

# News Digest

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## Microsoft paints itself as underdog

WASHINGTON (AP) — Technology giant Microsoft Corp. portrayed itself at its antitrust trial Tuesday as an underdog racing to play catch-up when it entered a then-new market for Internet software.

Microsoft hit back at government claims that it illegally used its influence as the maker of the dominant Windows operating system — the central nervous system crucial to most personal computers — to try to dominate other markets, such as the one for Internet software.

The company's conduct against rivals was tough but legal, Microsoft's lawyer John Warden said as he outlined the defense case in his opening statement in the landmark antitrust case.

"Antitrust laws are not a code of civility," Warden said.

The outcome of the trial — expected to last six weeks — could determine much about the future of the computer industry at a time when it is increasingly important to virtually all aspects of modern life.

Microsoft's biggest rival for Internet software, Netscape Communications Corp., enjoyed almost 90 percent of the market and earned \$45 million from the software in 1995. The company was co-founded by Marc Andreessen, who helped invent the software, called graphical browsers, which let people view information on the Internet.

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counsel for Microsoft

browsers until the great Satan, Microsoft, came along.” Warden said.

Microsoft argued that its immensely successful business strategy was legal — to build browser technology directly into its Windows products, to entice the nation's largest Internet companies to distribute its browser rather than Netscape's and to prohibit computer-makers from removing easy access to its browser in Windows.

Since then, Netscape's market share has fallen to roughly 50 percent but it is giving the browser software to private consumers for free.

The government contends Microsoft's behavior violated federal antitrust laws because Microsoft was motivated to bundle its browser within Windows to hurt Netscape.

Microsoft, though, insists that its browser in Windows was “not an add-on, like a flash on a camera or a car radio, but like a shutter on a cam-

era or a car's transmission.”

Microsoft on Tuesday questioned the government's first witness, James Barksdale, Netscape's chief executive officer.

In written testimony unsealed late Monday, Barksdale wrote that Microsoft sought to “crush” his company after he rejected an offer during a controversial June 1995 meeting to illegally divide the market for Internet software.

But Warden said Microsoft made no such illegal proposal, saying Netscape either “concocted” a story about an illegal offer or it was the result of a “fantasy (that) arose from the naiveté of Marc Andreessen,” whose notes from the meeting are government evidence.

The government showed e-mail Monday from Microsoft Chairman Bill Gates, written days before the 1995 meeting, saying: “I think there is a very powerful deal of some kind we can do with Netscape.”



## Islam leader questions Jews' loyalty to U.S.

WASHINGTON (AP) — Nation of Islam leader Louis Farrakhan said the Clinton administration's Middle East policy could be compromised by Jews who advise the president.

“Every Jewish person that is around the president is a dual citizen of Israel and the United States of America,” Farrakhan said Monday during a news conference at the National Press Club. “And sometimes, we have to raise the question, ‘Are you more loyal to the state of Israel than you are to the best interests of the United States of America?’”

Farrakhan mentioned by name National Security Adviser Sandy Berger, Secretary of State Madeleine Albright, Treasury Secretary Robert Rubin and outgoing presidential adviser Rahm Emanuel, although none is a citizen of Israel.

During his speech, Farrakhan also urged Palestinian leader Yasser Arafat not to yield to Israeli Prime Minister Benjamin Netanyahu in Middle East peace talks that were occurring on the Eastern Shore of Maryland.

## Pre-arrest, dictator dined with Thatcher

LONDON (AP) — Margaret Thatcher entertained former Chilean dictator Gen. Augusto Pinochet at her home two weeks before he was arrested at a London hospital, the ex-prime minister's office said Tuesday.

The report came amid growing diplomatic and domestic controversy over the arrest, which Chile has strongly protested.

Pinochet, who has vowed to fight attempts to extradite him to Spain on allegations of murder, genocide and torture, had drinks with Lady Thatcher and her husband, Denis, in their home in London's elite Belgravia district four days before he was hospitalized for back surgery performed Oct. 9.

“She regarded it as a private meeting,” said Mark Worthington, spokesman for Lady Thatcher, the Conservative Party prime minister from 1979 to 1990.

The 82-year-old Pinochet was arrested Friday at a Spanish magistrate's request.

Judge Manuel Garcia Castellon, who has been investigating the killings and disappearances of up to 4,000 people in Chile during Pinochet's 1973-90 dictatorship, will hand over his files to fellow National Court magistrate

Baltasar Garzon, lawyer Joan Garces said.

