conscience

Vol. 7, No. 5 | Newspaper of the Hofstra School of Law 1980 | February, 1980

PLACEMENT DIRECTOR RESIGNS

by Suzy Mandel

Kathe Kennedy has switched to the N.Y.U. School of Business after resigning from her position as Placement Director at the Law School. The move came in January, before the end of her first year in that post, to widespread student disappointment.

Inordinate traveling to her newly purchased home in New Jersey was cited by Ms. Kennedy as the primary reason for the change. In addition, she noted that the new position offers enhanced career advancement opportunities. Even though the position at N.Y.U. is not a directorship, Kennedy's new job entails supervising a larger staff than the entire working force at Hostra Law's Placement.

Although Kennedy, at a recent interview, denied vehemently *that she actively* sought employment elsewhere while working at Hofstra Law, and even asserted that when N.Y.U. called to express their interest in her, she had no prepared resumes on hand to forward. Dean Regan seemed to feel that she was vocalizing a somewhat less than candid position. Regan said that he was aware Kennedy was interested in furthering her education and that she had applied to some clinical psychology programs. He also maintained that she had indicated her interest in securing other employment to her contacts in the placement office field.

Regan termed Kennedy's leaving "A great loss. She brought a great sense of professionalism to the office." He offered to meet her proposed new salary when Kennedy informed him of her decision to leave but Kennedy declined.

"I felt like the number one cheerleader around here," said Kennedy after dismissing the idea that dissatisfaction with Hofstra Law motivated her decision. "The Dean never refused any of my requests for money to assist in improving placement . . . But I never intended to spend my whole life here, I couldn't stay anywhere more than a few years . . . I need new challenges." The position accepted by Kennedy will expose her to a far more diversified employment spectrum, and a far larger scale than that generated by our Long Island based law placement service.

Students expressed dismay and chagrin, and feelings of betrayal upon hearing of the change. It is generally conceded that Ms. Kennedy's resourceful efforts were largely responsible for recent improvements in both the image and usefulness of the placement office.

Francine Rosenberg, Assistant Director of Placement, has been acting Director since the beginning of the Spring term. Because Rosenberg lacks prior placement office experience and has only been working at the Law School for one semester, she is not being considered as a possible successor to Kennedy at the present time. A search committee of students and faculty, headed by Assistant Dean Alan Resnick, has been organized to select a replacement for the directorship.

Ms. Kennedy, who had transferred to Hofstra Law's Placement Office from Barnard's vocational office, was excused by Regan from her contractual obligations when she gave him notice of her desire to leave the school.

According to Kenny Mollins, a student member of the selection committee, several highly qualified people are being considered to take over the leadership role in the placement office. Advertising for potential candidates was placed in selected newspapers as soon as the Dean was notified of Kennedy's decision in late December.

Faculty Job Action Delays Start Of Classes

by Corey B. Bearak

Students, who arrived for the opening of the new semester on Wednesday, January 16, discovered that classes were not being held. A one and one-half day job action by the Law School Faculty delayed the start of classes.

Students crowded into the library lounge with looks of puzzlement and relief. They were relieved at the delay in classes and puzzled as to why classes were not being held. The following details were provided CONSCIENCE, that Wednesday afternoon: The faculty was on "strike" and negotiating a new collective bargaining agreement. Faculty members had been meeting since 9:00 a.m. that morning to decide what position to present at a meeting with the University Administration at 2:00 p.m. that afternoon. "It seems that until resolution by the University Administration in favor of the faculty demands," said Student Representative Allan Brenner, "there will be no classes." In addition, CONSCIENCE learned that last semester the faculty had considered postponing final exams to

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Freedman Leaves For Presidential Appointment

by Alan Fischler

At 8:15 A.M. on Tuesday, January 15, Professor Monroe H. Freedman arrived for a meeting at the White House. There he was offered a Presidential appointment as Director of the United States Holocaust Memorial Council. Shortly after that meeting Prof. Freedman phoned Associate Dean Alan Resnick to inform him that he had just accepted the appointment by the President and, therefore, would not be able to attend classes for the Spring 1980 term which were to begin the next day.

"Dean Regan and Associate Dean Resnick acted superbly on such short notice," said Freedman. First and second year contracts and Constitutional Law students expressed dismay and concern over the sudden shift of professors in mid-year. Asked to comment on the sudden move, Professor Freedman stated "I honestly cannot think of another job in Washington which could induce me to live away from my family and give up my teaching assignments on such short notice."

The U.S. Holocaust Memorial Council, to be chaired by Eli Wiesel, is to be composed of an expected 57 members, including five United States Senators and five members of the House of Representatives.

The Council is a direct outgrowth of the President's Commission on the Holocaust, established by President Carter via Executive Order in November, 1978.

That order expired on September 28, 1979. Among the reports and recommendations made to the White House by that Commission, was the establishment of a council to bring about Congressional legislation. Such legislation would include the creation of a monument, "to commemorate the victims of the Holocaust—the six million Jews who were annihilated as part of a systematic, state-sponsored program of genocide and millions of other victims of Naziism during World War II."

"This will be a living memorial," says Director Freedman, "one of ongoing significance." Not only is a physical monument planned, but also, an Educational Foundation concerning the history of world genocide. While public funding is expected, the Foundation will be run principally on private donations.

Additionally, the Holocaust Memorial Council will seek to establish a **Committee on Conscience**, an independent constituent body of 10 persons highly respected for their demonstrated concern for morality. This committee would seek to identify current and future threats of genocide world-wide. The Foundation, to be created if the Council is successful at promoting the necessary legislation, will also support Chairs at Universities in Holocaust studies, prepare teaching materials for secondary school and college levels, sponsor seminars and research, and, hopes Freedman, "will incorporate an institute of moral philosophy."

The principal location of the Memorial Council will be in Washington, D.C. The present Executive Order establishing the Council will terminate August 31, 1980. The Council will have until the end of June to recommend appropriate legislation and locate adequate funding sources

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Hofstra Hosts National Competition

by Debra Murray

On January 26th and 27th, Hofstra Law School hosted the Trial Advocacy Competition which was sponsored by the Young Lawyers Division of the Texas State Bar Association and the American College of Trial Lawyers. Hofstra was one of eight schools within the second Circuit which competed for the regional championship, a chance to enter the nationwide competition and in addition to these honors, a trophy and a $2,000 scholarship offered by our State Bar Association to the New York school which attained the highest score.

This is the first year Hofstra participated in the annual event. The members of our two teams, Joan Friedman, Dave Lazer, Vicki Lombardi, Frank Casalle, Scott Glick and Dan Weiner, were selected in November by two student-faculty panels. Professors Kadane and Kessler, and Caroline Levy served on one, and Professor Ordover and Brad Koozman serving on the other. Approximately 20 students tried out for the team and were judged by the same standards used in the nationwide competition. Scores are measured by points given for clarity, demeanor, ability to ask questions, substantive knowledge of the rules of evidence, and

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Photo by Ted Sklar

Hofstra's Trial Advocacy Team (from left) Dave Lazer, Vicki Lombardi, Frank Casalle, Scott Glick, Joan Friedman and Dan Weiner.

A Mayoral Candidate Among Us?

by Suzy Mandel
and Kenny Mollins

The 1981 New York City mayoral election has been kicked to a running start. The name of Republican Eric Schmertz has been tossed into the midst of the canditorial ring, according to a **New York Times** report.

Schmerz, as of yet an unanounced candidate has been approached by several groups, including the Liberal Party and various unions with high hopes of his running on their slates, or with their support. As for now, Schmertz said, he's just been talking, but he will seriously consider running if overtures are made to him by the right coalition.

Schmertz credited his recent altercation with Democrat Mayor Ed Koch as the impetus behind some of the offers. His disagreements with the "hard talking," basically "tough-on union" Mayor culminated in Schmertz's recent dismissal from the City payroll. Of course, Schmertz remains actively teaching at the Law School as well as working in the private collective-bargaining sector. He recently revised a book entitled **Personnel Administration and the Law**, a copy of which is autographed "with pleasure" to the Hofstra Law Library.

Schmertz has been termed a "Rockefeller Republican." Schmertz explained that he ascribed the coining of that appellation to the fact that he first registered as a Republican during the administration of the late Nelson D. Rockefeller as Governor.

Photo File

Eric Schmertz as captured by CONSCIENCE in 1975.

A recent interview elicited only excited but non-committal responses from the potential candidate. Schmertz has chosen to forbear making a hasty decision until he has assessed all available options.

Mr. Schmertz, who, until recently, was one of the three public members of the New York City Office of Collective Bargaining, remains a member of the New York State Board of Mediation.

The reporters would like to thank Michael Adler for bringing news of these Mayoral possibilities to their attention.

Getting Admitted

by Eric Goldstein

While members of the Hofstra Law Community hustle and bustle around the school with our individual concerns, outside the walls of our school applicants for next year's class anxiously await a response to their applications. All of us were part of that other community once—yes, even the Law School faculty, once upon a time, nervously looked for replies in their mailboxes. And, everyone felt a small pang of fear when THE letter finally arrived. Well, how does Hofstra decide who's coming here anyway?

Hofstra Law's admission process is a relatively uncomplicated procedure. The first stage is handled by the secretaries in the Admissions Office, headed by Etta Fafarman. There the components of the applications are gathered. Completed applications are then divided into 4 groups: Category 1—very good applicants, Category 4—very weak applicants, and Categories 2 and 3—the middle ground. Categories 1 and 4 are picked out by Mrs. Fafarman whose sole considerations this time are GPA and Board scores. Once these two categories have been sifted out of the pool, the group 1 and 4 applications are sent to the Dean's Office for final disposition. While the Dean technically may make whatever decisions he desires concerning the applicants, the status of Category 1 and 4 applicants usually remains unchanged.Category 1 get acceptances and Category 4 refusals. No students receive scholarships based on academic merit. Category 2 people are the ones who will be considered for admission by the faculty. Category 3 will go to the Student Admissions Committee along with Category 4 applications which get a final review by the Student Admissions Committee before rejection letters are sent out. Category 2 falls into the province of the Faculty Committee on Admissions and Academic standing. This committee was recently merged from the two prior ones its name suggests. There are six faculty members on the committee appointed by the Dean. They are Professors Lawrence Kessler, Linda Champlin, Leon Friedman, Mitchel Gans, Sheila Rush, and one of the newer members, Eric Lane. Professor Kessler is chairman of the committee. Only three of these members actually wade through applications.

Applications are not discussed collectively (unless there is a special problem). Each professor takes a pile into her or his office and calls the shots from there. Etta Fafarman checks for consistency between the professors. If she finds something amiss, she may call it to the attention of the Dean who has the final word.

As each professor goes through the pile of applications, those that are refused may be placed on the preferred waiting list and still get a chance at acceptance. The others will be dropped into Category 3. Category 3 applicants are in a difficult position. Virtually the only way for them to get accepted is through the Student Admissions Committee currently headed by Ilene Maxon. While the Student Admissions Committee is swamped with applications, only about 30 will ever be recommended for admission on the basis of the committee's careful examination of the background and prospects of the applicant. These will then be subject to the approval of the Dean who will probably accept about 80 percent of them. Only about 10 percent of the incoming class will make it in through this route.

Category 3 people generally show signs of promise marred by other factors on their record, like a GPA of 3.4 with a Board score of 400. The student committees and subcommittees deliberate over who is most deserving as well as those who have shown signs of progress. Hofstra's policy of allowing students to take part in the admissions process is rather unique among law schools.

To date no applications have been examined for next year's class because scores have not been received from ETS (Educational Testing Service). When applications are completed they will be taken to the professors on a rolling admissions basis. Those applicants whose applications are completed earlier will be considered first and will stand a better chance of being accepted. Last year, Hofstra Law received 2200 applications of which 800 were accepted and 253 enrolled. The mean GPA was about 3.4 and mean Board score about 600.

Elements which will come into play are, of course, GPA and LSAT scores. In addition, the undergraduate school is a factor, as well as the years attended. Today's grades are considered inflated when compared with those of twenty years ago. However, older applicants are not handicapped because life experience will be a factor in the decision. Good recommendations help—not the type that just say that an applicant is brilliant, but rather the type that point out weaknesses and strong points. Now for all of you who felt tortured about whether to waive your right to see your recommendation: The response made no difference in determining acceptance.

Because one of the goals of Hofstra is to become a "national school," the committee is looking for some geographic distribution in *incoming classes.* So, coming from outside the N.Y. metropolitan area is an advantage.

An integral part of the admissions process is the affirmative action program which has been in existence since the Law School's inception and which was reaffirmed this past Fall by the Admission's committee. The aim of the program is to accept as many Black, Hispanic and other minority students as possible from the qualified pool of applicants. Physically handicapped students are also given special consideration in their application.

In the end, a bit over 10 percent of the initial applicants will register at Hofstra Law. Dean Regan has currently expressed a desire to recruit more students from the Northeastern schools to improve the pool of applicants.

AGORA

by Terry Markin

Agora has been planning a variety of forums for the Spring Semester.

William Twomey, State Director of the Ancient Order of the Hibernians, will be visiting the Law School to discuss the strife in Northern Ireland and the Irish Republican Army's (IRA) viewpoint.

Several specialists on the Medicaid system will hold a forum on the restriction on Medicaid payments and the effects this is having on poor families.

A leader from the Gray Panther's organization will discuss the U.S. government's attitude towards the elderly.

A television interview with Scott Armstrong and Bob Woodward, authors of **The Brethren**, and a clerk for Justice Black will be shown on film. Following this presentation, there may be a discussion with Professors who have worked with the Supreme Court.

A specialist on sexual harassment of working women will come to the Law School to discuss how the legal system operates in this regard.

Other forums are being planned. Please see the Agora Board in front of the library for the dates of the events.

If you have any other ideas for possible forums, please contact Terry Markin, at 333-7929.

All students wishing to participate in a series of
TRIAL SKILLS WORKSHOPS
to be held throughout the semester
please contact Scott Glick.
The workshops will be patterned after the Trial Techniques program.

INTERVIEW

by Corey Bearak

Professor Ordover consented to the following interview in order to give the background and reasons for the faculty strike.

CONSCIENCE: What was the faculty position in the negotiation? What were you, the professor, seeking?

ORDOVER: The faculty sought a substantial pay package. For some time, the faculty had not received pay increases. The last faculty pay increase was in September, 1978, and that increase was fixed in a prior agreement 3 years (1975) before. The faculty also sought substantial changes in salary structure to be competitive with comparable institutions in order to hold on to faculty. In addition, the faculty sought the institution of merit and incentives for work, the creation of a substantial pool of funds to encourage research and other academic pursuits and autonomy from the law school.

CONSCIENCE: How long has the issue been around? When did the last contract expire?

ORDONVER: The issue has existed on and off since the beginning of October until the early morning of January 17th. The contract expired August 31, 1979.

CONSCIENCE: Did the faculty consider not giving finals?

ORDOVER: The faculty tried not to disrupt the students. There was an impasse early in December, just before finals. Our strongest weapon was a strike to interfere with finals. Out of regard for our students, we gave the finals. There was a strong feeling unanimously held by the faculty not to injure the students.

CONSCIENCE: It is said that a good settlement is one about which each side is neither happy nor sad. Do you feel that way about the settlement today?

ORDOVER: There is a reasonable degree of cordiality between the law school faculty and the University administration. Each understands the other's needs. We achieved all our aims.

CONSCIENCE: Why were the students unaware of the dispute? Did the faculty consider enlisting student support?

