



The Pendulum

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Proxmire blasts deficit, calls for cuts in spending

by Frank Isley
News Editor

"The federal deficit is a burden we all bear," said Democratic Sen. William Proxmire of Wisconsin, "but it is especially heavy for the young. 'It will be a burden on you for most of your lives,'" he said.

Speaking before a packed house in Whitley Auditorium last Sunday night, Proxmire blasted the "colossal" deficit which has risen from \$66 billion before 1982 to about \$200 billion this year.

Calling it the number one domestic problem today, Proxmire said in the short term the deficit "appears to work political magic," stimulating the economy, providing jobs and cutting federal taxes. But in the long term, he added, the deficits will be disastrous.

"It creates a tremendous national debt," Proxmire explained, "and once you get too deep in debt, you are swallowed up by the interest rates."

Proxmire said already high interest rates on credit are adversely affecting the housing and automotive industries, and he predicted that interest rates will likely rise rapidly if the federal government does not take some corrective action now.

According to Proxmire, another major problem is in foreign trade.

"High interest rates and federal borrowing attract foreign currency," he said. The value of foreign currency then declines, he continued, "and ours shoots up."

He said, "This causes the price of goods to be increased when we sell them abroad, but when we buy from-abroad the price of foreign goods are decreased and this hurts our industries." North Carolina's textile industry is one of those hurt most, he added.

However, Proxmire said the greatest threat to the American economy will be serious inflation, "higher than we've ever seen before."

"There is a certainty of inflation in the future if we continue to print money the way we are now," he said.

The only way to avert these dangers, Proxmire warned, is to follow a policy to "cut spending and cut spending everywhere."

Several times throughout his address, Proxmire referred to Congress' "power of the purse." He said he believes it is the responsibility of Congress

to take action to limit spending but that so far it has shirked that responsibility.

Proxmire and other senators have recently introduced several appropriations amendments to do just that, including cutting off funds for Amtrak and revenue sharing and cutting health and human services and urban development grants.

However, he noted, the amendments have been defeated one after the other in the Senate.

Proxmire also called for cuts in military spending, saying that even with such cuts the United States could still have sufficient security.

One way to do this would be to end "cost plus procurement," Proxmire said, citing as examples \$650 spent for an ashtray for fighter planes and \$800 for doormats.

However, he said the real waste derives from the lack of effective competition for defense contracts.

To offset the high prices, Proxmire suggested using military engineers to "determine meticulously for cost to create a basis for comparison." In this way the actual cost of building weaponry could be determined.

"During World War II, fighter planes cost about \$200,000," he said. "Now fighter planes cost up to \$30 million."

Proxmire also said air craft carriers are "obsolete" and struck out at the "land-based, immobile MX missile," calling them and air craft carriers "sitting ducks."

The U.S. could save billions by not building the B-1 bomber, Proxmire also said. The Pentagon should instead wait until the Stealth bomber, which cannot be detected by radar, is developed, he argued.

Proxmire said he does not view President Reagan's "Star Wars" satellite-based defense system proposal as a wise move because the cost is "staggering" and independent scientists believe it would be impossible to knock out all incoming missiles in an attack.

Proxmire also said he believes Star Wars would only escalate the arms race.

"We already know how to get through it. We have cruise missiles that can travel just a few feet off the ground," he said. "As the defense develops, the offense will develop too."

Instead, Proxmire said we need "tough, realistic arms control."

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Photo by Joe Coco

History in the making

President Fred Young and Dr. Earl Daniely, professor of chemistry and former president of Elon, took part in the ground breaking ceremonies for the new Fine Arts Center last Thursday morning during the College Coffee. After opening remarks by Young, several distinguished administrators and friend of the college broke the ground near the old track. The crowd was then invited to join in the ground breaking ritual.

Olsen is new mayor

Robert Olsen, a member of the Elon College Board of Aldermen for the past 12 years, was elected mayor of the Town of Elon College on Nov. 5.

Olsen will serve as mayor for the next four years, replacing current Mayor Tim Parker, who has been mayor for the past six years, but decided not to seek re-election.

Nell Snyder, who has already

served two terms on the Board of Aldermen, was re-elected to a third term and Don Witt, who has served on the Town Planning Board, was elected to his first term, filling the seat vacated by Olsen.

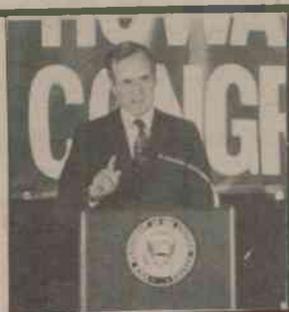
According to Town Manager Beth Hetzel, the new mayor and board members will be sworn in on Dec. 10 and will take office at that time.

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