

Carter to help mid-income students

WASHINGTON (AP) — Pres. Carter will announce a major program Wednesday to provide a reported \$1.2 billion to college students from middle-income families because he fears a 71

percent jump in college costs has put their chances for higher education in jeopardy.

Hoping to stave off a move in Congress to give a \$250 tax credit to the parents of all college stu-

dents, Carter will propose a combination of grants and loans for the aid, said White House Press Secretary Jody Powell.

It was announced last month that Carter had set aside \$700

million in contingency funds in his fiscal 1979 budget for the aid, but sources in the government and Congress said the aid package will total \$1.2 billion.

Nearly \$1 billion will go to increase the government's \$2.2 billion Basic Educational Opportunities Grants program, which is now targeted at low-income students, the sources said. The rest will go in increased funding for the Guaranteed Student Loan program and campus work-study programs.

The package will raise the family income limit from \$25,000 to \$40,000 for students to receive loans with the government subsidizing the interest while they are still in school.

The president and Health, Education and Welfare Secretary Joseph Califano Jr. will unveil the program Wednesday.

Powell said the program will be targeted mostly at the middle class, but he did not specify what families Carter would include in the middle class.

Most basic grants now go to students from families earning less than \$10,000.

The grants drop to a minimum of \$50 as income and assets increase. The cutoff point for a family of four with one child in college is roughly \$17,500 in income.

At present, some 2.4 million students attending college next fall are expected to receive basic grants averaging just under \$900 apiece.

For fiscal 1979, Carter has proposed \$4 billion for existing programs to help college students and has proposed raising the maximum grant from \$1,600 to \$1,800. He also has proposed making more students eligible.

S. African stock divestiture constitutional in Wisconsin

The Wisconsin state attorney general Tuesday directed the University of Wisconsin-Madison to divest itself of stocks with firms doing business in South Africa.

Atty. Gen. Bronson LaFollette ruled a state statute which effectively prohibits the state system from investing in firms doing business in South Africa is constitutional and the system's board of regents must now divest itself of such holdings.

The Wisconsin Legislature passed a statute in 1971 prohibiting discriminatory investments by state agencies. LaFollette said only those stocks purchased since that time need be sold.

The University of Wisconsin had objected to earlier attempts at forced divestment saying the statute was unconstitutional because it interfered with interstate commerce and foreign relations.

LaFollette found neither argument powerful. Citing a series of court cases supporting his view he said, "The potential burden on interstate commerce is so slight and the effect so speculative that it cannot be said to be clearly excessive in relation to the local interest involved."

"Merely raising the spectre of possible interference with foreign relations is insufficient of itself to justify striking down otherwise valid state legislation," he added.