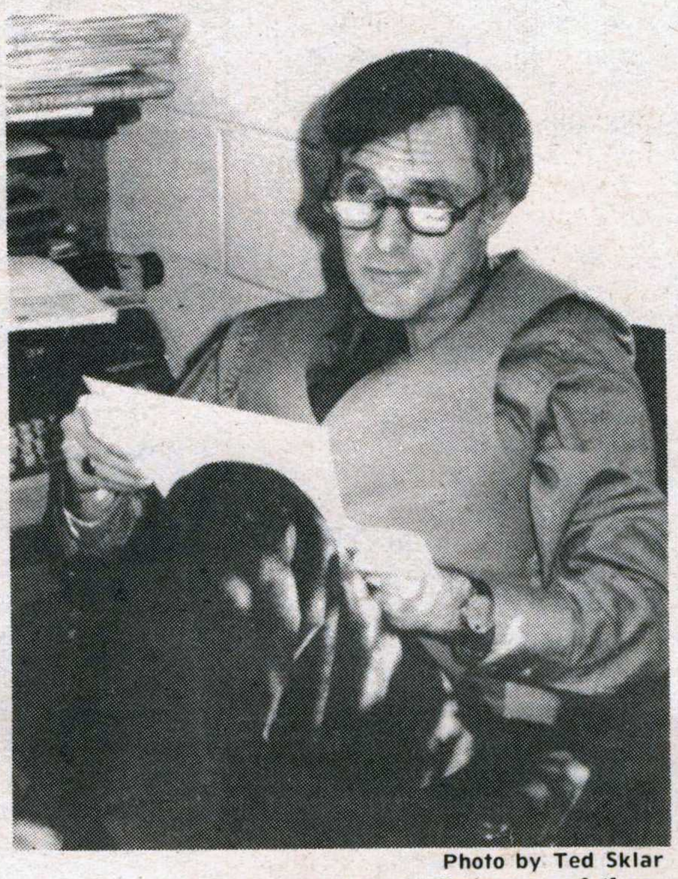


Photo by Ted Sklar

Professor Abraham Ordover: Chairman of the Faculty Negotiating Committee.

ORDOVER: We expected the students to be told everything when the situation was resolved. There was a fair chance of wrapping up the dispute early. Early student involvement, it was feared, would have caused the administration to be less inclined to settle. The faculty did not want to use the students. We hoped for a quick resolution to the situation. The faculty sought to settle the dispute itself through the collective bargaining process.

CONSCIENCE: Was the faculty unwilling to make public their starting position in the negotiations?

ORDOVER: We object to publicizing starting positions. Starting positions in negotiations tend to be too broad.

CONSCIENCE: Thank you.

Job Action Delays Classes...

(Continued from page 1)

force a settlement with the university. Instead, the faculty chose not to begin the second semester.

Dean John J. Regan when asked when he first learned of the class cancellations, replied "I was aware that the professors were meeting, but not all of them had morning classes. There was no time to act." The Dean characterized the class cancellation not as a job action but as individual decisions made by individual faculty members. The Dean added, that "it happens all the time," and believes that the faculty will make up the cancelled classes.

Professor Abraham P. Ordover, Chairman of the faculty negotiating committee, declined to comment on the faculty position when first approached at 1:15 p.m. on Wednesday. The professor, busy preparing for the meeting with the administration, consented to a later interview.

At 2:00 p.m. the faculty negotiators, Professors Ordover, David Kadane, Ronald Silverman, Aaron Twerski, Robert Bohrer and Mitchell Gans walked to Weller Hall together, the University Administration Building. Dean Regan who also attended the meeting explained "I was not a member of either bargaining team," but "I was certainly more than an observer." He continued, "I served a combination of functions — at times as a mediator, as a shuttle diplomat, and as a friend of both sides."

Negotiators for the University were Associate Provost Dr. Herman A. Berliner, Vice President and Treasurer Anthony T. Procelli and Executive Director of Research and Resource Development Dr. J. Richard Block, chief negotiator for the University.

At 3:45 p.m., the meeting was recessed so each side could reassess their position. Negotiations began again in the early evening and lasted until late Wednesday night.

On the morning of January 17th, the faculty met to determine whether or not to accept the University's latest proposal. The student representatives, meanwhile, called a meeting at 12 noon in the Moot Courtroom to discuss what students could do. Room 308 was sparsely occupied when Professor Twerski entered about 11:45 a.m. and announced that, "A settlement has been reached, classes will start at 12:00 (noon)." He quickly exited. "The situation is resolved," said Prof. Ordover.

But is it? The University Board of Trustees must ratify the settlement. Chairman George Dempster and certain other trustees are on vacation, with Mr. Dempster not expected back until early February. As of February 13, when **CONSCIENCE** went to press, a decision by the Trustees had not been made.

NYC Legal Services Strike Settled

by Alan Fischler

The 11-week-old strike by workers of Community Action for Legal Services in New York City ended Monday, January 28, when the 325 member Legal Services Staff Association voted 3-1 to accept management's latest proposal. The offer, had originally been suggested by a federal mediator involved with the negotiations.

Under that agreement starting salaries for all newly hired employees would be raised by ten percent. Thus, starting salaries for newly hired 1979 graduates would now be $17,000. Salaries for attorneys presently working for CALS were increased $2500 per year across the board, retroactive to October 1, 1979. This will be followed by an increment of $1,000 in October of 1980, and another increase of $1,250 in April , 1981. Salaries among Legal Services attorneys in New York City still remain below parity with attorneys of the Legal Aid Society who defend the city's indigent in criminal cases.

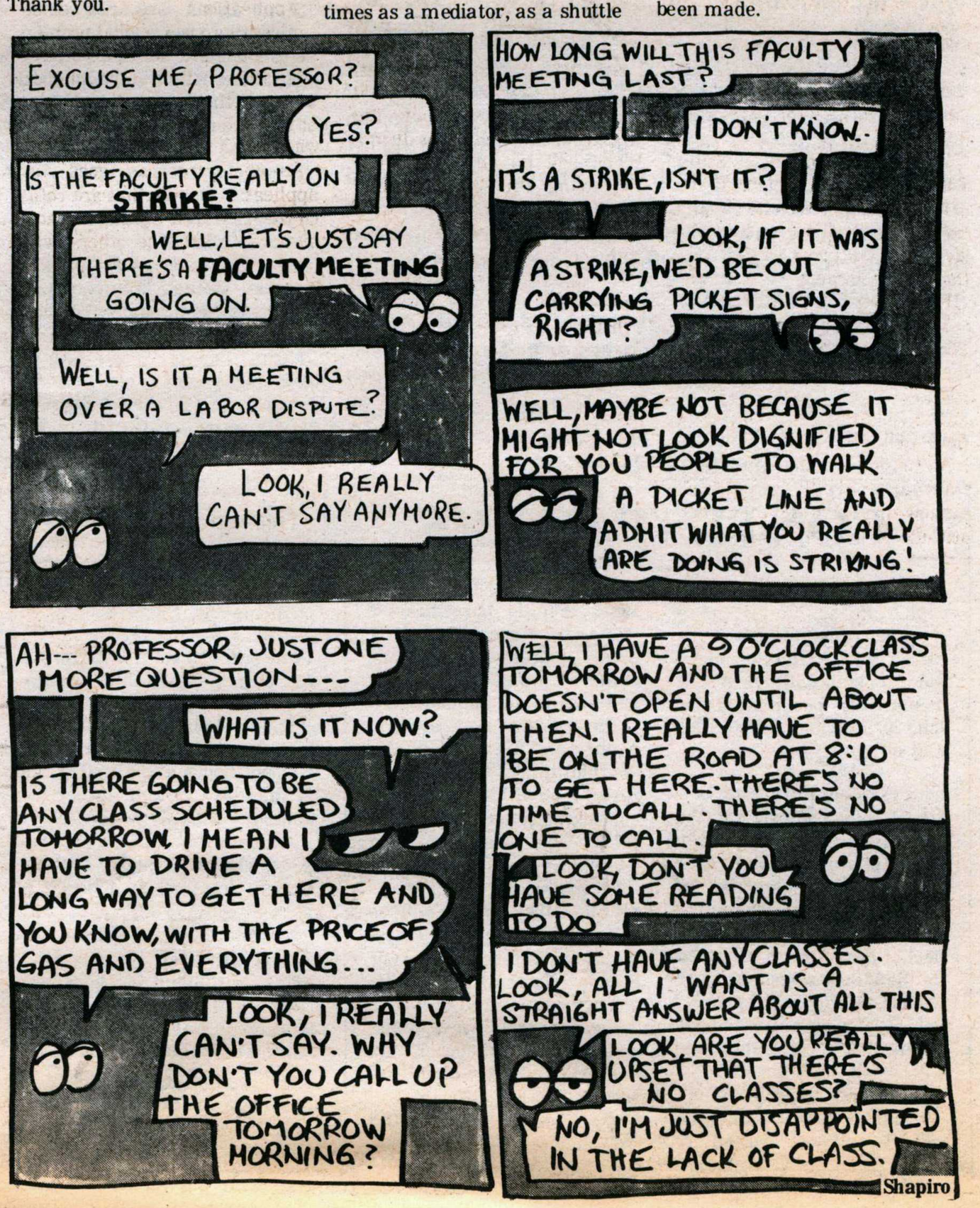
Legal workers, paralegal and other support staff will receive a $1,250 yearly raise under the agreement, also retroactive to October, 1979, and another $1,250 increment in October, 1980. All workers will also receive a $500 bonus from management.

Of the non-monetary issues involved, Legal Services management agreed to provide a more effective Affirmative Action plan which includes a labor-management Committee on Affirmative Action. CALS also agreed to provide reimbursement for Bar Preparation courses and differentials in salaries for use of bi-lingual skills. Additionally, management agreed to greater worker input in hiring and firing decisions, and to mandatory bargaining in regard to changes in worker job descriptions. A 2 percent pension plan for employees with over 10 years of service was also agreed on, marking the first such plan for employees of the 12 year old program. There were no changes in annual leave and sick time.

Two workers fired prior to the strike, were reinstated. The new contract also provides that in the future, workers' may only be discharged for work-related reasons.

"It was a victory for the Union," says Paul Achinapura, President of L.S.S.A. "We felt that management pressured us into a strike in the hopes of possibly busting the union, but as a result of our 11 weeks out, we've emerged stronger than before." Achinapura also expressed his hope that the contract would serve as "a stepping stone for greater advances in the future, for both the workers and the program itself."

Catherine Mitchell, General Counsel for the C.A.L.S. program, had no comment.



ANNOUNCEMENTS

The Bulletin Strip

Keep those fingers crossed that there will be no further setbacks in the status of the Professor's Union contract negotiations. The agreement, reached after a day and a half hiatus from classes, still must meet the approval of the Board of Trustees before the settlement is finalized. Either way, look forward to a tuition hike in the fall . . .

The Planning Committee has met twice to discuss the future goals of the school, including re-accreditation. As of yet, no student participation has been involved, but the student members have been invited to the next meeting which should ensure student input . . .

CONGRATULATIONS . . .

to *Dean John Regan* on his appointments to *The White House Conference on Family,* and to the *New York State Advisory Conference on Families,* which sponsors the *Task Force for Adult Protective Services* . . .

and to our own *Eric Schmertz,* the Labor Law Professor and arbitrator, who just might be catapulted into the New York *Mayoral* seat presently occupied by Ed Koch . . .

and to *Rabbi Aaron Twerski* on his recent appointment as *Chief counsel to Agudath Yisrael* . . .

and to the entire *Trial Advocacy* team on a strong showing — third place — behind Boston College and Syracuse Law in the recent National competition in Hempstead . . .

and to *Monroe Freedman* who's sticking around for Ethics after seizing the opportunity to implement a plan for developing Holocaust Memorial and education plans, at least for this term. His semi-leave-of-absence is scheduled to last for only one semester . . .

and on the new-born parking spots that seemed to sprout alongside the law school. *Well done, Dean!*

Those plans for a comfy new law school appear to be shelved now that the slated site on the corner of Hempstead Turnpike and Oak Street has received board approval as the construction location for a new dormitory tower. For that the Federal Government had to donate the land to this not-for-profit educational institution . . .

Fare thee well . . . as everybody's heard, *Kathe Kennedy* has left to graze in greener pastures . . .

Quote of the month: *Dean Regan* said he would *not* prefer to be elsewhere than Hofstra Law, despite rumors au contraire.

CONTEST QUIPS

Wanna win some quick cash? If so you'll have probable cause to submit an Essay on **"The Exclusionary Rule: Do We Really Need It?"** It must be postmarked by June 30, 1980 and sent to CJS staff offices.

Any student at Hofstra Law School may compete for the **$300 cash prize.** Entries may consist of a discussion of case law, litigation techniques, or any legal discourse which might further advance this field of law. Papers prepared for the 1979-80 school year are eligible, but published articles or those which have been accepted for publication are not.

Each entry must have only one author; be double or triple spaced and not exceed 50 pages, including footnotes. It must include the author's name, permanent and temporary address and telephone numbers, name of law school and year of the student.

The contest is named in honor of Alan Y. Cole, Washington, D.C., in recognition of his outstanding contributions to the Section as 1976-77 Chairperson and as a long-time Council member.

Submissions will not be returned. The winner will be selected by a special three-member judging panel of Section volunteers and will be announced in July.

Send entries to: Coordinator, Law Student Essay Contest; ABA Criminal Justice Section; 1800 M St., N.W., 2nd Floor South; Washington, D.C. 20036.

INTERNATIONAL STUDY

A summer program offering study in law relating to international business will commence July 7 in London, England. Sponsored by the University of San Diego, a feature of the program will be clinic internships with London firms.

Both internships and the courses offered relate to international business affairs. The courses are: Comparative Antitrust, International Trade and Investment, Comparative Products Liability, International Commercial Arbitration, Immigration Law—U.S. and U.K., and Comparative Copyright.

USD also sponsors summer law programs in Guadalajara, Oxford, Paris and San Diego.

On-Campus

When you're finished reading **The Brethren** and still find some time on your hands, consider some of these:

DRAMA: OTHER EVENTS

February 25, 26, 27, 28—INDEPENDENT WOMEN—THEN AND NOW—The Hofstra Drama Department presents two one-act plays of surprising nature, directed by Richard France. Performances are at 8:30 p.m. at the West End Theater (Theater-in-the-round) on the South Campus. Tickets are $2.00 each. Pre-purchase advisable as theater capacity is small. Call Playhouse Box Office for tickets at (516) 560-3283.

EMILY LOWE GALLERY

February 1 through March 2—18th AND 19th CENTURY BRITISH WATERCOLORS AND DRAWINGS (opens January 30)—A survey of British watercolor tradition, presented in over 80 works from Long Island, New York and New Jersey private collections are at Hofstra's Emily Lowe Gallery until March 2. Organized by curator Eleanor Flomenhaft of the Hofstra Emily Lowe Gallery, the exhibit includes works by Joseph Turner, Paul Sanby, Cornelius Varley, John Cotman, Peter DeWint, Thomas Rowlandson, Edward Lear, Dante Gabriel Rossetti, Sir Edward Burne-Jones, Walter Sickert and Frederick Lewis.

February 14, 21 and 28—Members of the Hofstra English Department faculty will lecture on Literature which complements the above exhibit, as follows: February 14 at noon (Dr. Frederick Keener); February 21 at 8:00 p.m. (Dr. Robert Keane); and February 28 at noon (Dr. William McBrien).

Lectures and exhibit are free. Gallery hours are Tuesday and Wednesday, 10 a.m. to 9 p.m.; Thursday and Friday, 10 a.m. to 5 p.m.; Saturday and Sunday, 1 to 5 p.m.; closed Mondays. Call the Gallery for further information at (516) 560-3275-6.

Month of February—PHOTOGRAPHY BY ROBERT NEFF. Exhibited on the Lower Level of Hofstra's Library in Hempstead. Admission is free. Library hours are 9 a.m. to 5 p.m. Monday through Friday. For further information about this exhibit call Hofstra's Art History Department at (516) 560-3528.

MUSIC

February 22—THE HOFSTRA STRING QUARTET. Harry Glickman and Raymond Kunicki on violins; George Brown on viola; and Seymour Benstock on cello, will present works by Haydn and Verdi at the John Cranford Adams Playhouse at 8:30 p.m. Tickets are $3.00 or $1.50 for senior citizens and non-Hofstra students. For information call (516) 560-3283.

