

Automatic cuts delayed despite Bush's threat

WASHINGTON (AP) — Democrats on the House Appropriations Committee shouted down President Bush's veto threat Tuesday and voted to delay for 20 days deep spending cuts that will be triggered unless Congress and the White House agree on a deficit-reduction plan.

If the \$85 billion in arbitrary spending reductions are allowed to take effect as scheduled Oct. 1, Chairman Jamie Whitten, D-Miss., told the committee, "it threatens to bring the economy to its knees. We can't afford the risk."

"A full-blown crisis" may be required to force negotiators into solving the deficit, said Rep. Silvio Conte of Massachusetts, the senior Republican on the committee.

At the White House, an angry Bush told reporters: "If there is no budget agreement with real spending reductions and real process reform by the end of the week, I will have to veto it. I do not want to see further delay in kicking this problem on down the road."

The House is likely to consider the bill later this week.

No deficit agreement was in sight, although top leaders of Congress and the administration claimed some progress. The goal is a combination of targeted spending reductions and tax increases that would cut the deficit by \$50 billion during the 12 months beginning Monday and by an additional \$450 billion in the following four years.

House Republican Leader Bob Michel of Illinois told reporters he is ready to drop Bush's coveted capital-gains tax cut, which has been the thorniest issue in the negotiations. "In my opinion the doggone price is too steep," he said.

Michel said the administration is considering other options for stimulating the economy — options that might be more acceptable to Democratic leaders, who consider a capital-gains cut nothing but a wind-fall for the rich. Democrats are insisting that any capital-gains reduction be offset by raising other taxes on the wealthy.

The stopgap spending legislation approved by the House panel is necessary because

none of the 13 annual appropriation bills has been enacted — and a new budget year begins in less than a week. For the first time in several years, federal workers are taking the threat of furloughs seriously.

"People are literally losing sleep over this," said Tom Doherty, an Occupational Safety and Health Administration inspector from Allentown, Pa.

"They have kids to feed and house payments to make, and now they're having the rug swept out from under them by the system they work for."

With the Monday deadline in mind, the House panel agreed by a 32-20 vote to continue spending at present levels through Oct. 20 and to block any threatened across-the-board

spending cuts — including those that could bring mass furloughs of federal workers — before that date.

In an effort to discourage a veto, the Democratic-controlled committee attached to the measure \$2 billion of money to support the large-scale deployment of U.S. military forces in the Persian Gulf.

Neil Bush absent as S&L hearing begins in Denver

DENVER (AP) — One witness invoked the Fifth Amendment 14 times and another refused to appear voluntarily as a hearing began Tuesday on conflict-of-interest allegations against Neil Bush, the president's son.

Outside, the federal courthouse was surrounded by news media, security officers and protesters.

The only thing missing in the savings and loan case was the center of all the attention.

Neil Bush, 35, did not show up for the first day of what is anticipated to be a four-day proceeding before administrative law Judge Daniel J. Davidson.

"He has the option of being here. He only has to be here the day he testifies," said Office of Thrift Supervision spokesman Tom Mason. Bush is the last witness and is expected to testify at the end of the week.

The federal Office of Thrift Supervision is trying to bar Bush from the banking and savings industry for his alleged actions as a director of Silverado Banking, Savings and Loan, which failed in late 1988 at a cost to taxpayers of \$1 billion.

At Tuesday's hearing, Michael Wise, Silverado's former board chairman and chief executive officer, invoked his Fifth Amendment right to refuse to answer questions on the grounds that he could incriminate himself.

Davidson then allowed him the opportunity to testify in his chambers in order that Wise be "spared the ordeal of going through a futile gesture of taking the Fifth."

But a transcript released later in the day showed Wise still refused to answer any of the 14 questions he was asked. Those questions ranged from whether he could identify exhibits to his knowledge of Bush's business ties to two Denver developers who eventually defaulted on

Silverado loans exceeding \$130 million.

Wise also declined to speak with reporters as he left the judge's chambers.

Meanwhile, Florian Barth, a former Silverado board member and a Denver car dealer, said Tuesday that he refused to testify voluntarily.

The judge said he would sign a subpoena to bring Barth to court if either side requested one.

Federal regulators accused Bush last February of violating his duty as a Silverado director from August 1985 to August 1988. The Office of Thrift Supervision claims Bush may have improperly voted on loans and lines of credit for developers Kenneth Good and Bill Walters, both of whom contributed to Bush's JNB Exploration oil company. The two defaulted on Silverado loans totaling more than \$130 million.

