

Editorial

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Childish acts Incident was avoidable

It's nice to see two politicians with opposing view points on an issue get together outside the political arena and calmly converse in a civilized manner.

It's nice to see these two representatives of the public project images that public relations officials love to see. Images showing them shaking hands, smiling and generally working out their conflicts like the mature adults everybody believes they are or are made out to be.

It would be really nice to see. In fact, it would be really nice to see in Nebraska. But in this state a conversation between two politicians — namely Gov. Bob Kerrey and State Sen. Ernie Chambers — results in a state patrolman doing his job and later being chastised.

Kerrey called the incident "World War III."

The altercation began last week when Chambers and Kerrey were discussing a piece of legislation that the governor vetoed earlier this year. The trooper, in plain clothes and assigned to the governor, intervened and threatened to arrest Chambers if he didn't move on. The patrolman did not recognize the senator.

Kerrey said Chambers tried to

humiliate the officer and have him fired. Kerrey said it was a small incident that could have been avoided.

"You've seen him ignore key provisions of an argument and inflate them into large incidents," Kerrey said. "You've seen him ignore key provisions of an argument so as to make his case. And he's doing that in this particular case."

Chambers said Kerrey "did nothing and said nothing" to quell the incident until after it escalated. He said Kerrey acted as if he wanted to see the situation boil over. This past weekend Chambers sent Kerrey a pink silk flower as if questioning Kerrey's masculinity.

Children, children, children.

Should the state set these two distinguished individuals in corners until they promise to behave, or should the state bring out the boxing gloves?

The real answer is that the whole incident could have and should have been avoided. These two people are in the the public's eye, and this kind of behavior is ridiculous and childish. It would be nice to see government officials acting like government officials. . . or at least like adults.

Buy now, pay later Oil glut steers U.S. to trouble

The current oil glut has meant good news for millions of U.S. consumers. Gasoline prices are at their lowest point in years; the costs of petroleum-based products are significantly lower, and transportation cost decreases are visible at the grocery store.

But nothing is always as it seems. Along with the good news for the individual consumer in the short term, the glut and the reasons undergirding it may portend increasing trouble in the coming years.

First, the greatly lowered prices for oil have all but destroyed the domestic oil-producing market. Domestically produced oil is more costly to produce than is most foreign oil, thus domestic oil production became unprofitable much sooner than that of foreign producers.

In the abstract there is nothing to bemoan about costly and inefficient producers of any product going out of business. But the long-run costs of increasing dependence on foreign sources of oil may be steep indeed. After all, it takes time to get once-obsolete oil fields producing again, and given an inability to guarantee that a similar glut won't happen again after significant reinvestment occurs, attracting investment capital to American oil fields may be difficult to stimulate even in the face of shortage.

Additionally, the international implications of the oil glut may be significant. Many oil-producing

countries borrowed heavily against the once higher oil prices. Now that prices are so much lower these countries are having difficulty keeping up on even the interest payments on the debt and may be facing bankruptcy. The impact of this on the international capital market would be very unpredictable — potentially being devastating.

The biggest fear with the current oil glut, however, lies in why it is occurring and who stands to lose or gain. Word has it that Saudi Arabia grew tired of perennial "overproduction" by some OPEC and non-OPEC nations and decided to produce as much as they could as a means of "disciplining" the errant nations. If the Saudi move is successful we can expect much higher oil prices in the future with no hope of relief.

Although the United States does not have sufficient pull to avoid all potential problems, concrete steps should be taken to mitigate the impacts of the current oil glut. One step that the United States can take is an increase in the gas tax to avoid increasing reliance on a short-term price decrease. Additionally, the United States should boost its current oil reserves and store oil purchased at cheap prices for future emergencies. All in all, the nation needs to look beyond today's price at the gas pump and toward its implications for tomorrow.



Protectionist stance harmful Nebraska Republican campaign embraces economic ignorance

The state of Republican politics in Nebraska is, at times, quite depressing. The same week that Vice President Bush comes to Nebraska and defends the administration's free trade policy (as well he should), the Nebraska Republican party retreats into the protectionist pettiness of the mercantilist mindset and embraces a "beggar-thy-neighbor" policy by beginning a "buy Nebraska" campaign.

In announcing a campaign blithely described as an effort "to promote homegrown products," the Republican nominee for lieutenant governor, William Nichol, and state Sen. Elroy Hefner advanced the proposition that economic protectionism is good.

Said Nichol, "We could easily add millions of dollars to our economy if Nebraskans would purchase products made in Nebraska."