LIBRARY

February 13 to March 26—5th ANNUAL AUTHOR'S BOOK EXHIBITION presented by Hofstra School of Business' Student Advisory Board. There will be new publications by faculty members of the School of Business, who will be honored by Citibank with a trophy and a gift of $100, as well as a collection of publications by Hofstra faculty members since 1977. Some of the authors will speak at the champagne reception to be held on opening day of the exhibition at 3:30 p.m. Open to the public on the 9th floor Filderman Gallery, Hofstra University Library. No charge for the exhibit. Library hours are from 9 a.m. to 5 p.m. Monday through Friday. For further information call the School of Business at (516) 560-3891 or Filderman Gallery at (516) 560-3275.

DOWNTOWN L.I. BREAKFAST MEETING

February 13—HEMPSTEAD REVITALIZATION COMMITTEE presents its monthly breakfast meeting at the Hofstra University Club at 8:15 a.m. The co-chairmen of this committee will present a panel discussion on REVIEW, UPDATE & PROJECTION on work of committee to this date and for the future. Panelists include President James M. Shuart of Hofstra University, County Executive Francis Purcell, Presiding Supervisor of Hempstead Alphonse D'Amato, and Mayor Walter Miller of the Town of Hempstead. Breakfast is $2.00. Interested public invited to attend.

Submit announcements to Suzy Manuel, Conscience.

Through an intra-school competition January 23-29, Hofstra's Client Counseling Team was chosen. The team members are:

Allan Brenner (entrant)
Joan Gibbons Brenner (entrant)
Elise Ginsberg (alternate)

Hofstra will compete against regional teams on March 28, and the winner of the regional will go to the national competition three weeks later. The regional and national competitions involve the problems of counseling widows and widowers. Hofstra's team was chosen by evaluators who observed each entrant in a simulated interview.

Off-Campus

WINTER SPORTS

If you're aching for some winter sports now that Lake Placid is almost upon us, here are some complacent alternatives:

Ice Skating: Belmont Lake State Park, 667-5055.

Sledding: Bethpage State Park, 249-0701; Sunken Meadow State Park, 269-4333.

Downhill Skiing: Bethpage State Park, 249-0701.

Cross-Country Ski Trails: Bethpage State Park, 249-0701; Connetquot River State Park, 581-1005; Heckscher State Park, 665-3759; Nissequogue River State Park, 265-1054; Sunken Meadow State Park, 269-4333; Wildwood State Park, 929-4314.

For more information call the Parks.

SPRING FEVER

With Spring almost itching to get out, here are seven different species of trees and ten different species of shrubs available to the Long Island area from the state. These seedlings are ideal for erosion control, wildlife habitat, reforestation, windbreaks, and other conservation practices.

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MONTHLY BUSINESS *by Chuck Faillace*

"GOLD"

"Gold is the universal prize of all countries, in all cultures, all ages," stated Jacob Bronowski in his book "The Ascent of Man." Yet, no less an author than Shakespeare dismissed gold as the "common whore of mankind." Why have people throughout the ages searched, dug, fought and died for this glittering metal?

At the outset, the glitter and rarity gave it value; people would accept it for work and services. It has all the attributes that would be required of a perfect value standard: it is highly prized for its own beauty; it is virtually imperishable (coins removed from 16th century shipwrecks shine like they did on the day they hit the bottom); it is expensive to produce and refine; it is sufficiently scarce to be considered rare yet available enough to be widely used. But at the same time, it is intrinsically worthless. It has no rational value. But throughout its 6,000 years of recorded history gold has been venerated and used as a store of value. Its practical value lies in the fact that people always have and probably always will accept it in exchange for work, period.

In recorded history only 88,000 tons have been mined, not much for 6,000 years work. Of that amount, over 85 percent is still available today, the remainder being permanently lost. Mining since 1900 has provided over half the total. To visialize the quantity, a cube 50 feet per side would hold all the gold ever mined including the gold in your mouth, in- our mother's wedding ring and the bullion in Fort Knox. Presently the largest accumulatioin of gold is in New York City, much of it 80 feet under Nassau Street in Federal Reserve vaults. They hold more than 25 percent of all the official gold reserves of the non-Communist nations, over 375 million ounces (only 10 million of which are U.S. owned). Further holdings in the Assay office and miscellaneous banks bring the total over 450 million ounces. Fort Knox, where the U.S. keeps most of its gold, has over 150 million ounces. If you keep in mind that it takes 2.5-3 tons of ore to get one ounce of gold, you'll appreciate the expense and the labor involved. You'll also appreciate the joy of an Australian man who found a pure nugget of 2,250 ounces of gold. He got rich in a hurry!

Nowadays, gold does have commercial use. The largest sector, as one might expect, is in jewelry, followed by investment, electronics and dentistry. Among gold's more exotic uses in medicine are injections of gold for the treatment of rheumatoid arthritis, the use of radioactive gold in cancer treatment and treating chronic ulcers with gold leaf. Gold reflects infrared light particularly well so that it is used on firefighters' masks to alleviate the heat without loss of vision. For similar reasons, when a thin film of gold is applied over window glass, it reflects up to 92 percent of the sun's glare and improves the insulation quality of the glass by 50 percent.

Gold is Not An Investment

Taking note of the large investment use of gold, one wonders why something that sterile, which produces no income unless sold, is held for investment. In reality gold is not an investment, but a storage of value. It is considered a hedge against inflation (i.e., the decline in value of paper money) and not a short-term money-making proposition. This statement makes sense when put in the following context: gold is real money. A rise of its value in currence indicates that the value of the currency has fallen. Changing the price tag doesn't change the value: one ounce of gold bought about fifteen barrels of oil years ago and it still does. If you examine gold in relation to goods and commodities it will purchase, the value has remained remarkably constant over the last four hundred years. Paper money is merely a representation, backed by some tangible good, or faith in the ability to pay debts and collect taxes. It is when the backing is solely based on faith that problems occur, for as Voltaire said, "All paper money eventually returns to its true value — zero."

To understand how gold is used today, it helps to see how a gold standard works. The following is based on the U.S. gold standard, but the timing of the events followed on a world-wide basis. In the Gold Standard Act of 1900, the U.S. went on a full gold-coin standard which required that the currency be defined in terms of gold of a stated purity. During this time the dollar was defined as 23.22 grains of fine gold. (480 grains equals 1 ounce.) The dollar was about one-twentieth of an ounce of gold. This is when paper money was "good as gold." This is important because all currencies on the standard are in a fixed relationship to each other. Foreign exchange rates were defined by the percentage of gold backing each currency, termed the gold "par." Since gold could flow freely from one nation to another, gold's price was forced to be the same in all countries. A premise of any commodity standard is that it must have a set value. If the commodity fluctuates, no one could have any idea of the relative value of the currency.

The advantage of a gold standard is that it automatically monitors the money supply because the paper circulating must be backed by a sufficient amount of gold. This facilitates payment of international debt due to the common basis of each currency and also limits government's ability to "deficit spend." Furthermore, it doesn't allow the growth rate of an economy to increase too quickly. This last point is also disadvantageous, as nationalist policies may demand an expansion of domestic resources only to find that the money supply

(Continued on page 14)

We regretfully announce the resignations of Scott Glick, Managing Editor, as of January 1980, and of Corey Bearak, Features Editor, as of this issue. We wish them the best of luck and success their new endeavors.

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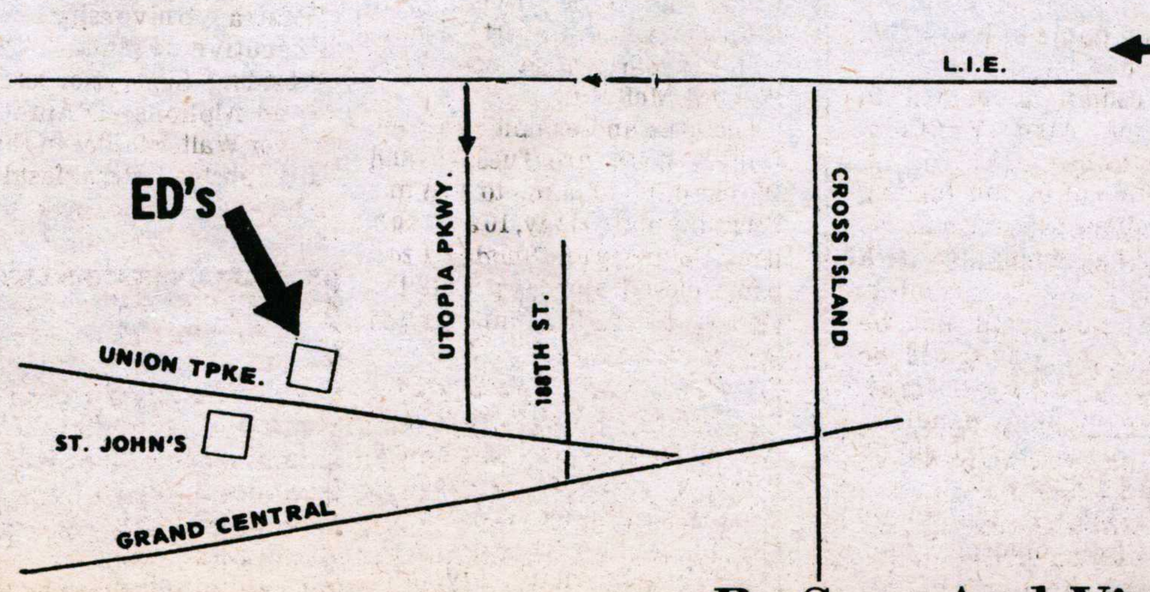

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Poetry Corner

TRIAL TECHNIQUES: THE INNER FEARS
by Betty Pratt, Class of 1980

I must confess it's quite a chore
Getting up to perform before
A judge and a jury on cross exam,
It's so easy to find oneself in a jam.

When witnesses fail to say what they should,
I'm obsessed with fear
But I could
Attack the witness in lawyerly ways,
For if I do not, it's my client who pays.
I'm sure in time expertise will come
And the jury will know where I'm coming from,
And cross will succeed, my technique come across
So in court I'll be proud to prevail as the boss.

Profs Kessler and Ordover who ran the show,
Special thanks to you 'cause now we know,
How little we knew 'bout being in court
It's not as easy as we once thought.

LAW AND METAPHYSICS
by Wendy Reiner, Class of 1981

Steeped in dreams —
I entered the study of law
Hoping to find what I was looking for
Case after case, night after night,
Searching — For truth, justice, what is right
Books of yesterday enshrouded my room;
Turning my library into a tomb
The more opinions I read,
I knew — stare decisis is dead.

Wandering in ecliptic space —
Lost hopes; dead desires lay waste
In a lonely, denuded mankind;
Perverted beauty was all I could find
I was an arch-designer of ideals —
Redrafting cracks in how man feels;
Penetrating beneath external planes,
Angles can't be pierced — understanding wanes.

Now at night I wonder what will be next —
Answers don't lie in unfinished texts.
Yearning to see the essence of things —
Empty syllogisms is what law brings
Who are we to judge what is fair?
Man is frail; sensitivity rare.

I — only a child studying law —
May never find what I'm searching for
Crawling through the maelstrom in my mind
Law books have been left behind.
Reasoning is flawed, logic does not rhyme,
I am alone in metaphysical time . . .

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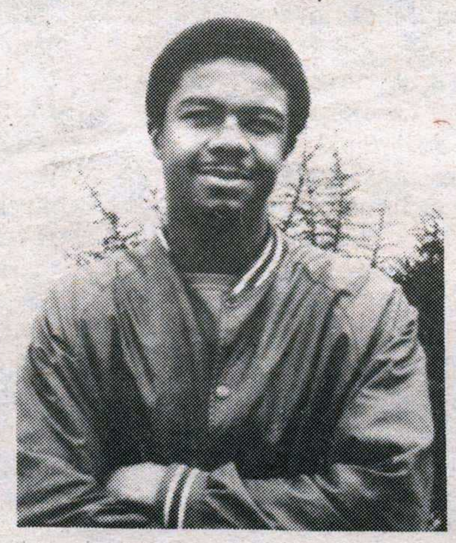
THE QUERYING

by Bob

If The Draft Was Reinstated, Would You

TED SKLAR '81

"I oppose the draftingof women into the armed forces. Women should not be forced to serve in the military until American society indicates that it is ready to commit itself to a policy of sexual equality. Our repeated failure to pass the Equal Rights Amendment indicates that we are not ready to make that commitment. The constitution should guarantee women all the rights of American citizenship before it requires women to make the greatest sacrifice of American citizenship."



ARNOLD P. KEITH '82

"If the draft is reinstated, I see no reason why women shouldn't be drafted. Not that I would expect a woman to perform in all capacities as men do (not that they aren't equal) of course) but there are areas where women could assist in wartime activity.

"However, I'm totally against reinstating the draft. The reinstatement of the draft only fosters the war-like attitudes which we should avoid. War is not the solution."

MICHAEL KUSEVITSKY '80

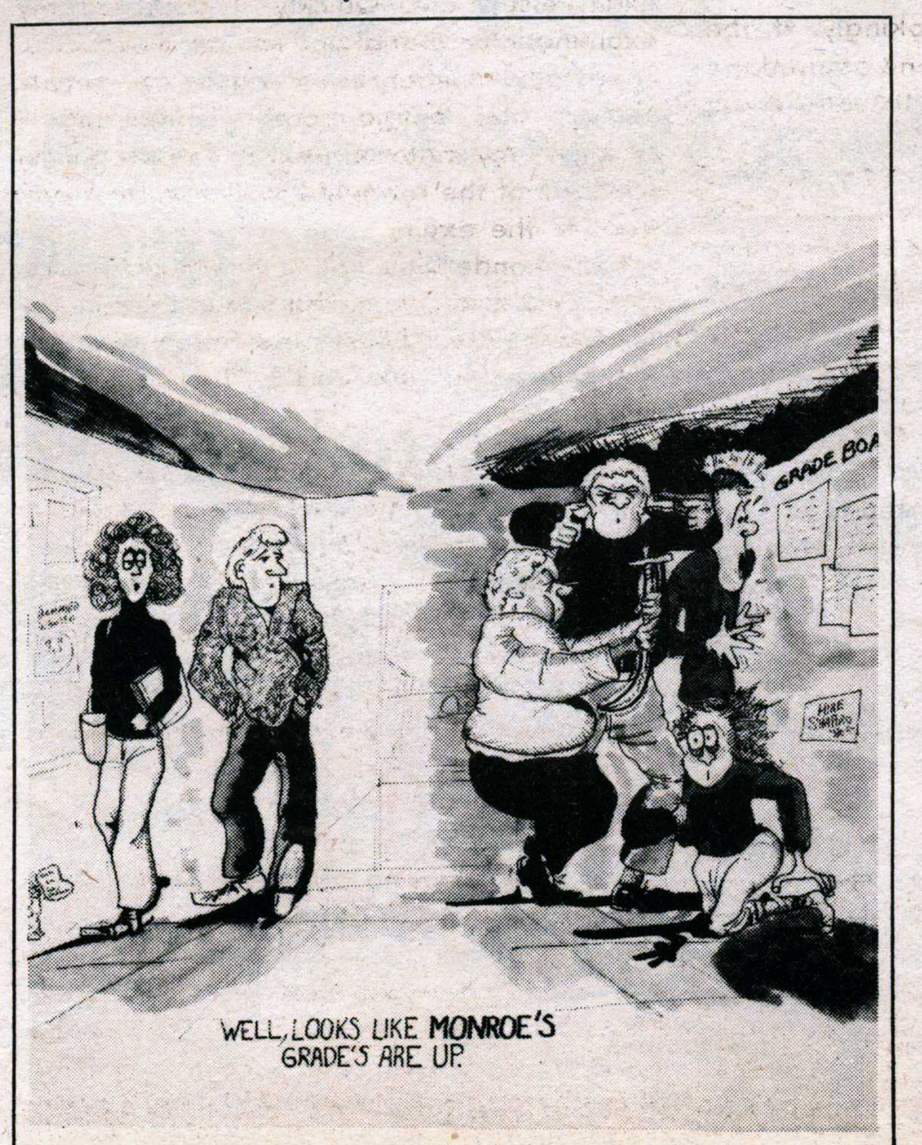
"Registration and the draft should NOT be reinstated. But if they are, there is NO QUESTION in my mind that women should have to register and be drafted as well as the men. Everyone, male or female, has the right to be killed or to go to Canada. Look it up! It's in the Constitution."

