

Ducks smash Cal!  
See page 10

# oregon daily emerald

Monday, October 10, 1983

Eugene, Oregon

Volume 85, Number 26

## 'The time has come:' Watt resigns post

WASHINGTON (AP) — Interior Secretary James Watt, embattled for nearly three weeks over his remark about a federal advisory panel, resigned Sunday but will remain in office until Pres. Ronald Reagan names his successor.

Watt made the announcement in a cow pasture at a ranch where he has been vacationing near Santa Barbara, Calif., telling reporters "the time has come" to step down.

Reagan accepted the resignation with reluctance and said Watt had done "an outstanding job as a member of my Cabinet and in his stewardship of the natural resources of the nation."

He said Watt "has initiated a careful balance between the needs of people and the importance of protecting the environment. His dedication to public service and his accomplishments as secretary of the interior will long be remembered."

Reagan said Watt informed him of his decision to resign during a telephone call shortly after 5 p.m. EDT.

Watt said he resigned because "our usefulness... has come to an end." His let-

ter of resignation was hand-delivered to the president at 6 p.m. EDT.

There was no immediate word on Watt's successor. But White House aides have said for the past several days that candidates included former Sen. Clifford Hansen, R-Wyoming; J.J. Simmons, a black Democrat, who works at Interior; and Energy Secretary Donald Hodel, a former Interior Department official.

### See related story Page 3

The controversy was touched off Sept. 21 when Watt told a Chamber of Commerce breakfast that an Interior Department advisory committee contained a "black... a women, two Jews and a cripple."

The remark prompted several Republican senators to demand his resignation and led Senate Minority Leader Robert Byrd, D-W.Va., to propose a formal resolution calling for Watt to resign.

As recently as last Wednesday, Reagan was defending Watt, declaring that his statement was a "stupid" remark but was not an impeachable offense.

But Watt's support continued to deteriorate in the Republican-controlled Senate. Majority Leader Howard Baker, R-Tenn., said he could not prevent a vote on Byrd's resolution. Most observers expected it to pass easily in what would have been a humiliating repudiation of one of Reagan's cabinet officials.

Watt, public enemy No. 1 to the environmentalists, was also in many respects their best ally. In the two and a half years since he took office, they have seen their membership roles swell as the issues of concern to them were debated as never before in the news media.

As Watt's decision to quit drew nearer, several environmentalists said they would not celebrate his departure.

"I will be sorry to see Jim Watt go," said Russell Peterson, president of the National Audubon Society. "It is likely that Reagan will replace Watt with a more subtle interior secretary who could do more damage in a shorter time."

Peterson said that Reagan "is the real James Watt."

"Watt was hired by the president to lead

an ideological crusade to weaken environmental regulations and to transfer public lands and other public resources into private hands," he said.

Some environmentalists saw Watt as such a political liability to the Reagan administration that they believed his remaining in the Cabinet would make it easier to defeat anti-environmental Republican congressional candidates in 1984.

When leaders of 10 environmental groups met in Washington last week to plot strategy, there was open debate over whether Watt should resign.

They also said recent congressional votes to slap a moratorium on Watt's coal leasing program and impose restrictions on his offshore oil and gas leasing activities showed he had been rendered ineffective.

"He is sitting there as a political liability with no power," said Rafe Pomerance, president of Friends of the Earth.

However, Pomerance and other environmental leaders decided they would work to get Watt out of office, doing most of it quietly to prevent a backlash from conservative supporters.

## Legislator says higher ed needs sales tax revenue

By Doug Nash  
Of the Emerald

A local legislator is criticizing his colleagues for not improving higher education funding through the sales tax proposal, a proposal he says is doomed to failure anyway.

State Rep. Carl Hosticka, D-Eugene, says legislators singled out higher education as an area that would not receive additional funding from the 4 percent tax plan.

"The sales tax proposal is specifically designed to make sure that no sales tax money goes to higher education," says Hosticka, a University public affairs professor who serves on the House Revenue Committee.

Included in the resolution are two sections that would make it impossible for higher education to benefit from the plan, he says. One section stipulates that "Appropriations to the Basic School Support Fund or for community college aid for the 1985-87 biennium shall not exceed the appropriations for the 1983-85 biennium."

The second section says any excess money received by the tax "shall be applied to reduce income tax rates proportionally in the 1985-87 biennium."

Hosticka says a strong lobbying effort by the business community prevented the excess funds from going to higher education.

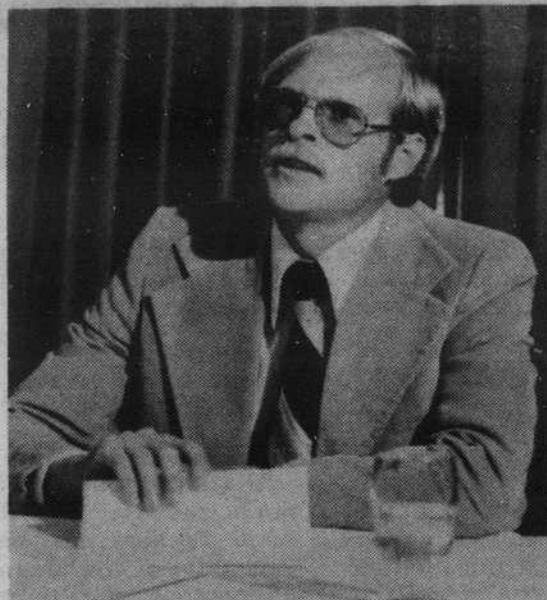
**'The sales tax proposal is specifically designed to make sure that no sales tax money goes to higher education. The students aren't going to get any relief'**

— Carl Hosticka

"They claim that our income tax inhibits business in the state," he says.

