

Chernenko takes Soviet reins, vows to keep up military strength

By ROXINNE ERVASTI
Associated Press Writer

MOSCOW — Konstantin U. Chernenko, a pillar of the Kremlin's old guard, was named leader of the Soviet Union yesterday. He vowed in his first speech to maintain the country's military strength as a counter to "the hot heads of militant adventurists."

But the 72-year-old successor to the late Yuri V. Andropov said he supported the Soviet policy of seeking "peaceful coexistence" with the West.

Vice President George Bush, in Moscow for Andropov's funeral, has said the Kremlin power shift could be a "turning point" in Soviet-American relations.

But some Washington officials expected little change, despite publication Sunday of a comment by Chernenko that "it is more important than ever before to multiply our efforts toward mutual understanding." The statement was written before Andropov's death.

In his first speech as party secretary, before the Central Committee yesterday, Chernenko said, "The U.S.S.R. will cooperate in full measure with all states which are prepared to assist through practical deeds to lessening international tensions and creating an atmosphere of trust in the world."

U.S.-Soviet relations have deteriorated badly. The Soviets broke off two sets of arms reduction talks last fall over deployment of new NATO missiles in Europe. The United States has been urging resumption.

Soviet foreign policy altered little during the brief tenure of Andropov and because Chernenko was so closely identified with Brezhnev it seemed unlikely he would make radical changes.

Chernenko, lifelong ally of the late President Leonid I. Brezhnev, is the oldest man ever to become general secretary of the Communist Party.

When Brezhnev died in November 1982, it was widely believed that Chernenko was Andropov's rival for the party leadership. After Andropov won it

appeared that Chernenko's political future was in doubt, but he retained enough influence in the top party ranks to grasp the top party post.

Chernenko was chosen by his 11 fellow members of the ruling Politburo. Unanimous approval yesterday by the Central Committee was announced by the official news media at 2 p.m. (6 a.m. EST), as heads of state and government leaders from around the world gathered to attend Andropov's funeral.

The new general secretary does not yet have the additional title of president, with which Andropov and Brezhnev consolidated their power. The presidency probably will remain vacant until the Supreme Soviet — or parliament — next meets, and elections for the new Parliament are scheduled for March 4.

Tass said Chernenko opened yesterday's special session of the Central Committee, which praised Andropov as an "outstanding leader of the Communist Party and the Soviet state, an ardent patriot, Leninist, a tireless fighter for peace."

Premier Nikolai A. Tikhonov, 78, made the official nominating speech.

Chernenko's career has been a slow and steady climb up the party ladder, alongside his mentor and friend of 30 years, Brezhnev. Tikhonov took note of the decades of party work in his nomination:

"Konstantin Ustinovich... knew the hard peasant labor, the service as a soldier, and everyday activities of a regional party committee in the countryside."

He called Chernenko a "talented organizer of the masses, an ardent propagandist of Marxist-Leninist ideas, an unshakable fighter for putting into life the policy of our great party."

In his own speech, Chernenko made no specific proposals for resumption of U.S.-Soviet dialogue, and sounded the standard line in foreign policy, saying, "we can very well see the threat created today to humankind by the reckless, adventurist actions of imperialism's aggressive forces."