Cuomo Speaks To January Grads

by Corey B. Bearak

Lieutenant Governor Mario M. Cuomo gave his thoughts on Law and Government at Mid-year Commencement exercises for the Law School on Sunday, January 13, 1980, at 2:30 p.m. in the John Cranford Adams Playhouse. He spoke to 13 summer graduates and 44 January graduates, their families and friends, school administrators and faculty.

The Lieutenant Governor, a former Professor of Law at St. John's University, said he was "honored to have been asked to address the graduates of so distinguished a Law School as Hofstra," which he called "a solid institution of excellent reputation." Mr. Cuomo added that when he learned that John Regan was persuaded to be Dean, he knew the success of our school was assured.



"So I congratulate Dean Regan, the Deans who preceded him, the Administration, the faculty and the student body for the extraordinary and rapid rise of Hofstra from infancy to successful maturity."

Rather than offer "definitive advice" on how to be better lawyers, Mr. Cuomo gave "three observations about the practice of law and the workings of government, and some connections between the two."

Since taking office in 1975 when he was appointed Secretary of State, later to be elected Lieutenant Governor, Mr. Cuomo put aside the practice and teaching of law. He hopes to return eventually to the law; as he said, "giving up the practice is not an easy thing to do." The Lt. Governor described how "you come to miss the office, the courtroom, the congeniality, the struggle and the excitement." He recalled the excitement of the trial, of oral argument before the robed justices of the Court of Appeals, the suspense of waiting for verdicts or decisions, the rush of pride that comes from winning and "the indescribable frustration of losing, especially when losing a case you should have won!"

"When you leave the law for politics and government," explained Mr. Cuomo, "you try to separate yourself from the Law." He related how "you try to justify your political existence by seeing yourself as still part of the mechanism which is the machinery of the law." Government life is seen, then, as a working at the law from a different level.

The Lt. Governor characterized "practicing lawyers as bricklayers, laying down rules of law and theories of law in forms

(Continued on page 10)

PHOTOGRAPHER

Rediger

Favor Or Oppose The Drafting Of Women?

ROSEANNA De MARIA '81

"Yes, people should be included if a draft is reinstated since an army without people, although imaginative, is nonproductive. The very posing of this question gives me pause. This type of achievement in transcending sexism is commensurate with the use of "he or she' in hypothetical situations or even the replacement of 'mankind' with 'peoplekind.' The fact that this particular transcendence occurs in the war context is entirely appropriate."

CINDY McCARTHY '81

"On the one hand, from an intellectual point of view, taking into account women's pursuit for equal rights, I think they should be drafted. This would be consistent with the basic principles behind this movement. But on the other hand, from a personal viewpoint, considering I MAY be eligible, I'd have to say that I hope it's decided not to draft women. Regardless of sex though, I'd hate to see anyone get drafted."

NANCY ROTH '82

"If women were to be exempted from the draft, the entire Women's Movement would suffer and the future success of the ERA seriously hampered. Men in this country would view an exemption for women as the all-time "cop-out." The physical capabilities of both sexes in a combat situation are substantially equal thereby, disqualifying any fears about women on the "front lines." Women can and should be drafted in the event of a declared war!"

Test-Taking In The Tundra

by Ben Rubinowitz

I drove to Hofstra Law School and entered the building on December 20th at 8:00 A.M. As I walked into Room 238 in what appeared to be Hofstra Law, I noticed a distinct change in climate, unlike anything central heating would create. A light blanket of frost had formed on the inside window panes. Groups of students huddled together. Some wore scarves, coats, and even gloves, as they shivered in the cold. I approached a few familiar faces and asked, jokingly, if the thermostat was broken. A friend assured me that it wasn't. I noticed his breath freeze as he spoke.

Perhaps I was over-anxious. After all, this was just another final examination. We continued our conversation and to relieve our "frivolous" tension, convinced ourselves that within 15 minutes after the exam had begun the temperature would surely rise.

I strategically positioned myself in front of the testing room to avoid those mean-looking, frost-covered windows. At 9:00 the exams were passed out. I started to answer the first question. After 15 minutes I noticed that my fingers were distinctly blue. Writer's cramp? Hardly! After 30 minutes, Bruce, the student directly in front of me, jumped up and wrapped himself in his coat. I soon realized why—cold air was coming out of the front vents. Could the air conditioner be on? Impossible! Not at Hofstra Law School!

"No need to panic," I thought to myself as I tried to warm my hands by rubbing them together. (It does make it difficult to write, you know.) Somehow, I continued to work. Soon after I saw Ron, my good friend, rush out. I later learned he had gone to the Men's room to run hot water over his hands. He hoped to restore the circulation to his fingers. Regrettably, ice quickly formed on his semi-dried hands and Ron was later treated for mild frostbite and acute anxiety.

After an hour and a half, I was convinced that the room would remain freezer-like. My fingers, no longer responding to my mind's command, could no longer hold my pen. Why worry? This was only the culmination of an entire semester's work squeezed into a 3½ hour period where I would be expected to demonstrate my knowledge of Criminal Procedure. I had heard stories of students "freezing" during exams, yet I'd never before thought that the term would be given a literal meaning.

I had two choices—to freeze or to finish the exam elsewhere. Quickly, I gathered my examination material and ran into Room 230. To my astonishment there wasn't one empty seat in the entige room! Undaunted, I arranged my material next to the proctor in the front of the room and continued to work through the exam.

How wonderful it felt to thaw out—to be able, once again, to scribble an answer in my blue book. True, I'd lost some time during this "inconvenience," but, luckily, it was only an examination.

The balance of the 3½ hours closed in fast. The end of the exam was announced. Now, some students would have been mildly upset, others perturbed, still others downright pissed-off. But not me. Remaining cold, calm, and collected I approached the Professor after the exam and explained this trivial predicament to him. He explained to me, and a few other concerned students, that he did not know what to do about it but suggested we speak to the Dean.

The Dean assured me that this windy problem would be corrected and that no further examinations would be given in Room 238 until the room was restored to a reasonably temperate climate. I was relieved to hear it since the Evidence Final was to be given there the following day.

Fully prepared for the Evidence exam, the next morning I drove to Hofstra Law School. As I entered the building on December 21st at 8:00 A.M., it appeared to be Hofstra Law School. Yet as I walked into Room 238 I noticed a distinct change in climate . . .

CHEF'S BLEND

by Chef Glen

Photo by Bob Schaufeld

Excitement has been building up over the month in the Law School community in anticipation of the **Chef's Blend Recipe Contest.** People have been constantly coming to me, Chef Glen and asking "Chef Glen, when will the Chef's Blend recipe contest begin? What are the rules? Chef Glen, what will the winner receive?"

The wait is over. I will now reveal to you, my devoted public, the rules for the Chef's Blend Recipe Contest. They are simple so that anyone will be able to understand them and thus be able to enter the contest.

Rule 1: Anyone is eligible except me, Chef Glen and B.G., WELL KNOWN, NOTED AND FAMOUS FOOD CRITIC.

Rule 2: Submit any recipe which can be served as a main course at dinner. (It should be simple and inexpensive so that the Law School community will be able to cook the dish and be able to financially afford it.)

Rule 3: Submit only one recipe. You are only eligible to enter the contest once.

Rule 4: Submit your recipe along with your name, address and phone number to: Chef's Blend Recipe Contest, care of **Conscience.**

Each recipe will be prepared by me, Chef Glen. Then well-known, noted and famous food critic B.G., and I will select the winning recipe based on the taste, the cost, and the simplicity of the dish. The contestant who submits the best recipe will win a dinner for 4 cooked by me Chef Glen at my famous Uniondale Landmark. The winner will be announced in the April issue of **Conscience.** The winner's recipe will appear in my April Chef's Blend column.

Good luck.

Now it is time to reveal to you, my readers, my recipe for **Beef Stew.** I chose this recipe only after people had asked me "Chef Glen, how do you do it?" That is, how do you make your famous Beef Stew. Please give me the recipe Chef Glen."

This recipe is tried and true and passed on through the ages to me alone. Chef Glen. Due to secrecy of the recipe, I am most relucant to reveal it to my public—yet, I will since I, Chef Glen, give my public what they want!

CLIP AND SAVE

Beef Stew
A La Chef Glen

2 lbs. Stew Beef
2 Tblsp. oil
2 onions chopped
2 green peppers chopped
6 potatoes peeled and cut up
4 carrots chopped
4 celery chopped
water
2 bouillon cubes
salt and papper
garlic salt
any spice you choose
flour or corn starch

Brown stew beef in oil and remove from pot. Fry onions and peppers in pot. Add beef and remaining ingredients. Fill stew pot almost to the top with water and add bouillon cubes. Spice to your liking and let simmer over low heat for at least 2 hours. Stir occasionally. If stew sauce is too thin add flour or cornstarch until desired thickness is achieved. Serve.

Will make 4 hearty servings. Good luck and enjoy.

Next Conscience

Deadline: Friday

February 29, 1980

Viewpoint

NEEDED: A POSITIVE RESPONSE TO THE WORLD CRISIS

by Marc Grinker

In at least one way, the foreign policy crisis which has held world attention for three months has been good for the United States. Because of the Iran, Afghanistan and Olympic situations, Americans have been forced to think of themselves as citizens of a nation as well as members of the "me" generation. The collective national response appears to be one of patriotism, of a willingness to place policy over person. The response of farmers in the mid-West to the grain embargo of, of young people to the call for military registration, and of athletes to the possibility of an Olympic boycott, although not uniform, have neverthelesss been cooperative and demonstrate a new American mood.

Unfortunately, our government, lauded in polls and the press for its new-found leadership, is in my opinion, failing to take advantage of the public mood. Senator Kennedy, while overstating the case, was perceptive in observing that the President has created a "war mentality." Mr. Carter is leading by reaction, changing the world by reinforcing its weaknesses. Since the Soviets have troops in Afghanistan, we will move our navy into the Indian Ocean and sell arms to Pakistan. Since the Iranians are holding Americans, we will deport Iranians. Since the Soviets have military bases in Ethiopia and Angola, we'll lease space in Somalia and Oman.

I do not disagree with these moves. However, the United States must put forth a plan for the world which, in addition to protecting against (by challenging) catastrophy, encourages peace, makes it clear that international interdependence is the present reality and creates cooperation for tomorrow by acknowledging the opportunity of today. This column will review four areas in which the Carter administration—as well as each of the Presidential aspirants—have failed to show a positive vision.

1. **The Olympic Boycott**—There is no doubt that the athletes suffer most from this move. Their suffering, however, is insufficient reason to oppose the boycott, if a comprehensive response asks for similar sacrifices from all Americans (as will these proposals). Nevertheless, the United States has the opportunity to receive the benefits of the boycott, which are not challenged here, while creating a real Olympics—as the athletes have long requested—for 1984.

Our ace in the hole is the Los Angeles summer games for 1984. Instead of spending the millions of dollars to prepare L.A., the United States should offer to give up the 1984 games and spend, in exchange, a similar amount of money to build a permanent summer Olympic site in Greece. (A site should also be built in neutral Switzerland for the winter games). In addition, the hypocrisy which governs the games, particulularly the ban on so-called "professional" athletes from the West which does not cover state-supported athletes from the Communist bloc, should be eradicated before we contribute to the permanent site. Instead of just boycotting Moscow '80, we should be building Athens '84.

2. **The Weapons Race**—The United States does not need new nuclear arms. The Joint Chiefs of Staff, who have supported the SALT II Treaty, reported during the hearings on SALT, that even in the face of a Soviet first-strike capability, we would be able to destroy nearly 80 million Russian lives in Moscow, Leningrad, Kiev and other major cities. (Estimates of American deaths resulting from such a strike were placed at more than 100 million). I do not doubt the need for larger conventional forces and more conventional arms. At present, the United States would be forced to hold off the Soviets for six months before we could be at full strength in the Persian Gulf. The MX Mobile missile program is also worthy of funding, since, as it reduces the Soviet ability to destroy our missiles by hiding them in alternating silos, the program serves as a deterrent to the start of a nuclear war.

Given this, however, the United States should not shelve the SALT II Treaty which, with compromises accepted by the Senate and unopposed by the Soviet leadership, was nearing ratification. While it is politically impossible to obtain passage now, the United States cannot afford to create a long-term relationship between Afghanistan and disarmament. As the crisis subsides, those Presidential candidates with guts and vision will remind the world and the electorate that our future is at stake.

3. **Time for a Third World Initiative**—For the first time in memory, the third world nations lined up with the United States in a U.N. vote. Our response, however, has been limited to seeking their support for an Olympic boycott. Instead, the United States should begin a program of massive economic and educational aid to the underdeveloped nations.

It is shocking to learn, for example, that **85 percent of all women** in the third world are illiterate (N.Y. Times). How can the United States expect to convince people in these nations that democracy and development are important and valuable goals, if we are not willing to spend the money to teach the majority who cannot read?

Americans have long had an aversion to massive foreign aid programs. Yet, even in this time of patriotic fervor, there is not a candidate in the land with the courage to rise above the crowd and say to the public, "Yes, taxes will be $100 higher per family next year. But if the third worlds remains uneducated and grossly malnourished, America's opportunity is lost. We are a rich nation perceived as greedy, and if we don't share a part of our wealth, can we blame the poor for heeding the Soviet's anti-capatalist calls?"

It is time we took stock of our role as citizens of the world. It is time we said that feeding starving Asians is more important than building a new highway. Those who reject moral suasion must realize that it is critical to put the third world on our side.

4. **Compulsory National Service**—The President has proposed a military registration which may include women as well as men. This reactionary move, while not inappropriate, offers no new vision of our place in the world.