In addition, Hosticka says many students will not receive the designed benefit of the sales tax — property tax relief, which is available only to renters and property owners.

"The students aren't going to get any relief. You're not defined as a renter in a dormitory."



Carl Hosticka

In general, Hosticka says legislators missed an opportunity to use the sales tax to solve the higher education funding problem, which he defines as a competition for resources between higher education and elementary and secondary schools. Very few legislators are as politically connected to state universities and colleges as they are to their local school districts, he adds.

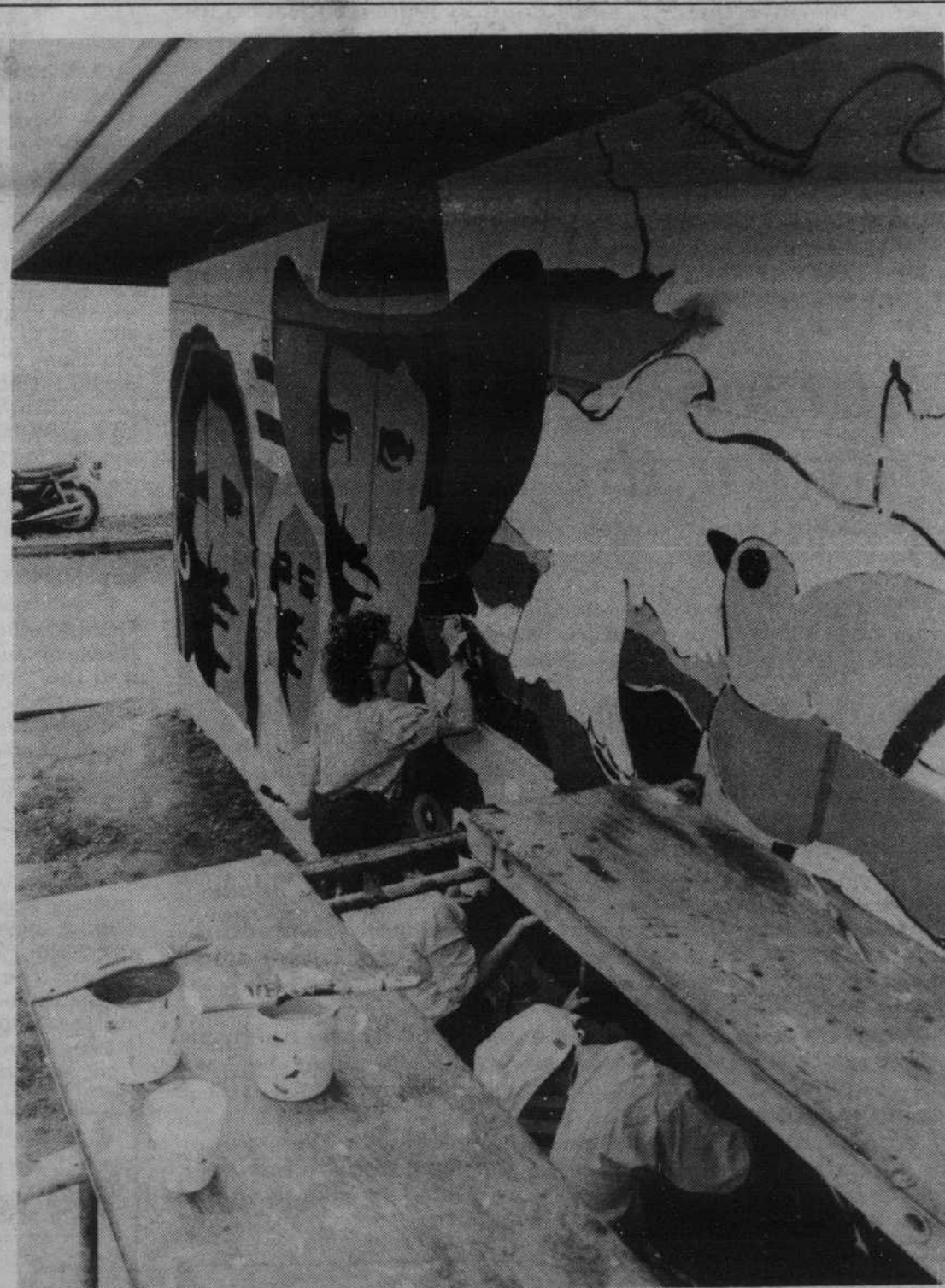
"Either you should expand the sources of revenue for higher education or come up with some exclusive funding source for K thru 12 (elementary and secondary education) that doesn't compete," Hosticka says. "Politically, when higher education and K through 12 get into conflict, higher education suffers."

Hosticka says he voted for the sales tax, but only because he believes the final decision should be left to the voters. Ideally, he like to see a "menu approach" to the problem, in which the public is confronted with a number of tax alternatives. One of those alternatives is a "more progressive" income tax plan proposed by Hosticka and Sen. Margie Hendrickson, D-Eugene, that would add more tax brackets at the upper end of the income scale.

"I said, 'Why put all your eggs in the sales tax basket?' They're not going to accept it."

Hosticka says voters may be turned off by the \$1 million the legislature allotted to publicize the plan.

"I would predict that the amount of money that might be spent to promote it could backfire."



## The final touches

The finishing dabs of paint were put on the new mural at the Wesley Center during the Fiesta de la Paz. Painted by Chilean artist Poncho Letelier and Nicaraguan artist Alejandro Canales, the mural's message is one of peace from the people of Central and South America to the people of Eugene, according to Stuart Shaw, the United Methodist campus minister.

Photo by Dave Kao