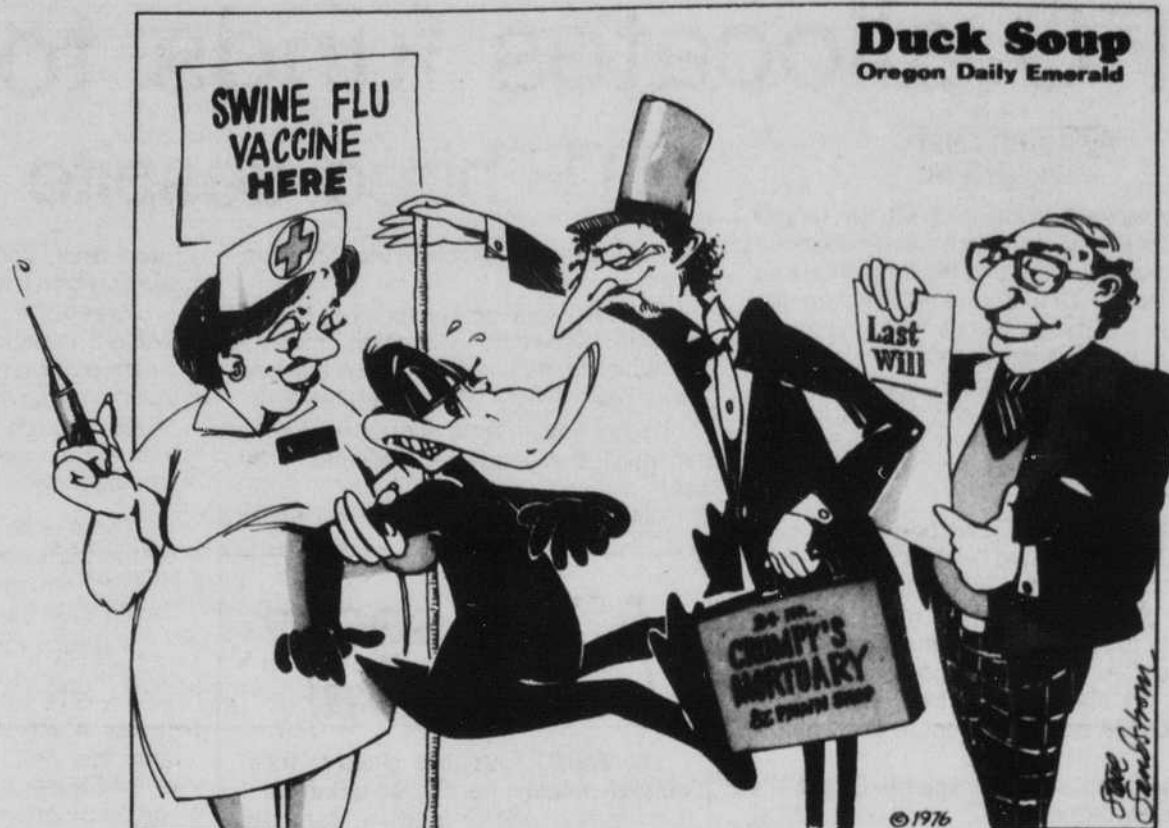
Suddenly, we have people equating political censorship with an editor's right to accept or reject an ad. This is getting a little silly. Look, if Wasson is offered an ad from a company selling Rhodesian chrome products or Canadian seal fur coats or whale blubber, he'd be crazy to accept it. Some groups, people or companies have behaved in such a disgusting manner that their money should not be taken by any self-respecting editor.

And Gallo qualifies. For the more I read about the history of the farm workers, the more "Hearty Burgundy" looks like blood.

In these various letters to the editor, people are arguing that Gallo's right to advertise is somehow guaranteed by the First Amendment. I'll bet that argument would get a lot of laughs back in 1787. Everything I've learned about the constitution indicates that the First Amendment's goal was a free and independent press, not free and independent advertisers to utilize that press.

We should remember that there is a difference between selling products and informing readers about their world. One is essential

Duck Soup
Oregon Daily Emerald



to a free society, and the other is essential to free enterprise. And despite the rhetoric which equates the two, they are not related. As a matter of fact, free enterprise often conflicts with a free society.

If the ODE decides to dump the rascals, it's a legitimate and healthy political decision. And, unlike Gallo's decision to dump the UFW, the ODE's decision would be morally correct. Maybe through ODE's action, Gallo and other exploitive corporations will realize that a responsible press requires a certain level of conduct from its advertisers — both on its pages and in our society. To me, that is the goal of a socially responsible and free press.

Jeffrey W. Johnson
Graduate, journalism

Veterans' Day

Instead of the Red, White and Blue,
My flag today is Black. —

Black as the packed hold
Of a transport
that moans as it pulls
the young men home,

Black as the inside
of a pine box
where my friend lies
under a white cross,

Black as shriveled bodies
of Vietnamese
who were in the way
or trying to get out of it,

A lump of coal
in the pit of my memory
paints this day
Black Black Black.

Greg Howard
Education

Your vote counted

This letter is for those voters who feel that their one vote was unimportant in the recent election.

There are 2,366 voting precincts in Oregon (as of May this year). Gerald Ford defeated Jimmy Carter in Oregon by 2,247 votes (Eugene Register-Guard, Nov. 5). Thus, less than one vote per precinct decided which candidate would get Oregon's six electoral votes.

What does all this mean? Simply, your vote is important and we can score "one" for the democratic process.

David Kensler
Senior, journalism

Friday, November 12, 1976