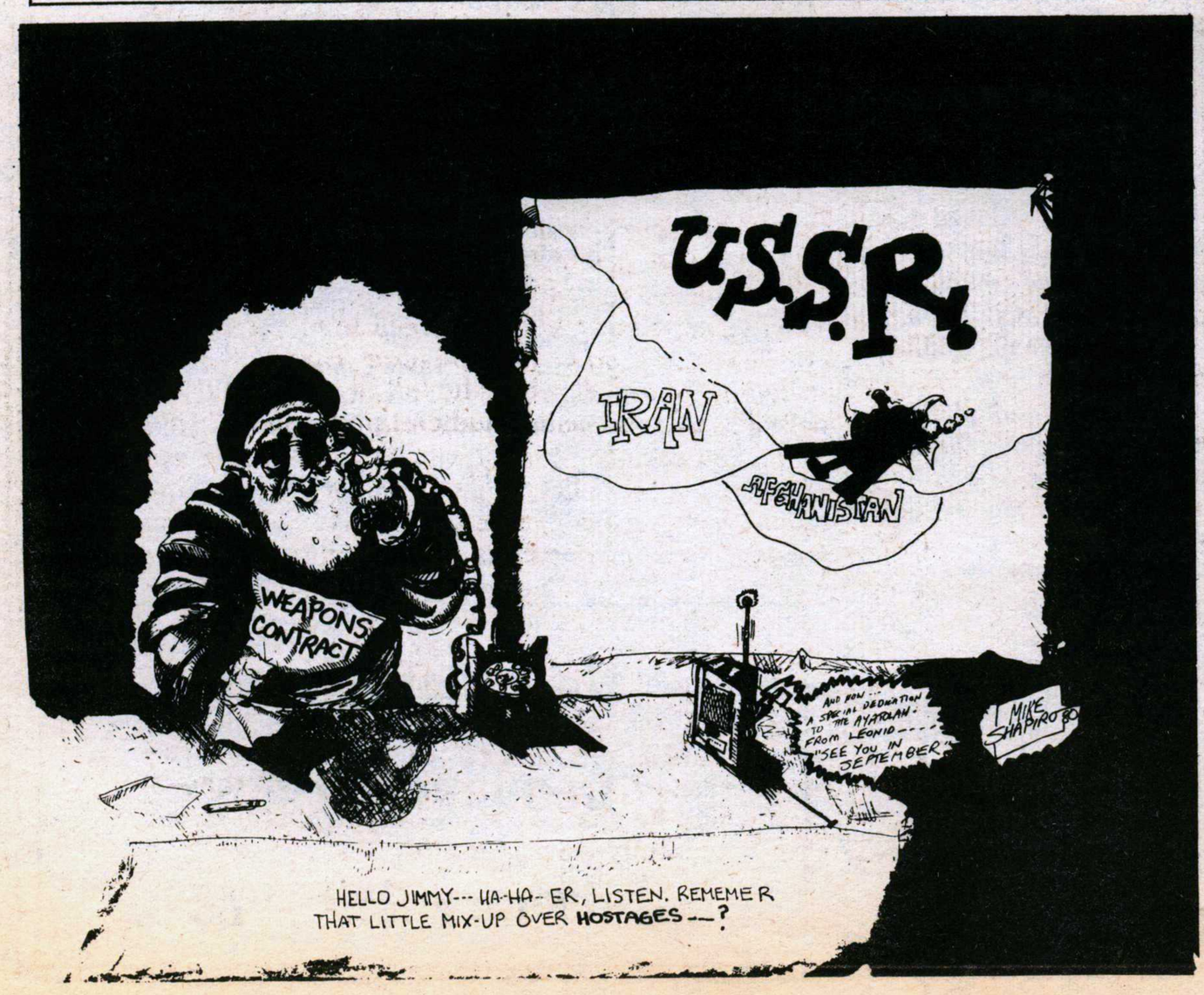
The proposal here is for compulsory national service. It is an old idea, but it has never gained acceptance. The time is ripe for CNS. CNS would require, in this view, two years service by all Americans regardless of sex in either (by choice of the inductee) the military, VISTA or the Peace Corps. The service could be performed between graduation from high school and age 26. There would be no exceptions for anyone—not for doctors or lawyers, not for conscientious objectors, not for those with punctured eardrums. And the sham of our all-volunteer army, which is in reality an all-poor persons army, would be eliminated. By maintaining present recruitment incentives and job training alternatives, the military could be the most attractive of the three options and thus supply necessary strength.

CNS offers long-term benefits. There are today more than 30 million Americans between ages 18 and 26. If nearly four million Americans were in service around the country and around the world in any given year, we could change the image of the greedy American to that of the willing teacher. Coupled with foreign language training, we should approach the eradication of illiteracy. Educated in agricultural methods, we would move toward the elimination of hunger. Trained in construction skills, we could build homes where there are only refugee camps.

CNS also eliminates the major objections to the draft. Women would serve in the military and in combat roles only by choice (as would men). Those opposed to war could work for peace in their own way.

Finally, CNS takes advantage of American's present willingness to do what we, as individuals, can do. Most important, however, it recognizes that even in a capitalist country we are citizens of a nation and a world and we suffer from its weaknesses. We've seen since 1964 that no President is capable of changing our world. That leaves you and me.

CONSCIENCE welcomes your viewpoint on issues affecting the law school. All articles must be typed and triple spaced and include your name and phone number. They may be dropped off in our admissions office mailbox in care of Viewpoint.



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CONSCIENCE is published on a monthly basis from September to May by the students of Hofstra University's School of Law, Hempstead, New York 11550.

The editorial board is committed to bringing Hofstra Law a competent, informative, lively newspaper which adheres to professional standards. Accordingly, we'll strive to meet the responsibility that derives from first amendment guarantees.

All of you—students, faculty and staff—are encouraged to make editorial suggestions, submit articles for consideration and, of course, write letters to the editor. Regarding submissions: please type (triple space) and include name and phone number. Submissions may be dropped off in our admissions office mailbox.

editorial

William O. Douglas

1898 - 1980

We mourn the loss of Justice William Orville Douglas whose spirit of compassion and sense of human decency shall remain with us always.

The late Justice was criticized by some as having utilized the Constitution merely as a judicial tool in his personal struggle against injustice as he saw it; a posture it is argued, which lacked judicial integrity. Despite such criticism, Mr. Justice Douglas proved unceasing in his efforts to promote the values of a free and healthy society, e.g. in the areas of speech, expression, equality and privacy. His genuine and fervent concern placed him well among the true leaders in Constitutional history.

William J. Brennan Jr. noted his respect when he said, "From the beginning of our association on the Court some 23 years ago, I have believed along with Mr. Justice Fortas that Mr. Justice Douglas is the only true genius I have ever known." Former Chief Justice Earl Warren recalled Douglas as having "an unbounded energy, a lightning mind and prodigious work habits." The late Justice authored over 1300 opinions during his tenure on the court, which included 550 for the majority and 583 in dissent.

Douglas' unwaivering stand for absolute and unabridged freedom of speech and open exchange of ideas was but one manifestation of his interpretation of the Constitution, which he believed, "was intended to keep the government off the backs of the people." Douglas cautioned, wrote one commentator, that "a government unresponsive to injustice was an incitement to social discord." Said Justice Douglas, "Where there is a persistent sense of futility, there is violence."

The late Justice, further implicating the importance of the First Amendment value, commented, "The struggle is always between the individual and his sacred right to express himself on the one hand, and on the other the power structure that seeks conformity, suppression and obedience." Douglas believed there could be no "clear and present danger" test for the restriction of speech. "I think the First Amendment bars all kinds of censorship," he wrote, explaining, "What can be done to literature under the banner of obscenity can be done to other parts of the spectrum of ideas when party or majoritarian demands mount and propagandists start declaiming the law."

Justice Douglas stood firmly with an uncompromising position on many issues which came before the Court in his 36 years of service—a posture somewhat uncharacteristic for the Court's inner workings. Yet, while holding to his own views, he rarely pressured other members on the Court to vote with him. He refused to bargain with what either he or another member of the Court believed to be right, according full respect to differences of opinion.

The late Justice continued to perceive himself, and write, as a member of a **collective** society. The Constitution, he believed, was a creation of society for the protection of all those within it. Viewing the Constitution as a document created to enhance the quality of life for all in our society, Douglas also recognized that the needs and problems of our nation would inevitably change with time. That recognition drove him not to discard the founding document in this writer's opinion but, on the contrary, to seek out the intentions of its creators and the inherent principles which the Constitution was meant to incorporate.

In the task of keeping up with changing times, Justice

"The struggle is always between the individual and his sacred right to express himself on the one hand, and on the other the power structure that seeks conformity, suppression, and obedience."

William O. Douglas: Jurist, writer, conservationist, and foremost advocate of individual liberties.

William Douglas was never left behind. His place was at the forefront, firmly in opposition to loyalty oaths, often a lone dissenter with Justice Black during the McCarthy era, and in staying the execution of Ethel and Julius Rosenberg (for which he suffered through an attempt to impeach him). Justice Douglas was aptly praised by one writer as having "never yielded to the primitive passions of the moment."

A novelist as well, Douglas wrote on issues ranging from the preservation of the environment to the preservation of freedom and dangers looming in the future. In his book **Points of Rebellion**, he wrote of the evils of mass computerized public and private surveillances. Attempts to have him impeached seem now to have been an inevitable burden imposed on one unwilling to accept anything short of a society continually striving for greater freedom and equality for all.

In the final analysis, William O. Douglas stood for those values which we seek to nourish; those principles which enhance the quality of life itself in a free society. If while on the Court Mr. Justice Douglas voted "according to the result which he felt proper," and not "according to any consistent judicial philosophy," that vote would unfailingly be cast against the side of oppression and on the side of freedom of thought and expression. With the basic underpinnings of compassion and wisdom, Justice Douglas consistantly sought to preserve the individual liberties and the principles of a free society which he believed to be embedded in the Constitution, either expressly or implied.

Although philosophically William O. Douglas often disagreed with his colleagues, he never failed to promote the ideals of a humane society. For this we express our respect, our love, and our eternal thanks. The spirit which he shared shall always remain in our hearts and, hopefully, in our minds.

Full-Value Tax Assessment *(Are Fears Warranted?)*

by Corey Bearak

Mayor Edward Koch of New York takes the position that one-family and two-family homes should not be taxed at the same rate as commercial, income-producing properties.

In practice, localities in the State have been assessing properties at percentages less than the full market value in apparent disregard of a 1788 law mandating that all property must be assessed at full value. A Fire Island property owner, Pauline Hellerstein, sued to have all properties in Islip Town in Suffolk County assessed at full market value. The N.Y. Court of Appeals ordered Islip to make all future assessments at full value by December 31, 1976.

Islip Implementation

When Islip implemented the Court's decision and assessed all property at full value, one Islip homeowner experienced a tax increase of 246 percent. Sixty-four percent of the residential properties had increased assessments while 79 percent of the commercial properties had decreased taxes. The State Board of Equalization and Assessment found that homeowners as a group paid five percent more of the Town's total taxes than previously and that the average tax bill rose four percent.

In Islip, 95 percent of all properties are one-family homes. Many localities in New York, particularly New York City, rely on commercial properties to pay a heavier burden than one-family and two-family homes. Many taxing jurisdictions fear that the **Hellerstein** decision sets a precedent for successful actions to assess property rolls at full value, because if all tax rates remain equal, the increased value of a home would sharply raise its owner's tax while the burden on commercial property owners would decrease. A **New York Times** editorial finds such a shift in tax burdens unfair and politically impractical. According to an Assembly study, "Allowing the **Hellerstein** mandate to stand would result in residential property tax increases so large in many areas that New York could suffer the same angry reaction from taxpayers that led to Proposition 13 in California."

New York City

A State Comptroller's audit released over a year ago found, that throughout New York City, smaller residences are assessed at a significantly lower percentage of market value than are apartment, commercial, industrial and office buildings. According to the State Assembly Task Force on Real Property Taxation, if full value is implemented in New York City, residential property taxes would increase by an average of 114 percent, while commercial property taxes would decrease by 29 percent. Discrepancies between classes of properties are acknowledged. The discrepancies within the same class, particularly between residential properties of the same type, often in the same neighborhood, are bound to make difficult any governmental response to **Hellerstein.**

In addition, in New York City, for example, newer homes tend to be taxed more than older homes because properties have not been reassessed recently. Full value assessment therefore would shift the tax burden within the residential class from the owners of new property to the owners of older property. The elderly, often the owners of the older and even more underassessed properties, face a dilemma; many are retired, on fixed incomes, and suffer from inflation. Sharply increased tax bills might be an impossible burden causing them to lose their homes.

Mayor Koch, in an executive order dated September 7, 1978, set in motion a long-term revaluation of real property in New York City aimed at satisfying **Hellerstein** by assessing all property at 100 percent at full value, but any attempt to shift tax burdens to residential property owners will meet strong political opposition.

Homeowner groups have loudly protested full value assessment. The Federation of Civic Councils of the Borough of Queens met December 13, 1978 to plan rallies and other forms of protest to get the State Legislature to arrest any implementation of 100 percent assessment. More than one-half of New York City's 560,000 small homes are located in Queens. The Federation has distributed petitions and held rallies in June and October to highlight the homeowners' concerns. On July 5, 1979, seventy-three leaders of New York City homeowner groups met to urge a solution that does not result in "skyrocketing" taxes for homeowners. Two thousand homeowners and three bands marched to the Valley Stream Village green where they cheered Republicans supporting a bill to repeal section 306 of the State's Real Property Tax Law which, the **Hellerstein** court interpreted, mandates full value assessment. According to lawyer Albert Greenblatt, "(h)omeowners fear that if 100 percent assessment is activated, they'll be faced with the loss of their homes." As counsel to the Queens Federation of Civic Councils, and Chairman of the Federation's Committee to block full value assessment, Mr. Greenblatt thinks that a sharply higher property tax coupled with rapidly increasing costs of maintenance, utility and fuel bills, expenses will be so high that the retention of non-income producing residences will become impossibly escalated. Homeowner tax bills in Queens could average increases of nearly $1,300 per home. As Mr. Greenblatt pointed out, residential property does not produce income. Mayor Koch, reflecting a similar concern, has stated on more than one occasion: "Residences that are not income-producing should be taxed at a lower rate."

One court noted in **Switz v. Middletown** in 1957, that "urban municipalities traditionally assess industrial property at substantially higher percentages than residential property as a device to delay, if not prevent, the gradual exodus of their residential population to rural and suburban areas." 23 N.J. 580, 130 A.2d 15, 18. New York City's policy of assessing one and two-family homes at less than 30 percent of market value encourages middle class homeowners to stay. With a higher sales tax than most surrounding communities and a City income tax, the lower property tax makes New York City more attractive than outlying areas with attendant commuting costs and higher property taxes.

Increasing the tax burden in New York could have a devastating effect. Any increase in the property tax is bound to encourage the flight of middle class homeowners, considered by many to be the strength of the City and its neighborhoods. Such flight would mean the eventual loss of much needed tax revenues, further racial imbalance in City schools and ultimately, a drop in City real property value.

Some homeowners fear that the City's fiscal problems would present a temptation for N.Y.C. to add tax revenue by reassessment. The Emergency Financial Control Board for New York City, for example, could force the City to take such a politically unpopular step and the City could blame the un-elected officials appointed to the Control Board. "Small homeowners," said Queensborough President Manes, "are justifiably fearful that full value assessment of their homes will result in very sizeable real estate tax increases which will make the sale of their houses extremely difficult or impossible within a very few years. This I am afraid could easily lead to a massive movement to sell homes now."

Tax Assessment—
A Tool in Land Use Planning

Properties have been bought and sold on the basis of tax treatments. Arthur Gordon, Director of the State Comptroller's Office of Audit and Control, observed that discrepancies in assessment attracted business to certain sections of the City and away from others. The property tax can be used as a tool in land-use planning to encourage certain kinds of development in different areas.

The Court in **Hellerstein** enumerated two vices of fractional assessment: A blatant disregard of the law by public officials and, the difficulties in determining if there is uniformity in proportion or disproportion through incompetence, favoritism or corruption of assessors. Such discrepancies would force many taxpayers to bear the burdens of others.

Public officials prefer to disregard judicial interpretation of what is full value rather than to risk Proposition 13. In **Bettigole v. Assessors of Springfield,** the court ordered all property to be assessed at full value, and simultaneously ordered the tax rate to be lowered proportionately. 343 Mass. 223, 178 N.E.2d 10 (1961). Localities within New York State depend on the property tax for revenue, but State aid is apportioned among the localities based on assessed valuation. The lower its aggregate of assessed value, the more aid for which a local jurisdiction is eligible.

The **Hellerstein** decision correctly enumerates the dangers of errors in judgment, and charges of favoritism and influence. We are a people of laws. Without full value assessment, special interest groups can gain favorable assessments without going through the legal tax abatement procedures. Such procedures are public—but, since the public rarely attends, it cannot have an impact on the assessor's decision to grant a more favorable assessment.

In an early decision (1893) on full value, Connecticut's high court opted to disregard the statute ordering full value and granted relief to the taxpayer by lowering his assessment to the same proportionate level of assessment that the locality had utilized. **Randall v. City of Bridgeport,** 63 Conn. 321, 28 A.2d 523. That court determined that the only way "to redress the wrong is to reduce the assessment, (even though) the court seems also to disregard the statute," because "if the wrong is not reduced there is a denial of justice." The very fact that a property was assessed at less than full value but at more than the percentage generally applied caused this problem. Contemporary courts, however, have chosen a path opposite to **Randall.**

> (A) hurried general assessment at full value can not be conducive to common and individual rights. **Switz,** p. 23.

