

Wisconsin State Journal

Sunday
March 27, 1983
Madison, Wisconsin
\$1



Badgers win NCAA hockey

UW 6, Harvard 2 — See Sports
State Street revelry — Page 2

Soviet blasts U.S. arms plan

©Khalit-Ridder News Service

MOSCOW — Yuri Andropov, the Soviet leader, warned Saturday that the Reagan administration was on a "perilous path" violating past understandings and opening the way to a "runaway" arms race through its new long-range plan to develop a defense against strategic nuclear missiles.

In a harshly worded response to Reagan's speech Wednesday night, Andropov accused the president of "unpleasant distortions" and even a "deliberate lie" in Reagan's description of the Soviet nuclear threat.

"The incumbent U.S. administration continues to tread an extremely perilous path," Andropov said. "The issues of war and peace must not be treated so flippantly. All attempts at achieving military superiority over the USSR are futile. The Soviet Union will never allow them to succeed."

Andropov's bitter and sarcastic tone was a further reflection of the deterioration in relations between the two superpowers. His previous statements had been more restrained.

"The stratagems which the present Washington leaders resort to in order to denigrate the USSR's policy are inadmissible in relations between states," Andropov said in an interview with Pravda, the Soviet Communist Party newspaper, and released in advance by the Soviet news agency Tass.

The Reagan administration has been actively highlighting the Soviet military threat in recent weeks to rally support for its arms budget. An-



Yuri Andropov

'Attempts at achieving military superiority over the USSR are futile. The Soviet Union will never allow them to succeed.'

—Yuri Andropov

droppov, who was reported hospitalized last week for kidney trouble and thus temporarily removed from the fray, sought Saturday to present the Soviet view.

"True, the Soviet Union did strengthen its defense capability," he said. "Faced with a feverish U.S. effort to establish military bases near the Soviet territory, to develop ever new types of nuclear and other weapons, the USSR was compelled to do so

in order to set off the U.S. military superiority for which Washington is now going so much."

He said the Soviet Union does not seek military superiority but wants only to maintain parity while lowering the level of confrontation through arms agreements.

"It does not become those who decried the SALT II treaty, which clearly recorded precisely that goal, to try to pose as peacemakers now," Andropov said, referring to the 1979 arms agreement the U.S. Senate refused to ratify.

Reagan's speech Wednesday calling for the United States to develop plans for a futuristic anti-ballistic missile system that could eventually negate the Soviet's large stock of intercontinental ballistic missiles had simply opened up a new direction for the arms race, Andropov said.

While Reagan had described his plan as a purely defensive effort aimed at increasing international stability, Andropov said it would have just the opposite effect.

The United States, Andropov said, would continue "at full tilt" to develop its offensive capabilities while seeking to destroy the Soviet Union's ability to launch a retaliatory attack.

That would amount to "a bid to disarm the Soviet Union in the face of nuclear threat," Andropov said.

He said that since the beginning of arms-control negotiations, both sides have recognized an "irreversible in-

Turn to Page 2, Col. 1



Admirable Hornblower

Jeff Francis, an eighth-grade student at Wisconsin Middle School, tunes up Saturday before performing at the Badger Concert Music Festival. The festival, sponsored by the Wisconsin School Music Association, attracted 2,500 area students

to Edgewood High School. Students in seventh through 12th grade participated in solo and ensemble events in three class levels. The best in Class A go on to state competition. Jeff is the son of Paul and Mary Francis, of Monona.

—State Journal photo by Carolyn Pfisterer

State's schools in need have friend indeed

By George Hesselberg
Of The State Journal

Steve Gauger and five employees run a 136-year-old statewide financial institution dependent these days mainly on money paid by traffic law violators, and they're doing a land-office business.

In 1982 they took in more than \$9 million and made a "profit" of more than \$1 million. They loaned out \$19 million in amounts from a few thousand to \$200,000 at 15-percent interest, and did not deny a single loan application. They gave away every cent of the \$6-million profit, or about \$6 for every schoolchild in Wisconsin.

This institution is Wisconsin's official "land office."

Gauger is director and chief clerk of the

Board of Commissioners of Public Lands, an agency as old as the state — the only constitutionally created agency — and in much better financial shape.

The agency guards four trust funds, loaning the principal to needy schools and municipalities, and giving away the profits to school districts, based on student population.

All told, the agency had about \$124 million at its disposal or out in loans last June. Of that, about \$9.5 million is in an "investment pool," which earned more than \$1.3 million in 1981-82.

Between 1960 and 1982, the board loaned \$117 million to 106 state school districts and \$77 million to 283 municipalities.

More than 96 percent of the additions to the \$124 million principal last year, about \$1.1 million, came from state "penal fines,"

or the fines paid by traffic violators and criminals. (Half of the total paid by motorists for state traffic violations goes to the fund.)

