

tax benefits in each deal, the amount of capital being provided by the new owners, the quality of the new management teams, and the method of valuing assets in the institutions being purchased.

The chairmen of the House and Senate banking committees have both just taken over their posts. Gonzalez, who prides himself on being something of a maverick, is no friend of high interest rates or big banks. Gonzalez considers himself to belong to a long line of populists whose main concern is the "allocation of credit."

In 1981, he tried to use the impeachment procedure against then-Federal Reserve chairman Paul A. Volcker, introducing a resolution to eject him from office for pushing up interest rates.

The chairman of the Senate Banking Committee, Donald W. Riegle, Jr., has been an active member of the Senate Banking Committee, heading the subcommittee on securities. He has played his cards close to his vest, and declines to comment on where he thinks he will take the Banking Committee.

Both Gonzalez and Riegle acknowledge that the thrift crisis will be the first item on the agenda during January.

Dornan offers Bush advice on AIDS

Rep. Robert Dornan (R-Calif.) sent a letter to President-elect George Bush with advice on how to deal with the AIDS question. Dornan's remedy: Launch a just-say-no campaign involving sex, and make experimental drugs available to people with the disease. Basically, don't do anything.

It is heartening that the good con-

gressman is concerned about the nation's biggest and most catastrophic health problem. There are, however, tried and true public health measures which can be utilized to deal with this 100% fatal epidemic disease.

Congressman Dornan should consult with his fellow congressman and Californian, Republican William Dannemeyer, who has done his homework on the issue, before writing another letter to the President-elect.

Expect attack on agricultural 'pollution'

A renewed attack on agriculture for "pollution" is expected in the new Congress, especially with William Reilly now to head the Environmental Protection Agency.

At a water projects meeting in Oklahoma in December, Rep. Mike Synar (D-Okla.) and the World Wildlife Federation, which Reilly headed, attacked run-off of fertilizers and chemicals as a major pollution source, and the current system of commodity support payments as antithetical to pollution control.

Synar claimed that 95% of water pollution is caused by "non-point sources," i.e., farm run-off.

Bank regulator seeks new powers

L. William Seidman, chairman of the Federal Deposit Insurance Corporation, has proposed that the Congress institute a number of changes in the structure of banking insurance.

Seidman recommended that the Federal Home Loan Bank Board, which charters and regulates federal savings and loan associations, be separated from the insurance function.

Seidman, referring to the close relationship between the Bank Board and the FSLIC, said that when the insurance function "gets mixed up with other duties, such as promoting housing, it tends to weaken the insurer's resolve to protect his fund."

Senate Banking Committee chairman Donald Riegle thought that such an idea would be well-received by the Congress. "I think in the course of structuring an answer for the S&L problem, separating those two functions is something that may very well be done."

'Work makes free' bill soon to be introduced

Democratic Senators Sam Nunn (Ga.) and Chuck Robb (Va.) will soon introduce legislation that will set up a thinly disguised slave labor program, in which unemployed or underemployed youth will be given a \$10,000 voucher for job training or college tuition, if they work for a year as "volunteers" in community service projects. The \$10,000 voucher will be the only pay which enrollees in the program will receive, raising questions about how they will survive for that year with no pay.

Robb and Nunn are touting the bill—which they say will become "one of the top bills in both the House and the Senate," as one which will "reestablish basic values" in the U.S. population.

"Many of us think that it's important that we reinstall a sense of values and a sense of understanding that there are not only entitlements that the government gives to its citizens, but reciprocal obligations on the part of the citizens to their government," Robb told a television interviewer Jan. 4.