If full value is the answer to some inequities, it introduces new problems that must be addressed. Judge Wachenfeld, in his dissent in **Switz,** admonished his colleagues in the majority for concluding that the problem of unequal assessments "is basically legislative and administrative and then inconsistently" proceed to a judicial solution. The **Hellerstein** court wanted to avoid such a result by delaying the implementation of its order until the end of 1976. Unfortunately, the Court failed to anticipate

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CUOMO SPEAKS...

(Continued from page 6)

and shapes strong enough to build sound arguments in cases. But the bricks the practicing lawyer finds," the former Law Professor observed, "are ready-made and the lawyer in practice has little control over their size and shape."

"Working in Government at a policy-making level like mine, or legislators on the other hand," Mr. Cuomo confided, "is to propose rules, regulations and laws: in the real sense, it is to fabricate those bricks which the practicing lawyer finds ready-made."

Troubled, the Lt. Governor shared his observation that in recent years, "those in government who, by design of our constitution, are supposed to be making policy — that is, those in the executive and legislative branches — are not making all the bricks they should." He laments that people in government assigned the duty of making the day to day judgments we are forced to live by, have instead, too frequently, "abdicated that responsibility to the courts." Mr. Cuomo cites as examples, issues on the Federal level — abortion rights, affirmative action, desegregation and reapportionment — that were not decided by Congress but by the Courts. In New York, he complains, the "people's representatives chosen out of the neighborhoods" to resolve such basic policy questions as "the rules of equity with respect to providing aid to public education" and "the proper standard for real property taxation," are allowing the Courts to decide those matters.

The Lt. Governor raised these questions: "Why should we need a court to tell us a black human being is equal to a white human being? Why was not that the operating principle of a Congress and Legislature that were elected to make the laws that would make equality operative? Why did we need a court to tell us that everyone is entitled to one vote? Why is **Levittown** still on appeal when the ultimate result is almost perfectly predictable?"

Mr. Cuomo then provided the answer to the above: "Because we, who are elected by popular vote, are afraid that the right thing might not be the popular thing. Courts by constitutional design are immunized from the force of people's votes and the consensus judgement. Judicial authority was reserved," he continued, "for discreet, ultimately constitutional and interpretive problems. It was certainly never intended," he explained, "for elected officials who find it uncomfortable to deal with highly controversial matters of public policy."

"When the courts step in to fill the vacuum created by legislative or executive abdication," Mr. Cuomo observed, "the electors have to an extent, lost the benefit of their franchise; and when that happens too often, it contributes to a feeling of ineffectuality on the part of the people that turns them off to the system."

The Lt. Governor sees the need for changes, "the need for people to make the hard decisions, who can pass needed laws, even if those laws are controversial."

Our state's second highest elected official is concerned that, "not enough of our good people — gifted, thinking, effective people, are willing to participate in the work of the system. In a democratic system, you get what you deserve and indifference," stressed Mr. Cuomo, "deserves nothing good."

Lt. Governor Cuomo urges us all to insist on excellence in government in the same manner that we seek excellence in the law, "excellence in medicine, excellence in education and even enormous excellence in weaponry." For "by our refusal to participate, by our contempt for the political system and what we may regard as its demeaning demands upon our respectability, too many of us have tolerated mediocrity in the government that regulates and controls directly and profoundly the lives of us all."

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Tax Assessment...

(Continued from page 10)

the extent of the adverse effects on every municipality in the State. The court in **Switz** postponed the enforcement of its decree for three years. New York City officials are seeking a moratorium on **Hellerstein** until 1985. Privately, some City officials expect reassessment to take much longer. With over 800,000 parcels in the City and proper physical evaluation costing not less than $50 per parcel, over $40 million is needed to reassess. Because reassessing of each property is so costly a process, an alternative is needed.

In New York, many homeowner groups are backing **A. 6136,** commonly known as the Esposito bill, to push the Governor and the State Legislature into passing a bill that would keep residential taxes down to pre-**Hellerstein** levels.

New York State's Constitution does not forbid fractional assessment. However, without the legislatively-created classes or a mandate that localities create classes for the application of fractional assessments, passage of the Esposito bill would either be unconstitutional or result in a benefit to business interests. Commercial and industrial property owners can sue under the 14th Amendment that they are victims of discriminatory assessments. In **Town of Hillsborough v. Cromwell,** 326 U.S. 620 (1946), the Supreme Court condemned as a denial of equal protection the New Jersey rule of denying relief to a taxpayer whose property was not assessed at full value, but at more than the general level of assessments. Under **Hillsborough,** where no classes of property are created by the state, the courts can determine assessments above the state equalization rates to be discriminatory for subjecting the taxpayer to taxes not imposed on others of the same class.

Business interests could use a bill like A. 6136 to shift assessments to their own advantage, leaving homeowners to pay a greater share of the real estate tax. This is a major reason why the Democratic majority in the Assembly has thus far not acted favorably on A. 6136. Assembly Speaker Stanley Fink (Democrat - Brooklyn) criticizes the Esposito bill (which was not let out of committee), stating "if you appeal the statute (sec. 306) and leave local assessors without guidelines, what you have is an unconstitutional delegation of a basic legislative function." A bill with provisions similar to A. 6136 had passed in 1978 and were subsequently struck down in **Slewett and Farber v. the Board of Assessors and the Board of Assessment Review of the County of Nassau.**

The Temporary State Commission on the Real Property Tax recommended full value assessment with the same tax rate applied on all types of property because it is the least complicated and least vulnerable to court challenge. George S. Gerber, the Temporary Commission's Chairman, said that programs to ease the homeowners' burden could be implemented.

Even without legislative action, there is a definite trend to full value assessment, according to Hofstra Law Professor Irving I. Lesnick. In his Hofstra Law Review article, Prof. Lesnick points out that well developed case rules on valuation (as for example the decision in **Ed Guth Realty, Inc. v. Gingold,** 34 N.Y.2d 440 (1964)) permit a taxpayer to apply the State equalization rate as the sole evidence of the prevailing local assessment, making it easier to obtain a reduced assessment if the taxpayer's property is assessed at a rate higher than the State rate. Continual law suits, contends Prof. Lesnick, would result in effectively lowering the State tax rate and bringing all properties to equal assessments. Reaching equality in assessments among all kinds of property would, however, require a multiplicity of suits and take much time.

Most localities are resisting a move to full value until the Legislature acts on the issue. As of August 1978, 131 of New York's 991 municipalities changed to full value. One year later, only three more had completed reassessment. If the trend toward lower assessments as predicted by Prof. Lesnick continues, localities will have less revenue and will have to either cut spending or raise taxes to make ends meet. Since business property is generally assessed at a higher rate, the downward shift in assessments forces homeowners to bear the brunt of a greater share of the tax burden. Without increased state aid, localities will have to raise the tax rates, therefore additionally increasing the burden on homeowners because of Federal (and in some cases, State) programs that are mandated—but where the locality, nevertheless, must provide the funding. Raising taxes could lead to a coalescing of various elements into a Proposition 13 type movement with wider implications than actually intended. Many needed services could be cut because they lack political support.

Controls and guidelines on local spending, coupled with a State freeze on spending, and the commitment of State aid from future revenue growth, could ease the effects of full value assessment. Governor Carey took a step in this direction by proposing that a Local Government Expenditure Review Board (LGERB) be created by the Legislature. The proposal, not yet enacted, calls for Lt. Governor Mario Cuomo to chair the Board with the State Controller, the Secretary of State, and the State Housing Commissioner also participating. Political partisanship has stymied the LGERB proposal. Republicans fear giving Mr. Cuomo another forum from which he can increase his political strength and popularity (the Lt. Governor is viewed as a leading candidate to succeed Governor Carey). Speaker Stanley Fink, who would normally shepherd Democratic programs through the Assembly, is said to entertain notions of being Governor and thus was not in a hurry to push a plan that benefits the Lt. Governor's standing.

Governor Carey has offered a similar proposal for consideration in 1980. He has recommended the formation of a Local Government Expenditure and Review Commission "to provide local and state officials with professional guidance on the monitoring of local government spending."

If such a solution is accepted, there would have to be an increase in State aid to localities of at least $1 billion, in order to have a significant impact on local property taxes. This would increase overall aid by 14 percent. To free the $1 billion from the State budget would require a 30 percent reduction in State operating expenses. The State budget for fiscal year 1979 was projected at almost $12 billion.

The Governor's budget for 1980-1981 projects reduced expenditures for State operations of about $100 million, but money needed for local assistance must be found to ease the burden of higher local property taxes. In his Budget Message, the Governor called on local governments to curtail spending. The Governor, as do many others, believes that local governments are spending much more than is necessary and must reduce their budgets.

Governor Carey feels that through partnership and cooperation by State and local governments, control over expenditures and fiscal responsibility can be achieved. As a sign that the Local Government Expenditure and Review Commission would take a bi-partisan approach to reform of local government spending practices, the Governor has asked Comptroller Edward Regan, the State's highest elected Republican, to join the commission.

Reduction of services is unpopular; with New York City being the case on point since its fiscal crisis. Special interest groups would oppose any budgetary reductions in agencies that "serve" them. Decreasing local spending by mandating lower levels of student-teacher levels, for example (the property tax is used across the State primarily to finance education), would generate complaints of interference with home-rule, not to mention opposition from teacher unions and parent associations.

Since all the other alternatives to **Hellerstein** have major drawbacks, a system of classification in combination with homeowner exemptions and property tax circuit breakers is the best option. With classification, there would be a shift within the classes, without a total shift in the aggregate tax burden from one class to another. Business interests already pay higher taxes. With classification, such interests would generally pay a similar amount and there would not be any tax increases to pass to the homeowners — the consuming public — in the form of higher prices. Without classification, there is no guarantee that businesses will drop their prices because of reduced property taxes; they will only make larger profits.

Recognizing the need for classification, Assembly Speaker Fink has proposed a classified system that would have business and commercial property owners pay a higher tax with small homeowners retaining their **de facto** advantage. Classification is constitutional in New York since there is no uniformity provision in the State constitution. "The equal protection clause of the constitution (14th Amendment) does not bar classification of real property for local taxation but rather condemns intentional, insidious treatment within a class the state has created." **In Re Kents 2124 Atlantic Ave., Inc.** 34 N.J. 21 (1961).

Fink's legislation followed calls by several major Democrats, such as Mayor Koch and Queens Borough President Manes, for some form of classification. Mr. Manes called for statewide legislation to permit localities to establish different real estate taxes for small homes. In May of 1979, Mr. Koch announced a plan to reassess all business and residential properties at full value. The properties would be categorized according to use and assigned different rates. "A classified system," said Koch, "will not require us to raise or lower the cumulative tax burden now borne by any class of property owners."

The actual reassessment of each property such as that proposed by the Mayor would be costly. The Assembly's alternate legislative proposal recommends mathematical revaluation for computing full value by the use of class equalization rates, similar to the State Board of Equalization and Assessment's equalization rate. Each property's current assessment would be divided by the appropriate ratio for its class. The base value obtained would approximate full value in most cases. The base or full value would be multiplied first by the class assessment percentage to determine the taxable assessment and that, in turn, would be multiplied by the class tax rate in order to determine the tax. The Board of Equalization and Assessment would have to develop new equalization rates for each class because the single current ratio fails to take classification into account and results in an average figure, when what is needed are class values computed by employing large samples of each class of property.

Mathematical revaluation, however, will not remove disparities in assessment among properties similar in type and value, that are located in the same taxing jurisdiction. However, the Legislataive Report points out that property owners will be better able to compare base or market values to determine whether any inequities exist. Such disparities would then be more apparent and taxpayers could more easily use established procedures to equalize their tax bills.

Classification cannot, however, provide complete relief. Under reassessment, older homes are likely to get increased tax bills and newer homes may get small cuts, according to New York City Finance Commissioner Harry Tishelman. Rather than leave the owners of older homes out in the cold, many of whom have lower incomes, having bought their homes when the market was much lower, further relief can be granted in the form of a "homestead exemption":

> A homestead exemption grants relief by removing some dollar amount of value from a homeowner's assessment. In terms of targeting aid, it has a distinct advantage since it is based upon a fixed amount, thus giving a higher percentage exemption for owners of low valued homes than to owners of high value homes. To the extent that income and home value are positively correlated, a homestead exemption gives relief to those most in need.

For the senior citizen and anyone else who has owned a house for so long that, because of inflation, assessment at full value would, even with a homestead exemption, result in too great a tax burden, circuit breaker protection can be expanded. A circuit breaker allows a credit on one's State income taxes, based on income, of some part or all of one's property tax.

Prof. Lesnick recognizes one additional problem—the problem of inequity due to differences in assessments often being reflected in the market price of a property. Property which is currently under-assessed often has an "inflated" purchase price, reflecting the lower assessment. Highly assessed homeowners would gain a windfall from the new lower assessment and such houses would be more attractive to buyers.

The uncertainty and windfalls that could occur in the home realty market could easily be relieved by phasing in the new tax. The Legislative Report suggests, for example, that an increase in tax liability in excess of 10 percent of current tax liability could be phased in over a period of time depending on the size of the increased tax liability. Additionally, market uncertainties can be addressed by stipulating the interval, say ten years, over which relative levels of assessments must remain in place. Assessments could be lowered, but not raised, during that period so that property values could begin to stabilize.

No system is so perfect that it can address each and every problem arising under such a classified full value scheme. But this plan, as outlined above, appears to be the best alternative in the aftermath of **Hellerstein.**

New York University Law Professor Jerome Hellerstein, an expert in state and local taxation, complains that it is "political muscle which determines where you stand under classification." What the learned professor fails to recognize is that an undefined system is more subject to abuse, that the effects of a Proposition 13 would occur if full value occurs without the adequate relief which classification can provide, and finally, that any system of taxation should where possible, be geared to a taxpayer's ability to pay. Income;producing properties should pay a greater share of the tax bill than non-income-producing homes.

Both model bills proposed by the Assembly Real Property Task Force suggest nine classes: Residential, Vacant, Agriculture, Apartment, Commercial, Industrial, Railroads, Utility, and Special Franchise. Localities will also be permitted, under either bill, to create one subclass within a class. If this or similar legislation is enacted, income and use will continue to be the major determinants of an individual property's tax bill as before **Hellerstein,** but more equitably.

Footnotes and references for the above piece are available upon request.

EATING OUT

by Dave Berck

RATING SYSTEM: I rate a restaurant on a zero to four plus system (++++). Factors that add or subtract from the rating are: food quality, service, ambiance, and price.

Eating out can be fun, without the need for fancy surroundings and high prices. Sometimes getting together with a couple of friends and eating at one of their houses can be just as entertaining; but for those who cannot cook or are too lazy, here are two restaurants that are worth trying.

++½ **WO HOP**, 17 Mott Street, New York City

Wo Hop is situated in the heart of Chinatown and thus you are among some of the great chefs of New York. Wo Hop specializes in non spicy Cantonese and Mandarin food. Due to the tremendous selection I will recommend a meal for four, although you should stay with your favorites if desired. The menu offers a selection that is diverse enough to satisfy any serious eater. An advance warning: There are two Wo Hops, one upstairs, one downstairs. Go downstairs, even if there is a long line. Wo Hop is open 23 hours a day; they close early in the morning to clean. To start your meal I recommend a soup rarely offered in Chinese restaurants: Yung Chow Wor Suey Kow. Do not let the name scare you, for this soup thrills the palate. The soup will serve four, although the menu says two, and contains pork, duck, chicken, and suey kows. Suey kows look like wontons but contain a special surprise. Pork Chow Fon is a dish that can only be ordered in Chinatown. Chow Fon means broad noodles and is a must for those who have never tried it. Secondly, shrimp in black bean sauce has a tangy quality that cannot be matched. Finally, Chow Har Kow, which is deep fried shrimp with vegetables; there is a chicken version of this dish as well. Wo Hop is consistent, but lacks any spicy cuisine. Also, it lacks any ambiance, but the service is good. If you crave good Cantonese food, at any time of the night, and do not care about atmosphere, I highly recommend Wo Hop. By the way, you cannot beat the price.

