

# The Daily Tar Heel

91st year of editorial freedom

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## Leaky legislation

What price secrecy? If you ask the Reagan administration, no cost, including First Amendment freedoms and individual dignity, is too exorbitant when it comes to making absolutely certain that federal employees practice the golden virtues of silence. While administration concern over the necessarily confidential nature of its workings is understandable, the Reagan administration's paranoid persistence in its effort to expose some 2.5 million civilian and military federal employees and 1.5 million employees of government contractors to possible lie detector tests is not only absurd but also scary. Last March, Reagan issued an order allowing the use of polygraph exams during the investigation of government leaks. His order also required more than 100,000 government workers who handle classified information to sign a prepublication review agreement that would allow the federal government to censor any manuscript, fiction or nonfiction, written during or after a term of government service. Just last week, Reagan's March proposals once again entered the political limelight. The Justice Department announced its support for the use of random lie detector tests in the screening of government employees cleared for so-called Special Access Programs and informed all government agencies of their rights to employ the tests. The Senate last week passed a bill delaying for six months the administration's lifelong censorship efforts but did not prevent the preposterous polygraph proposal. Preposterous because polygraph tests are not even admissible as evidence in most criminal courts in this country. They are not reliable. Dr. John H. Gibbons, director of the Congressional Office of Technology Assessment, admitted that the instrument employed in polygraphing detects not deception but fear. Gibbons has admitted his doubt concerning the instrument's validity in investigations of unauthorized disclosures of government information. How then can the possible dismissal of a federal employee be justified by a test that has not a margin, but a gulf, of error? Shouldn't federal employees enjoy the same legal rights as criminals, who are innocent until proven guilty — beyond a shadow of a doubt?

Deputy Assistant Attorney General Richard K. Willard has even suggested that the tests be administered to government employees at random points in time as a condition of maintaining access to special information. That's a humiliating and dehumanizing affront to 4 million people whose past behavior has not merited such distrust.

While the lifelong censorship proposal, which seems a flagrant violation of First Amendment freedoms, did not pass the Senate, it still stands a chance to pass the House. The lie detector tests are quickly becoming a reality. The two together demonstrate a disturbing paranoia in a government which concerns itself too strongly with the covert sanctity of its own operations and too limply with the liberties and freedoms that make citizens in this country proud to be Americans.

## Facing facts

When the House last week voted to cut off covert support for guerrillas trying to overthrow the leftist Sandinista government in Nicaragua, it sent yet another message of disapproval to the Reagan administration over its "secret war" in that country. For the Democratic-controlled Congress, it was a cool appraisal of grim, Central American reality. The CIA operations are likely to fail, and U.S. aid to the so-called "contra" guerrillas can do little more than continue the long history of American intervention in Central America by which we win battles and lose the support of the people.

There is no question that life under Sandinista rule is harsh, barbaric and counter to fundamental, traditional American values. As House Majority Leader James C. Wright Jr., D-Texas, said, the Sandinistas have "very nearly completed the transition to a police state." Wright criticized the Sandinistas for conditions he observed in Nicaragua during a visit there earlier this month with the Kissinger commission on Central America, saying that "they do pose a threat to their neighbors."

U.S. involvement has produced no change in Nicaraguan policies, and the country has become no less antagonistic toward its neighbors, despite all CIA efforts to the contrary. For example, CIA operations have clearly failed to stop the flow of Nicaraguan arms to El Salvador leftists.

As Wright said, any effort to dislodge the Sandinistas has to be done "the right way, and that way is to call upon the Organization of American States." Through that organization the United States can let the force of diplomatic agreements remind the Sandinistas they have broken the promises of the early days of their revolution.

Any moves by the Reagan administration to help the Sandinistas through covert actions will only result in increased U.S. military involvement. It will also threaten to pull Honduras, from which the CIA operates, into the spreading conflict that threatens to engulf Central America. Now it is up to the Senate to recognize what the House has already realized, that covert aid will not solve the economic, social and political problems in Nicaragua, or in Central America.

## The Daily Tar Heel

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# Withdrawal from Lebanon not an option

By KEITH BRADSHER

The cost of the lives of more than 200 American servicemen in Lebanon must be borne. We are needed there. Our involvement in Lebanon can be justified on grounds ranging from the moral and idealistic to the starkly geopolitical.

It is selfish and possibly racist to say that the lives of 200 members of our volunteer armed services are more important than the fate of two-and-a-half million Lebanese who could be subjected to massacre and counter-massacre were we to withdraw. It is short-sighted to advocate withdrawal without considering the loss of American influence in the Middle East that would follow the victory at last of a Soviet-sponsored Syrian state in that region. It is narrow-minded to argue withdrawal without mentioning that we are not there alone, but in conjunction with our European allies.

The interests of the factions involved — the Lebanese Maronite Christians, the Lebanese semi-Moslem Druzes, the Lebanese Shiite Moslems, the Syrians and the Israelis — must be evaluated.