Hefner, not to be outdone in displaying economic ignorance a posture radically at odds with President Reagan and the concept of American federalism, shamefully asserted, "It's good business to promote the products in our own state."

On an economic level, the disadvantages to protectionism are not limited to the arena of the international economy. The gains from trade are experienced as much by the free flow of commerce between American cities and states as they are by free trade on the world level.

Reagan's justifications for supporting free trade are not unique to trade between countries. For obvious reasons the overwhelming number of economists support an open trading policy; first-year economics students have a much better grasp of the importance of the free flow of commerce than the above-named Republican leaders. At best,

protectionism is justified only to develop fledging industries or for defense purposes — neither of which were the basis for the "buy Nebraska" campaign begun by the Republicans.

Important as the economic considerations are, there are broader impacts than mere economic disadvantage. The parochialism expressed by Hefner and Nichol can only be considered a throwback to the era prior to the ratification of the U.S. Constitution.

Almost 200 years ago Alexander Hamilton foresaw the tendency toward protectionism into which the state Republican leadership has fallen.



**James
Rogers**

Hamilton traced the consequences to be expected if this contentious spirit is not quenched: "The competitions of commerce would be another fruitful source of contention. The State less favorably circumstanced would be desirous of escaping from the disadvantages of local situation, and of sharing in the advantages of their more fortunate neighbors. Each State, or separate confederacy, would pursue a system of commercial policy peculiar to itself. This would occasion distinctions, preferences and exclusions, which would beget discontent."

"The spirit of enterprise, which characterizes the commercial part of America, has left no occasion of displaying itself unimproved. It is not at all probable that this unbridled spirit would pay much respect to those

regulations of trade, by which particular States might endeavour to secure exclusive benefits to their own citizens. The infractions of these regulations on one side, the efforts to prevent and repel them on the other, would naturally lead to outrages, and these reprisals and wars."

Hamilton later wrote that "an unity of commercial, as well as political interests, can only result from an unity of government." Conversely, the burden of Hamilton's argument earlier is that unity of government can only result from unity of commerce.

No less a man than Alexander Hamilton disputes Hefner's assertion that "it's good business to promote the products in our own state." Hamilton wrote, "An unrestrained intercourse between the States themselves will advance the trade of each, by an interchange of their respective productions, not only for the supply of reciprocal wants at home, but for exportation to foreign markets."

On my 18th birthday I registered as a Republican because I believed that party in particular was committed to principle over politics. Sadly, the Nebraska Republican party has committed itself to the political expediency of protectionism.

Ironically, Walter Mondale, the candidate of interest groups in the last presidential election, also embraced protectionism. Given the interests involved, no room should be made for such parochialism, and the Nebraska Republican party should disavow such a policy as indeed the national party has in its historical support for free trade policies.

Rogers, typically an economics graduate and law student, is picking up some math hours this summer.

Fate still frowning on Stevenson in Illinois gubernatorial campaign

CHICAGO — The Chicago tone — unminced words about elemental things — was struck in a recent headline about the reaction of Dallas Green, the Cubs' general manager, to his players' performance: "Cubs Nauseate Green." Adlai Stevenson III feels that way about his two opponents, Gov. Jim Thompson and Fate.

Stevenson uses the word "lie" repeatedly in his litany of accusations against Thompson, whose job Stevenson wants. He nearly won it in 1982. The weekend before that election a poll showed him being shellacked by 18 points. On Election Day he lost by just 5,034 out of 3,627,128 votes. The polls had missed the surge of black voting that would soon elect a black mayor in 1983.

Stevenson is an unlikely beneficiary

of increased black voting. Think of everything Jesse Jackson is, beginning with: electric. Stevenson is not. Even when things are going swimmingly, and Stevenson is chipper, he is so diffident he seems melancholy. Today, when



**George
Will**

absolutely everything is going rottenly, he seems almost chipper about the certainty that things can not get worse.

These dog days of summer were preceded by the dog days of spring and may be followed by the dog days of autumn. In last spring's primary,

because no one was paying attention, candidates from Lyndon LaRouche's not-so-funny farm of political extremists beat the Democratic organization's candidates for lieutenant governor and secretary of state. Stevenson instantly said he would not run with them. (Governor and lieutenant governor candidates are voted on as a team after the primary.) He resigned the Democratic nomination for governor, hoping to run as an independent.

However, Illinois has a "sore loser" law designed to prevent losers of primaries from running as independents. (It is not aimed against third parties.) It says independent candidates must file months before the primary. Stevenson challenged that law's constitutionality

See WILL on 5