++½ **SPAIN**, West 13th Street, between 6th and 7th, New York City

By the name, I need not give the ethnic background of this restaurant. Spain has those little touches that make eating out a delight. We were served spare ribs at the bar with our drinks and given the choice of sitting in the main part of the restaurant or in a private room. I recommend the latter because of the quaint atmosphere away from the hustle and bustle. The menu has a nice selection of seafood and meats; but the four of us stayed with the seafood. The portions are enormous and spiced in a Spanish style.

We were immediately served a salad which is like shrimp cocktail without the shrimp. Everything that followed the salad was a glutton's fantasy. I ordered Zaruela's Espanol, mixed seafood with a red sauce that has a spicy quality that tingles in the back of the throat like good Hunan cooking. The dish had a small lobster tail, some crab meat, small baby octopus and a lot of mixed fish.

Other dishes we tried were Mariscados in Egg Sauce, which is an enormous pot of mussels, clams and small shrimp in a thin egg sauce and Paella with lobster that was spiced to perfection, and served on a bed of rice. All dishes are served with a saffron rice. The sangria is very tasty but costs eight dollars a pitcher. The service was fabulous and the ambiance is adequate. Each meal is moderately priced at about seven dollars an entree.

For those of you who are not too lazy to cook for yourselves, enclosed is a review of a meal, and the recipes so you can try it.

++++½ **MAZZEO'S ABODE** (Private Residence)

Chief Chef: R. Louis Mazzeo; **Guest Chef Appearances:** D. Myles Berck. Specializes in gourmet dishes from all over the world.

Appetizer:
Broiled Scallops with Tarragon

Take 1½ cups dry white wine; 1 cup oil; 3 minced garlic cloves; 1 teaspoon tarragon; 1 teaspoon pepper; 1½ pounds of sea scallops (large ones).

Marinate the scallops in the above ingredients for two hours in a deep bowl. Place the scallops on small skewers and broil them, close to the flame, for about 4 to 8 minutes, turning occasionally.

Soup: Clam Chowder a la Bob

Cook five strips of bacon in a deep pot in order to render fat. Throw in two large onions and fry them. At the same time boil up three potatoes and dice them. Combine two dozen large clams (raw), the potatoes, salt and pepper to taste, and enough water to cover the clams and potatoes. Cook on a low flame for half hour. Add two cups of milk, a sprinkling of nutmeg, and more pepper and salt to taste. Cook 15 minutes and serve.

Main Course: Swordfish Steaks

Swordfish can be very dry if not cooked correctly. The steaks should be an inch to an inch and a half thick. Place them on a broiler, six inches from the flame. Sprinkle the steaks with garlic and pepper and coat with lots of butter. Cook on one side for five minutes, turn over, coat the other side with butter and put fried onions and mushrooms on top of the fish. Cook for five more minutes.

Mazzeo's Abode cannot be visited by anyone, but I personally attest to the food. It is very expensive, I have seen better ambiance, but the food and service, like the company, cannot be beat.

Hofstra Competes...

(Continued from page 1)

ability to work within the time limit.

Hofstra's gracious and well-prepared hosting of the event was precipitated by last year's NITA (National Institute of Trial Advocacy) program. Inspired by NITA, Mark Kalmanowitz and Debbie Wallerstein, third year students at Hofstra, began to organize a trial advocacy competition within the school. The widespread enthusiasm and cooperation of the administration, faculty and students enabled Hofstra to be the host of the regional competition. Dean Regan and Associate Dean Resnick were supportive and provided a $1,000 grant from the Dean's budget which was matched by the Student Representatives.

Kalmanowitz said, speaking about Assistant Dean Sherry Friedman, "I can't begin to say enough good things about what she's done for us." As a result Friedman will be presented with an award for her invaluable assistance. The students who contributed their time and energy are too numerous to mention. Wallerstein added "And without Judge (Paul) Widlitz, we wouldn't have had the (New York Supreme) Courthouse" in which the competition was held.

About Hofstra's part in the competition, Kalmanowitz said, "There's a lot that needs to be corrected here, but it's very gratifying to see people willing to put their money where their mouth is . I hope this will be the start of a new wave of student activism in this school."

This year, first place winner was Boston College, with Syracuse University finishing second. Hofstra shared the honors of third place with Cornell.

Syracuse was also awarded the New York State Bar Association trophy and $2,000.

Monroe Goes To D.C....

(Continued from page 1)

however, at the request of the Dean's office, continue to teach Lawyer's Ethics on Thursday mornings. When asked how this will work into his busy schedule, Prof. Freedman remarked humorously, "It takes longer for my wife to commute to Manhattan by the L.I.R.R. then does it for me to get back to Washington from Hofstra Law by shuttle."

After teaching an hour of Ethics from 9-10 A.M., "I'm back at my desk for lunch by 12:15," says the new Director, pleased.

The Order establishing the Council terminates before the Fall 1981 term begins. When asked whether Professor Freedman will at that time again pick up full teaching assignments at the Law School, Dean Regan responded, "Yes, he is expected back. And if upon returning, Professor Freedman again wishes to teach Contracts, it will most likely be available for him to do so." Concerning Constitutional Law instruction for next term, Dean Regan indicated that as of yet, all plans regarding that course are uncertain.

Advertisement

Why are so many first year students enrolling in bar review courses?

Until a few years ago no one thought about a bar review course before their senior year. Today, however, close to half of all those taking courses enroll in their first or second year of law school and early enrollments in at least one major bar review course — the Josephson BRC (Marino-Josephson/BRC in New York) — are at an unprecedented rate. There are three apparent reasons for this development none of which have anything to do with preparation for the bar exam itself.

First, more and more law students are looking ahead at the spiraling costs of legal education in general, and bar review courses in particular. Over the last three years tuition costs of bar review courses have risen between 20-30% ($100-$150) in most states and the next three years could be worse. *Under special early enrollment programs, students (with only a moderate deposit) actually roll back tuition costs to less than 1979 prices.*

In New York, for example, this means that a student enrolling early will pay only $325 as against a likely $495 tuition in 1981 and $525 tuition in 1982. In New Jersey and Pennsylvania (where fewer subjects are tested), the early enrollee may receive the course for $250 (Basic Course) or $325 (PLS Course) representing at least a $100 savings from 1981 prices.

Second, in return for the benefit of assured enrollments and anticipated lower marketing costs, the BRC course has developed an extremely attractive package with the Center for Creative Educational Services (CES) called National Alliance to Fight Inflation (NAFI), which provides immediate benefits that substantially exceed the required deposit. The newest program (terminating March 21 in most states) provides a generous assortment of study aids and cash discounts which many first year law students have found to be irresistible.

For a payment of $50 (which will be fully credited toward bar review tuition), the student receives free first year outlines in four major areas (Contracts, Criminal Law, Criminal Procedure and Torts), a free cassette tape program on "How to Write Law School Exams," two 50% cash coupons on *Sum & Substance of Law* tapes (worth about $30) and a Preferred Student Discount Card entitling the student to a 10% cash discount on all CES purchases made from a CES or BRC office. Moreover, the student can exchange the four first year outlines for another four outlines in the second year at no extra cost. The value of the outlines and discounts exceeds $100 and the ability to roll back the bar course tuition probably saves well over $100.

Third, there has been a conscious effort by BRC and Marino-Josephson/BRC to remove psychological impediments to early enrollment by allowing free transfer to any BRC course in the country in the senior year (for the student who is not sure what state he or she will practice in), and a no penalty withdrawal for students who drop out or fail out of law school.

Another factor which has undoubtedly contributed to the early enrollment momentum is the increasing reputation of the BRC courses and CES materials and tapes. Special impartial studies done by law school administrators have consistently shown that BRC students outperform others at each level of class standing. Much of this success is attributed to BRC's unique Programmed Learning System (PLS) and its emphasis on writing and testing skills. As a result, in 1980, BRC expects to enroll over 14,000 students nationwide. At the same time, the CES *Sum & Substance* series of books and tapes has gained widespread recognition among both law students and teachers as the finest law study aids available.

Whatever the reasons, however, the facts are clear: more and more first year students are thinking ahead and enrolling in BRC courses now.

Josephson Bar Review Center of America, Inc.
Marino-Josephson BRC / New York Office: 71 Broadway, 17th Floor, New York, NY 10006, (212)344-6180

Monthly Business...

(Continued from page 5)

limits the government's ability to implement the policy.

In 1933-4, a gold bullion standard went into effect. With the Gold Reserve Act, the Executive Orders and banking laws, Roosevelt acknowledged the limitations of having gold in circulation. The Act removed all gold coin from circulation, prohibited individual ownership of gold and partially demonetized gold. "Demonetize" means that the "thing" itself no longer has intrinsic value. Foreign central banks could still redeem their dollars for gold, so debt payments could still be made in this way. The bullion standard still made the government keep the value of its currency equal to the value of the percentage backing. (At this point the currency was 40 percent backed in gold.) It also required the government to freely buy and sell gold at a fixed price. At this time the dollar was devalued 41 percent, making the new official price $35 (it had been $20.67) or 13.71 grains. This was a recognition of the 1929 depression and the inflationary spirals that had crippled much of the globe. Most other nations never made it back to the gold standard at all. They valued their currency in terms of money that was on the gold standard. By 1934 the U.S. was the only major nation with any sort of gold standard and the dollar was the currency around which the other nations valued their currency. This is how the dollar became the world's reserve currency. While the dollar was weak after the devaluation, it was still far stronger than most other currencies. The devaluation, which is a nation's way of saying that its currency has an inflated value, purposely seeks to bring about a rise in price. This makes goods cost more and restricts the ability to buy.

In 1944, representatives of 43 nations met at Bretton Woods. The plan generated there embodied the gold bullion standard, but carried the principle even further. Each country was to fix the "par" value of its currency, but except for the United States, was under no obligation to convert the money into gold upon demand. However, it did have to maintain its currency unit within one percent of the fixed value by buying or selling other currencies, principally dollars, when its own currency showed signs of deviation from its par.

Only the U.S. was obligated to maintain its currency within one percent of par by agreeing to buy and sell gold at the official rate ($35) on demand of central banks. This made the U.S. dollar the sub structure of all the world's money. It placed a tremendous responsibility on us to carefully monitor inflation, deficit spending and balance of payments positions. Yet Bretton Woods allowed inflation in other nations, in fact, it had that specifically in mind.

Treasury holdings of gold grew until, in 1949, we had over 70 percent of the world's reserves. U.S. deficit spending increased and negative balance of payment positions created large dollar holdings in Europe which were redeemable in gold. Nearly 11 billion ounces, almost one-half of our reserves flowed out. Meanwhile, central banks were unable to maintain the low fixed level and the free market price rose over the official level. A two-tier market was created where the official value of gold was used in transactions between governments and the free market price for everyone else. We were able to manipulate things so that prices didn't deviate too much, but the measures couldn't last forever and they didn't. By the mid-60's several stop-gap efforts were made including percentage backing and an official recognition of the two-tier system.

Wars in Korea and Vietnam continued the outflow of dollars and, coupled with wartime deficit spending, created a highly inflated dollar. In 1971, Nixon finally announced that we would no longer redeem our dollars in gold to anyone. An 8 percent devaluation followed (gold at $38), but it wasn't enough and another 10 percent devaluation followed soon after (sold at $42.22—the official price today).

Gold has no official role in the system any more. It is one facet of the currency backing and no more. It has no set value and can't be used to settle international debt. Backing the system now is the full faith and credit of the U.S. government. As of December 31, 1974, U.S. citizens were allowed to own gold in any form they choose.

The reason the gold standard became less useful was inflation. A fear prevailed that the finite supply would too greatly restrict economic growth while, strangely enough, that was one of the main positive functions it was supposed to serve. But domestic policy caused the reason to bow. Further, with the advent of the two-tier system, it became readily apparent that the U.S. could not maintain the official price any longer and would merely use up its reserves in the attempt. It is essential to a gold standard that people be willing to sell gold to the Treasury in times of depression. When the Treasury offered $35 and the market offered more, where do you think the gold went? For the system to operate you need a strong currency and little inflation or deficit spending. The dollar was not up to it, not at the cost of pursuing advantageous domestic policy. We no longer wished or were able to be the world's banker.

The volatility of gold and the inflationary environment in which currencies operate, contributed heavily to which the cost of energy makes gold an undesirable underpinning to any monetary system. There will be no total demonetization of dollars, but gold will continue to be a strong part of the reserve structure. Ultimately the currency value derives from the ability of the nation to produce goods, receive taxes and pay debt. When put in these terms, the possibility of control and fiscal disintegrity relating to the money supply is great. For this reason some economists advocate the return to the gold standard, but while this may be economically valid, it seems to disregard the functional operation of the world economy. A partial return to the gold standard ideals, that is, increasing gold's economic function, might be a good idea. The Europeans are doing just that in several specialized situations.

Last March the European Monetary System (EMS) was created. EMS uses 20 percent of its member's gold reserves as partial backing for a fund that allows member central banks to intervene on foreign exchange markets to support the value of their currencies. Also the International Monetary Fund created a special international reserve account using gold as the backing. These Special Drawing Rights (SDR), a-k-a paper gold, are defined in terms of gold, and can be used to settle debts between nations and for other international finance. SDR's show that we must still reckon with gold as a backing. Gold and currencies are deeply intertwined, despite U.S. efforts to the contrary.

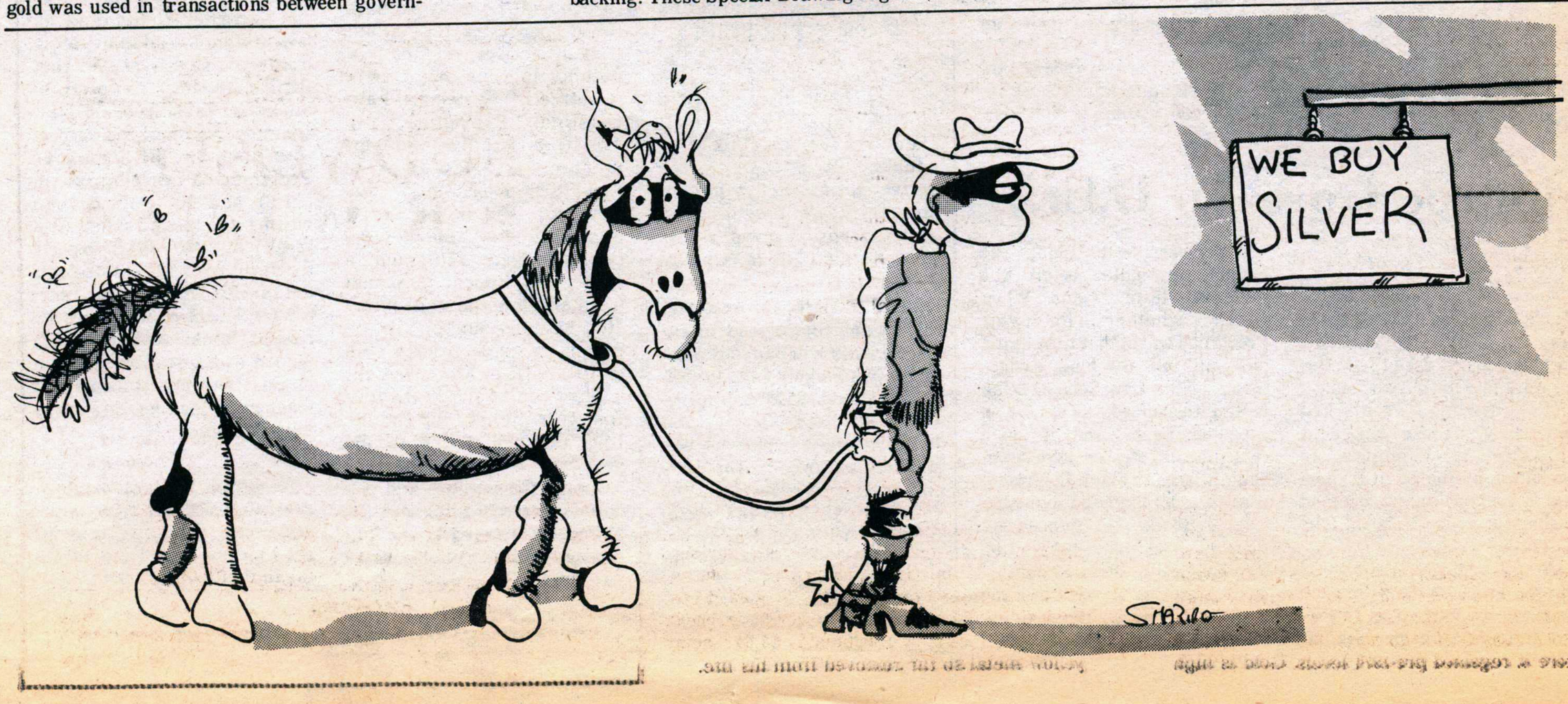
In the past when the price of gold rose, the value of the dollar dropped. However, that was in the days when gold prices moved as a matter of economics. Today gold is moving due to political events and the dollars is more independent. The flight to gold has affected all currencies equally, so that relative to each other no one has lost. It's an example of the "plague hitting all the houses at once; no one is sicker than another." For this reason the world's governments have decided not to intervene in the market, but to let gold run its own show. However, the high prices attached to gold may lure some governments into sales, as when last month Canada sold 252,000 ounces for $174 million. Other governments feel that this will be harmful in the long run; contributing to inflation, and the cost of oil.