### The Factions

The political domination of Lebanon by Maronite Christians dates from Lebanese independence four decades ago, when the Maronites formed a larger percentage of the population than they now do. The present government of Amin Gemayel is essentially Maronite. In a partitioned Lebanon, Gemayel would control little more than a barony composed of part of Beirut and a little territory to the north of Beirut. In a united Lebanon, Maronite power would have to be diluted enough to reflect their diminished percentage of the total population yet not so much that the Moslem majority could walk all over the rights of the Maronites.

Extremists in the Maronite Phalangist militia were responsible for last year's massacres in the refugee camps outside Beirut. We openly support Gemayel and the moderates. It has been suggested that without our presence in Lebanon the extremists in the Lebanese army might overthrow Gemayel.

Now that the Maronites and their Phalangist militia have been militarily humiliated and all but driven out of

The Druzes have been armed by both the Syrians and the Israelis in the past few months. Although currently armed by the Syrians, the Druzes have few reasons to actually support the interests of a foreign power in their native Lebanon. They accuse the Syrians of ordering the murder of the father of the present Druze leader, Walid Jumblatt. Conservative Druze clergy, who fill much of the Druze leadership, distrust Syrian socialism and maintain close links with their Israeli brethren.

The Shiite Moslems have been the most impoverished and illiterate Lebanese community. With close to a million members, they have become Syria's largest community. Gemayel's Lebanese army, although officered largely by Maronites, is 60 percent Shiite. Unfortunately, the Shiite militia is beginning to fight the army in the southern slums

of the status quo, which currently gives all factions an incentive to pursue a diplomatic solution. Under no circumstances, however, should we allow our commitment to escalate beyond the level of air and sea bombardment of forces seriously threatening Lebanese army positions. Full-scale intervention would enable Syria to present itself to the Arab world as the heroic defenders of Arab soil, battling Western colonialism. Syria would then have an interest in further conflict.

An American withdrawal would remove the incentives for the Druze, Shiite and Syrian factions, all of which could then stand to gain from continued warfare. The resulting carnage would tend to produce a partitioned Lebanon. If the Syrians do not take Beirut in the partitioning then Lebanon will become a power vacuum. The

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of Beirut. More than a hundred revolutionary guards from the Shiite regime in Iran are now agitating among Shiites in Syrian areas of Lebanon. Continued instability in Lebanon will increase Iranian anti-U.S. influence in Lebanon.

Syrian president Hafez Assad has five motives for meddling in Lebanon. He wants a friendly government in Beirut, because recent Syrian regimes have tended to be overthrown by Syrian exiles plotting in Lebanon. He needs to acquire a territorial bargaining chip to barter with the Israelis for the return of the Golan Heights, the loss of which most Syrians blame on Assad and his unpopular political party. A success in Lebanon would also firmly establish Syria as the major Arab power.

Finally, success in Lebanon could give Assad the strength to escape partially the Soviet embrace which he was forced to enter after losing heavily last year in Lebanon. Here lies an opportunity for us to calm Syria through military aid.

The Israelis want peace. They want to keep the PLO out of Lebanon and to safeguard northern Israel from terrorism. A stable, independent Lebanon barring the PLO from all of its territory would be ideal for Israel.

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the Chouf hills outside Beirut, the opportunity exists to persuade the Maronites to accept some loss of political power in a reunited Lebanon. Shiite and Druze leaders have already said that in a reunited Lebanon they would accept the perpetuation of the rule that the president must always be a Maronite.

### No Withdrawal

As long as the Western powers retain their unflinching commitment to the multinational peacekeeping force, the military situation would appear to be a stalemate. Our military involvement should be limited to a maintenance

# Rigging bids for half a century

State officials put end to practice

By WAYNE THOMPSON

It was a bright June morning at the breakfast table in Raleigh. H. Al Cole Jr. casually buttered his toast and sipped his coffee. As his wife spooned some scrambled eggs onto his plate, she gave her husband the morning paper. The news this day almost made him choke on his toast — a North Carolina construction company had been indicted for rigging a bid.

"Well, we woke up one morning to read that the Rea Construction Company in Charlotte had rigged a bid for the Byrd airport in Richmond," said Cole, the special deputy attorney general who directed the state's bid-rigging investigation. "Rea also admitted to rigging a paving bid in Wake County, so we began our investigation there."

For the other officials in the Attorney General's office, breakfast wasn't any better. Bid rigging had always been a rumor to them. Sure, they had heard that bid rigging was a problem in North Carolina. They had heard that bid rigging had been going on since the state started paving roads a half century ago. But they were rumors.

Now the rumors were facts — in newsprint. The investigation began.

At first, the going was tough for Cole and his staff. "North Carolina is one of the few states in the nation without an investigative grand jury," said J. Douglas McCullough, first assistant U.S. attorney for North Carolina's Eastern District. With no jury to gather and review evidence, Cole and his regular staff of five had to beat a lot of pavement. "This investigation by the state was done by pure sweat and walking and talking," he said. Eventually, the attorney general's office enlisted the services of the State Bureau of Investigation.