That contribution has risen dramatically. In 1973-74, for example, \$16 million was paid to the fund from "penal fines."

Other money comes from confiscations, civil forfeitures and penalties. When the Department of Natural Resources confiscates a shotgun, for example, and it is later sold, the money goes to the school fund.

According to Gauger, money from the school fund is then loaned to whatever school or local government asks for it.

"The only reason we could turn down a loan was if we didn't have any money to lend out," said Gauger, who has been chief clerk at the office since 1978. "And we have al-

ways had enough money."

The interest rates — recently raised to 8.25 percent for a 30-year loan — are below current market rates.

The loan limit is \$500,000, so the fund is not popular with the larger cities that have capital budgets in the millions.

It is the smaller cities, villages and governments that come for loans, from Mercer to Mukwonago, North Freedom to Wausau. More than ever in state history, these units of government are tapping the school fund.

The change over 18 years has been overwhelming, according to Gauger.

In 1973-74, there was a waiting list to get loans, school districts got first preference and the fund made loans to only five units of government other than school districts, for a

total of \$58,000.

In 1981-82, 121 units of government other than school districts borrowed more than \$14 million.

Gauger said the big increase is because of a change in procedures that allows the borrower to get the money faster, with no preference between school districts or governments. Before, a municipality that needed \$40,000 for a street project in the spring was not likely to want to wait a year for the money, Gauger said.

Now, the loans are given on a "cash flow" basis, and "most borrowers are able to get the money when they need it, making the school fund a more attractive source for

Turn to Page 2, Col. 1

Pay cuts sought in building trades

By Chuck Martin
Economies reporter

Painting contractors are asking union workers to accept a pay cut in the first of the 1983 building-industry contract negotiations that promise a new tilt to the bargaining table throughout south-central and southwestern Wisconsin.

Employers and union officials said last week that for the first time in a generation contract negotiations for about 1,500 area building industry workers are likely to focus not on unions asking for pay increases but on employers asking for cuts.

All issue in a three-year recession that has left employers and workers starved for jobs. Employers say they can't afford pay increases. Pay cuts, they argue, are necessary to revive the industry and to meet growing competition from non-union employers.

Union officials say workers deserve annual pay increases and doubt that pay cuts will produce work. But, they say, they are sympathetic to employers' plight and, with 17.5 percent of 80 percent of union members jobless, they want to promote an industry recovery.

The compromise of employer-union negotiation makes it unlikely that employers will get the pay cuts they seek, but bargainers agree that recession has shifted attention from union needs for higher pay to employer needs for lower costs.

As a result, probable outcomes of this year's contracts are cost-saving changes in union work rules and slower rates of pay raises as union gains in the 1970s come to a halt in the hard times of the 1980s.

"There's no question about it," said James Ward, president of the Building and Construction Trades Council of Madison. "We're in a different situation than we've been in before in any working lifetime."

Contract negotiation in the building industry in south-central and southwestern Wisconsin peaks in odd-numbered years. Bargaining for 1983 has begun with talks between the Madison chapter of the Paint and Decorating Contractors Association and Painters Union Local 862, representing about 500 members in 10 counties.

The Painters' pay agreement expires April 30. Next month, talks will begin between employers and Plumbers, Sheet Metal Workers, Steamfit-

ters, Electrical Workers, Bricklayers, Glaziers and Glass Workers, Iron Workers and Construction and General Laborers — all of whom have contracts or wage agreements expiring May 31.

Bargainers for employers and unions agree that 1983 bargaining will be conducted in a different environment from the bargaining of 1981, when unions gained pay increases of 8 to 15 percent per year. In 1981 the nation was fresh from two years of double-digit inflation that produced demands for catch-up pay raises. Today, the nation is fresh from a year of 13-percent inflation, lowest in a decade.

In 1981 Wisconsin was beginning a second year of recession, but employers and workers could recall the 1970s when work was plentiful. Today, recession is in its fourth year, and employers and workers are suffering from prolonged joblessness.

Concern about non-union competition, offering lower prices, is higher in 1983. In a six-state Midwest region including Wisconsin, the proportion of contractors who are non-union increased to 36 percent in 1982 from 25 percent in 1977, according

Turn to Page 2, Col. 1

Inside

Full Index on Page 2

Louisville, N.C. State win Sports

Posse alleges cover-up Metro

Incest: a sad secret Look

Moscow impressions Leisure/Travel

Weather

Section 3, Page 4

Travelers' advisory today. Snow, with additional 2 to 3 inches likely. Winds northeast at 20 to 30 mph, causing difficult traveling conditions. High in the mid-30s. Cloudy and windy tonight, snow diminishing; low in the 20s. Monday mostly cloudy, chance of light snow, high in the mid-30s.