It was Garzon's international arrest order, detailing the alleged killing or disappearance of 94 people, that British authorities acted on in arresting Pinochet. Garces said Garcia Castellon's decision could add 4,000 names to the list.

Thatcher and Pinochet have long had warm relations. Pinochet was the only Latin American leader to support Britain in its 1982 war against Argentina to reclaim the Falkland Islands.

The current visit is Pinochet's first since Prime Minister Tony Blair's Labor Party administration was elected 18 months ago.

Chile's ambassador delivered a formal protest to the Foreign Office on Monday, saying Britain has violated Pinochet's diplomatic immunity. Britain says diplomatic immunity is reserved for accredited diplomats or foreign government officials on official visits, which doesn't cover Pinochet.

Pinochet's 17-year rule was marked by torture and other human rights abuses against political opponents in which, the Chilean government has said, 4,299 people were killed or vanished. He remained Chilean army commander-in-chief until March.

## WWII compensation planned for victims

BONN, Germany (AP) — Reversing German policy, the new center-left government pledged Tuesday to set up foundations to compensate World War II slave laborers and “forgotten victims” of the Nazis.

Chancellor-elect Gerhard Schroeder said no concrete plans or figures had been set for either fund.

“But we want to do something together with industry” to compensate former slave laborers, he said. “We've already started thinking about it.”

Elan Steinberg, executive director of the World Jewish Congress, called the announcement “a significant turning point” for the German government, which had long insisted it was not responsible for slave laborers.

“There are blanks in Germany's otherwise honorable efforts to deal with Holocaust victims, and this is a good way to fill them,” he said of the “forgotten victims” fund.

For years German firms argued the government, as legal successor to the Nazi regime, should be responsible for back wage claims. But recently some of Germany's biggest firms have suggested they would be willing to contribute to a publicly administered fund.

Outgoing Chancellor Helmut Kohl had rejected any government involvement, saying companies are

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responsible for back wage claims.

Schroeder said German firms that used slave labor during the Nazi era have “a historical, moral duty to fulfill.” But he also stressed that they have “a need for protection against legal action that we have to guarantee.”

Volkswagen and electronics giant Siemens have announced plans separately to establish their own funds to compensate former slave laborers forced to work for them by the Nazis during World War II.

The two companies, along with Krupp, Daimler-Benz, Audi and BMW, are among those named in a New York lawsuit seeking a portion of company profits for thousands of former slave laborers.

The coalition agreement, signed by Schroeder and the small Greens party, also calls for a new government foundation to compensate “forgotten victims” of Nazi injustice.

Joschka Fischer, Greens party leader and designated foreign minister, said they included homosexuals persecuted under the Nazis, as well as Gypsies and other groups excluded from making claims under current law.

Since World War II, the German government has paid billions in compensation for health damage and imprisonment.

## U.S. trade deficit stands at highest level in history

WASHINGTON (AP) — America's trade deficit hit an all-time high of \$16.8 billion as the global financial crisis pushed down exports of manufactured goods and farm products for a fifth straight month.

Imports surged, led by a flood of cars and auto parts from Mexico and Canada and toys from China.

The deficit for August jumped 15.3 percent above a revised July imbalance of \$14.5 billion, the Commerce Department said Tuesday.

Exports fell to their lowest level in 19 months as the global financial crisis continued to depress demand in key markets for American producers. Sales of farm products dropped to their lowest level in more than four years.

So far this year, America's deficit in goods and services trade is on track to set an all-time record at \$165 billion, far above the previous mark of \$153 billion set in 1987.

## High school students protest for more teachers in Paris

PARIS (AP) — Under the eye of police, high school students around France held their second major protest in less than a week Tuesday, demanding more teachers, better equipment and buildings and a lighter course load.

Troublemakers, undaunted by at least 4,500 police, threw rocks and bottles in sporadic violence during a Paris protest, mimicking problems during Thursday's demonstrations.

Police said 85 people were lightly injured in Paris. At least 45 young people were arrested nationwide, and dozens of others were detained and then released.

Students were hoping to maintain the momentum of last week's marches of a half million students in nearly 350 cities, but it appeared they had failed.

Radio reports said a quarter-million demonstrated nationwide. Police said about 25,000 students marched in Paris.

Banners reflected angry students' demands: “No promises. Action!” read one in Bordeaux. “No teachers, no future!” read a Paris banner.

## Daily Nebraskan

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