Now, three years after North Carolina's investigation began on the breakfast table, state officials are winding down their actions against bid riggers. "We're going to continue to monitor bid rigging," Cole said. "But bids are on the whole lower than they used to be, and we think most bid rigging is over."

Both the state's investigation and the U.S. Justice Department's own investigation uncovered a world of contractors where bid rigging is considered part of the business — a business with all hands in the cookie jar of inflated profits from state highway projects. State Highway Administrator Billy Rose said bid riggers cost taxpayers an extra 10 percent for every project. For minor projects, that averages an extra \$10,000; for interstate projects, an extra \$100,000.

Bid rigging in North Carolina is nothing new. "In talking to some bid riggers, we were told that it had been going on for 30, 40 and 50 years," Cole said.



"Some second-generation owners said it was that way when they took over."

Here's how contractors would rig bids. The night before the state was to open a bid, highway contractors would meet and decide which company would win the contract. The other companies would submit inflated bids, knowing that eventually it would be their "turn" to win a bid and reap huge profits.

Most of those huge profits were reaped by the paving industry. A major paving firm must have an asphalt plant, and the average construction costs for such a plant start at \$1 million.

"When a company puts that much money in a facility, they want to get it back as soon as possible," Cole said.

The locations of asphalt plants create regional monopolies. In the northeastern part of the state there are two paving firms, and since there is not enough work for more companies to enter the area, these companies can name their price. Also, asphalt can't be hauled for more than 25 to 30 miles without reheating it. "The paver has pretty much got locks on the project," Cole said. "Nobody can compete with him."

Areas where most of the paving occurs — the Research Triangle, Charlotte and the rest of the Piedmont — are more competitive. "We are seeing a lot more bidders than we used to," Cole said.

Highway projects in the state mean hundreds of millions of dollars. Cole estimates that the Dickerson Co. of Monroe did about \$103 million worth of state business from 1975 to 1981. Ashland-Warren Corp. of Ashland, Ky., did \$100 million worth of work for the state in that six-year period. Dickerson and Ashland-Warren were convicted of bid rigging, with Dickerson paying \$1.7 million in civil settlements and Ashland-Warren paying a \$6 million fine — the largest fine ever imposed on a U.S. company in an antitrust case.

Altogether, 52 companies have negotiated civil settlements of \$15.1 million with State Department of Justice officials. Twenty-four paving firms agreed to settlements and interest payments of \$12.1 million, 19 electrical companies paid just under \$2 million, and nine utilities contractors paid \$1 million for rigging bids on projects. Federal authorities, using investigative grand juries, indicted 24 companies operating in North Carolina and received guilty

pleas or convictions against 38 executives. Only one trial ended in an acquittal.

Despite the laundry list of convictions, North Carolina is just one state among many with a bid-rigging problem. The federal government's own investigation, code named "Road Runner," has led to indictments and convictions in Tennessee, Virginia, South Carolina and Georgia. Federal investigations are continuing in other southeastern, midwestern and Pacific states.

Has the investigation had an effect? It's hard to tell. "Bids are a low lower than they used to be, but I've noticed they have been creeping up in the last six to eight months," Cole said. But he added that the investigation has shown contractors that North Carolina will not tolerate bid rigging. One of the results of the investigation was the bid-rigging statute that went into effect on Sept. 1, 1982.

Under the statute, bid rigging became a felony with fines up to \$1 million per corporation and \$100,000 per individual. The statute also gives state agencies the right to remove a company from the state's qualified bidders list — a list of companies that the state will accept bids from — for three years. And the statute grants the judge the right to revoke a contractor's license. Without a license, a contractor can't get business.

State authorities claim that bid rigging is over, and they point to the low bidding on the Raleigh Durham Airport Authori-

ty's grading project as an example. An engineer with the Authority disagreed. He said the Authority did get a lower bid than its own estimate — \$7 million instead of \$11 million. But the cause of the low bid was the economy, not the state's investigation. "There's not that much work to go around," he said.

The engineer said bid rigging won't end in North Carolina, but contractors will be a little more careful. He pointed to the bid-rigging statute's provision that takes contractors off the qualified bidders list for state highway projects for three years. "Municipalities and authorities use the same bidders' list that the state uses," he said. "If you're off their list, you're off our list."

But the convicted companies are back on the list and back in business. R.G.K. Inc. of Burlington, a paving company, was one of the companies convicted of bid rigging. A company spokesman who asked not to be named called the investigation unfair. "It's not a matter of Joe and I getting together and saying, 'I'll raise mine if you'll raise yours.' It's a matter of survival."

That "survival" has cost taxpayers hundreds of millions of dollars. The fines levied by the state pale in comparison. The guilty companies should be taken off the qualified bidders list for good. Until that is done, bid rigging will continue.

Wayne Thompson, a senior broadcast journalism major from Roanoke, Va., is a staff writer for The Daily Tar Heel.