Why oil? Right now there is a pressing need to recycle petro-profits. Members of the oil cartel are taking in so much money, $50 million per day, $250 billion since 1973, that they literally don't know what to do with it all. We should all have such problems! These oil sheiks don't want to hold dollars, as they can be seized, frozen, inflated or devalued. Events in the Middle-East have made trusting any government a risky affair and certainly not a situation the sheiks wish to endure. Gold is anonymous, accepted everywhere, easily hidden, stable and finite in quantity. It is a reflection of the basic fear of inflation and a government's ability to maneuver money. A fundamental problem exists: the sheiks want gold and the central banks who have the largest holdings aren't selling, so that the gold that is available is being driven sky high in price as enormous amounts of oil money chase the little available gold. If the central banks were to sell reserves they would make a lot of money now, but ultimately weaken their currency by giving oil producers impetus to raise prices further. Oil prices have jumped enough as it is without adding fuel to the fire.

On January 16, 1980 the Treasury Dept. confirmed a meeting of the U.S., West Germany, France, Japan and Great Britain to discuss the world gold situation. No details were announced, but the ban on sales is expected to continue. Right now, the only regular source of gold sales is the IMF which has sales slated through May. After that they have announced suspension of sales. All profits from IMF sales go to the poorest member nations: to date more than $1 billion has been distributed to Egypt, Pakistan, the Philippines, Thailand and Zaire.

We must realize that today gold is not a cause, but an effect. It is a barometer of international anxiety. Events in Iran and Afghanistan, and the ill health of Marshall Tito, draw the Soviet gunboats diplomacy to the forefront of price considerations. Uncertainty about government and economics in these vital areas makes paper money an unattractive holding. People would rather have a sterile, stable investment that will retain value no matter what than have income potential on a security that would be worthless in

(Continued on page 15)



Gold...

(Continued from page 14)

six months. The bottom line is that governments may come and go but gold will always be.

A summary of present price factors includes reduced supply, increased demand, oil price hikes, Soviet gunboat diplomacy, U.S. deficit spending, negative balance of payment positions, general inflation, freezing Iranian assets, lack of American leadership in world economic and foreign affairs creating a distrust of government. This distrust is driving the price of gold skyward. Trying to determine where gold will go next is like trying to figure out which way the dice will fall. Some upward adjustment of gold was expected, as it had been undervalued for a while, but the fierceness of the change was totally unexpected. As long as politics, not economics, governs price changes and situations continue to remain unstable, there is no reason to expect gold to drop much. However, one announcement from the U.S. regarding the Soviets could send gold off to either new heights or a quick and painful fall.

Price jumps have helped many nations in a variety of ways. The two largest beneficiaries are the producers, Russia and South Africa. Together they produce more gold than the rest of the world combined. South Africa sells 700 tons each year. Each $10 wholesale price rise per ounce increases their revenues over $200 million. What this means is that they have that much more money to buy other needed goods on the world marketplace. South Africa's official reserves have jumped from $2.5 billion to $7 billion very quickly making it one of the world's richest nations on a per capita basis. The government is considering a 10 percent tax cut across the board for 1981. Not everyone shares in the wealth, however. Black laborers that dig the stuff are paid $40 per week, which keeps production costs artificially low and enables the government to reap that much more profit. Nice, huh!?

Russia, like the oil producers, is quickly realizing the value of keeping the gold in the ground. By leaving it there, supplies are ~~restricted and prices rise. Slowly~~ mining the ore and letting it hit the market slowly helps put more money in the nation's treasury. Since last October, Russia stopped selling gold. South Africa has also taken to limiting sales this year. This policy makes good economic sense and reflects a long term view. While we, who don't directly benefit, may not like it, the rationale is self-evident and reasonable.

That's not to say the U.S. doesn't benefit too. It does, as do all the major holders of gold. The U.S. has by far the largest reserves, totalling some 263 million ounces. West Germany, next in line, has less than half that amount, followed by France, Switzerland (which, incidentally, still backs their currency in gold) and Italy. At $700 an ounce the U.S. reserves are worth $180 billion. Now, reserves are worth more than our external debt. For every $100 rise per ounce" the U.S. makes $26 billion. This strengthens the value of the dollar abroad and helps our credit rating. Conversely, nations such as Britain and Japan, both having little gold, are hurt by the sharp price increases for the very same reasons we benefit.

The U.S. is tapping the profit potential of gold indirectly, via sales of miscellaneous gold holdings. Presently "escape and evasion" kits are offered for sale at over $500 per kit. These kits were issued to paratroopers and aircraft crewmen during WWII and in Korea. Among other things, they contain gold coins and jewelry, and were put there for use in bartering. They will be sold by the Defense Property Disposal Services, by bid, starting February 12 at the regional office in Columbus, Ohio.

Secondly, Congress has recently passed a law requiring that the Treasury use 1 million ounces in each of the next five years to strike one-half and one ounce commemorative coins. The official price ($42.22) of gold will not apply. Pricing will be set by the N.Y. market on the day the buyer submits the order. 2.5 percent will be charged for production and delivery costs. This is a welcome proposal and will hopefully put a dent in the booming sale of Krugerrands.

As stated earlier, gold is not a true investment but a store of value. Short term profits can be made, but timing is essential. There's really no way to predict short term price trends, so if you want to get involved in this, you'd best have money to lose. Of course, if you do hit everything right you can make quite a bit. Warning from recent history: From late 1974 to mid 1976 gold lost over one-third of its value. It took until 1978 before it regained pre-1974 levels. Gold is high now, but what goes up can just as easily come down, especially with the weird motivations of the market today.

But suppose you want to invest anyway or perhaps have a lot of money you wish to preserve (which is the proper role of gold). There are several mediums through which one can transact business: bullion, coins or jewelry. It takes a lot (read: A LOT) of money to play in the bullion arena. This is where the big boys play and they play a high stakes game. Trading is done through a commodity market-metal exchange. Margin must be used with all the inherent risks and advantages. With the wide price swings, using margin is extremely risky unless great sums of money are available to back up your judgement. Bear in mind that the markets deal in round lot 100 ounce contracts; that calls for big bucks!

Gold coin is the realm of the small investor (the normal human being type). These may be purchased through banks or brokers. They have the advantage of being of a known purity (which saves expensive and cannibalistic assaying tests) and they are available. They cost slightly more than the gold content value, they need insurance, storage and commissions on sales and unless the market is right, may be subject to retail-wholesale price differentials. So, for the short term these additional costs could easily chew up potential profits. As a long term hedge, they are useful to the investor without a lot of money. But even for that person, investment in an income producing security might well be more advisable. In short, for the small investor, gold is not the place to be.

As for jewelry, consider a letter (to ED: excerpted from **Newsday**) from a disappointed redeemer: "When gold was at $800 an ounce, I inquired at a jewelry store what they were paying for gold. The answer: $8 per pennyweight. Looking it up, a pennyweight is one-twentieth of an ounce—they would only pay $160 per ounce!" To a dealer, gold ties up a large amount of capital now. It has to be held for a period of time, and its resale price is difficult to anticipate. If sold for melt value, retailers must contend with smelters that have more than they can handle, and, delay payments. Furthermore, the quoted price per ounce is for pure gold. If your jewelry is 14k gold, it is only 58 percent pure gold and the price is pro rated accordingly. That is, of course, after the assaying fee is taken out. Nonetheless, people are redeeming gold in record amounts. This has resulted in the melting of many pieces with artistic value. An odd source, but a substantial one, is the several million dollars worth of gold fillings redeemed annually.

Gold's high value has led to many rather strange crimes. Unethical morticians have taken fillings from their clients' mouths and sold them. Gold dust worth nearly $370,000 was vacuumed off the floor of a precious metals refinery by a (former) employee, whom San Francisco FBI agents believe now to be in Mexico. Fraudulent telephone schemes selling future contracts abound, so beware!

Other metals and commodities are taking a lemming-like attitude and following the rapid advances of gold. Silver has actually increased more than gold percentage-wise; it rose from $6 to $44 in less than twelve months. Silver, however, is quite probably reacting to the cornering efforts of Bunker Hunt. He has quite a bit of the available silver and is not selling but continues to buy. If he decides to sell, a market glut would ensue with a commensurate bottoming of price. The commodity exchanges in N.Y. and Chicago have increased the margin requirements further in an effort to slow investor speculation. Interestingly, copper, now selling at $1.30 per pound, will cause the penny to be worth more than one cent if it crosses the $1.50 per pound mark.

To the individual in the street, gold and other metals have little direct impact. However, photographic silver price increases caused Kodak to hike prices 15 to 50 percent for film. Silver is used in dental work, for x-rays, and many electronics are made with precious metals. Obviously, the price of jewelry has skyrocketed too. Sales of safes and safe deposit rentals have also soared. So, too, have sales of gold mining and detection equipment.

But the real cost to the man or woman on the street, will be the price paid in increased inflation. Gold could easily make the dollar drop in value; it hasn't yet and no one is quite sure why. This is true even though the dollar is not directly tied to gold anymore, as oil interests, for one, and then gold purchases, contribute to the inflationary impact on the dollar. If gold drops, there will be higher prices for everything which, in no small way, is attributable to the shiny yellow metal so far removed from his life.

Impressions

The Waiting Game

by Kenneth Mollins

Hey Sal, how was your vacation?

Oh, it was great, but I just couldn't wait to get back!

Oh yeah, why's that?

Well, I knew the grades weren't up and I love to wait around for weeks just guessing when they'll be up. The suspense makes coming back to law school exciting. I left my home early and I only had to wait ½ hour for a spot so it wasn't too bad. It's fun waiting around the parking lot trying to guess which car will be the next to go. I was still early for class so I went to the Xerox room to make a copy of my resume. You never know who you'll meet waiting for a turn at the machine. I spoke with the few students before me on line and before I knew it, my turn had come. You can really learn a lot about people while you wait on line.

So, this is why you couldn't wait to be back?

No! There are plenty more good reasons. I dashed to my next class and . . .

You ran up the steps?

No, of course not. I waited for the elevator. When I got to the third floor I saw that I really didn't have to rush because I had to wait for the class before mine to exit. I talked with all of my friends about the excitement of the new semester. Unfortunately, my first class was a real bore and I couldn't wait for it to end.

Oh, I'm beginning to see why you couldn't wait to get back.

Sure! I had a three-hour break before Con-Law so I went to see one of my professors. I waited outside of his office for awhile while he spoke to another student. The student appeared as if she were never going to finish but I wasn't disgusted. I spoke with other professors as they walked by and then I went to make a call. Only a few minute wait for the phone and after my call I went to lunch.

Where did you eat?

You know, I'm glad to see the deli's doing so well. It's always packed but the wait is never more than 15 minutes. Anyway, I brought a sandwich back, waited for a table to clear in the student lounge and had lunch.

You seem to have fallen back into the pre-vacation rut pretty quickly. Are you sure you're glad to be back?

You're right, it does seem to be a rut. All this waiting and waiting over and over each day. I must have been crazy thinking I was happy to be back!

Are you a second year student?

Yeah.

Don't worry. Things will get better. Just wait till next year.

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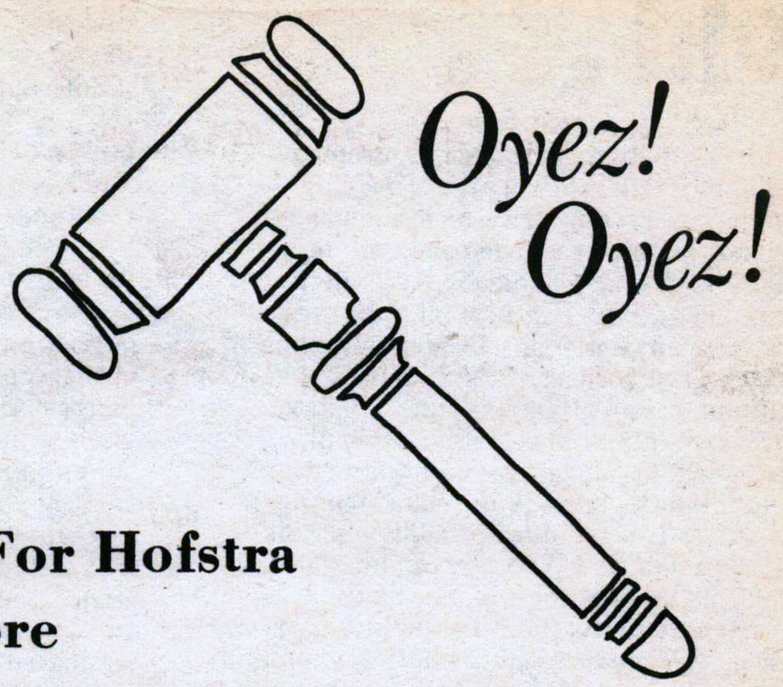

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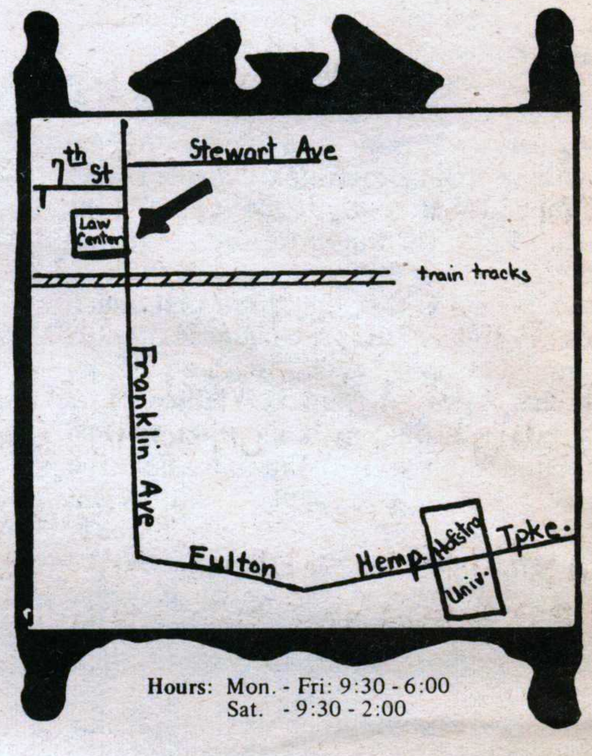

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