The attorney general found

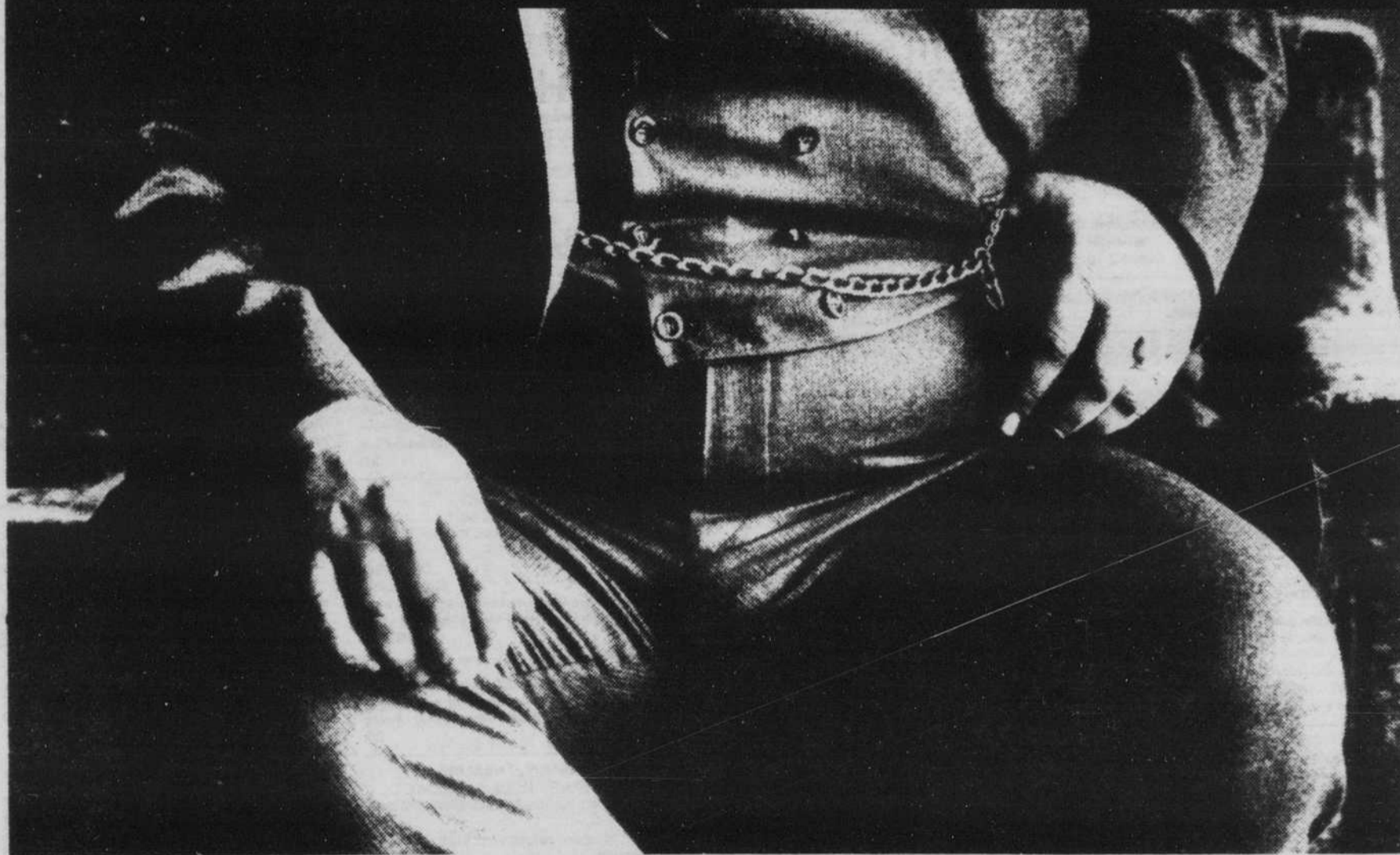
adequate basis for the six-year-old statute ruling, "the underlying state policy expressed in it is entirely consistent with national policy against discrimination in employment and public accommodations."

While LaFollette said he expects the regents to "fully comply" with his directive, no formal action has yet been taken.

Selling of the stocks would take place over a period of time unspecified in state law. The "prudent man" rule used by the state (and in Oregon) means the regents would divest in a prudent manner to minimize any losses.

A final decision on whether the regents were making adequate progress would have to be determined by a court.

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Cubans assist Ethiopia in war

MOGADISHU, Somalia (AP) — Thousands of Cuban soldiers are steaming toward the Horn of Africa aboard Soviet ships to help Ethiopia in its war against ethnic Somali rebels, diplomatic sources claimed on Tuesday.

The reports said about 3,000 to 6,000 Cuban troops left their Caribbean homeland for Ethiopia sometime last week and would "triple or double" the number of Cubans said to be fighting in southeastern Ethiopia's disputed Ogaden Desert on the Somalia border.

The sources said most of the Cuban troops are believed slated for a major role in Ethiopia's long-expected counter-offensive to drive out ethnic Somali rebels who now control about 97 percent of the Ogaden and are trying to annex it to Somalia.

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Jamil
P.O. Box 10154
Eugene, Oregon 97401
Phone anytime:
342-2210 484-2441