Last week, Bush and other former Silverado directors also were sued for \$200 million by the Federal Deposit Insurance Corp. The lawsuit alleged that gross negligence on the part of Silverado directors contributed to the S&L's collapse.

Bush could have avoided this week's hearing by agreeing not to dispute the charges, as other S&L officials have done. By fighting the government, he has taken the case into a rare public forum.

Russell Murray, former Silverado executive vice president, was the first scheduled witness to actually testify Tuesday.

He reviewed a 1986 proposal for a \$900,000 line of credit for Good International Inc., which wanted to search for oil in Argentina with Bush's JNB as a partner.

Murray said he did not recall anyone questioning the no-collateral line of credit even though Good and Bush had a business relationship.

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1990 UNIVERSITY OF OREGON FALL CONVOCATION



SEPTEMBER 28, 1990
KEYNOTE ADDRESS:
"ARE WE READY FOR
THE TWENTY-FIRST
CENTURY?"
3:30 P.M., ERB
MEMORIAL UNION
BALLROOM

Keynote Speaker: Mary Hatwood Futrell, noted public school educator, advocate of civil and women's rights and former president of the two-million-member National Education Association, is this year's convocation keynote speaker. Futrell is the director of the Center for the Study of Education and National Development at George Washington University.

Her address will be followed by nine seminars on the convocation theme, "A University for Everyone."

In addition to UO students and faculty and staff members, all members of our community are invited to participate in the annual academic activities celebrating the start of the school year.

A UNIVERSITY FOR EVERYONE

You are cordially invited to attend a seminar which represents a specific way to realize our goal of "A University for Everyone." Seminars will be held in the Erb Memorial Union immediately following the convocation address. Rooms, topics, and discussion leaders are listed below

Gumwood Room

- 1. The Structures of Discrimination and the Individual**
Patricia Gwartzney-Gibbs, Associate Professor, Sociology
Ronald J. Rousseve, Professor, Counseling Psychology

Fir Room

- 2. Affirmative Action: Historical, Social, and Legal Perspectives**
Clarence Spigner, Assistant Professor, Health
Diane Wong, Director, Affirmative Action

Cedar Room A

- 3. Talking About Art and Architecture: Women's Voices, Women's Visions**
Laura J. Alpert, Associate Professor, Fine and Applied Arts
Elizabeth Cahn, Assistant Professor, Architecture
Linda Ettinger, Assistant Professor, Art Education

Cedar Room E

- 4. Facing the Question of Class at "A University for Everyone"**
John B. Foster, Assistant Professor, Sociology
J. Dennis Gilbert, Adjunct Assistant Professor, Physics
Risa Haberman, President, Local 85, Oregon Public Employees Union
Office Coordinator, East Asian Languages

Oak Room

- 5. Native Son Fifty Years Later: Two Perspectives on Teaching the Novel**
Edwin L. Coleman II, Professor, English and Ethnic Studies
Joseph Hynes, Professor, English

Walnut Room

- 6. Lesbian Women and Gay Men: Our University Too**
Sarah A. Douglas, Associate Professor, Computer and Information Science
Dominick R. Vetri, Professor, Law

Maple Room

- 7. Beyond Curb Cuts and Charity: Disability and the University**
Dianne Ferguson, Associate Professor, Special Education and Rehabilitation
Phil Ferguson, Research Associate, Special Education and Rehabilitation

Cedar Room D

- 8. Many Women's Voices: Discussion of Maxine Hong Kingston's Novels, Chicana Poetry, and Native American Autobiography**
Paul Dresman, Instructor, English
Candace Glass Montoya, Instructor, English
Robert C. Proudfoot, Assistant Professor, Teacher Education

Ben Linder Room

- 9. A Chilly Climate in the Classroom: Students of Color, Lesbians and Gays, and Athletes Speak Out About Their Educational Experiences**
Hasani Kudura, Coordinator, Women's Center, will facilitate the panel discussion

The 1990 Fall Convocation is sponsored by the Center for the Study of Women in Society and the College of Education with special assistance from the Office of the President. A

University for Everyone is a two-year project, funded by a grant from the Ford Foundation, to foster a broad, diverse, and inclusive curriculum at the University of Oregon.



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