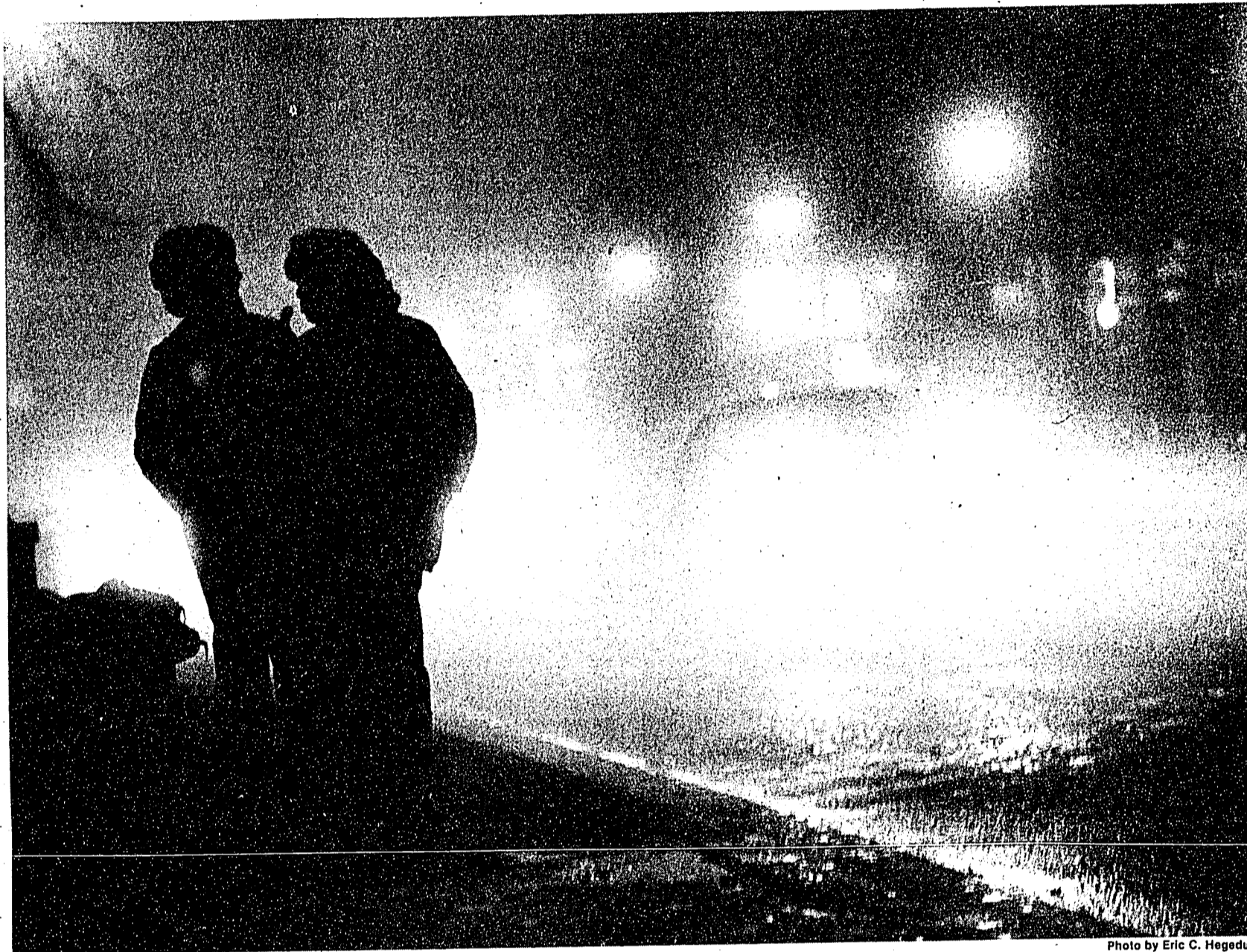


Photo by Eric C. Hegedus

London visions

Amid the fog that rolled through Happy Valley on Sunday night, two people wait for a bus at College Avenue and South Allen Street.

Budget effects on PSU hard to predict

More money may not mean more aid to students, Brugel says

By ANITA J. KATZ
Collegian Staff Writer

While the proposed state budget calls for increased student aid, officials say it is too early to estimate what effects the proposals will have on University students.

John Brugel, director of the University Office of Student Aid, said the Pennsylvania Higher Education Assistance Agency considers a number of factors each year when determining aid distributions, and it is impossible to know how a proposed increase in funding would be distributed.

Brugel, who has not yet seen a copy of the budget, said, "More money to PHEAA may not mean

more awards to University students.

"It may mean students will be awarded higher amounts, or it may make awards available to a different population of students, such as part-time students."

Although the governor's budget proposes increases to student financial aid programs, President Reagan's budget for the 1985 fiscal year calls for cuts in student aid.

Reagan's budget proposals include increases in funding for Guaranteed Student Loans and College Work-Study programs, but also call for the elimination of Supplemental Education Opportunity Grants, State Student Incentive Grants and National

Direct Student Loans.

Brugel said although he does not believe Congress will approve Reagan's proposals, the proposed increases to PHEAA would not compensate for the federal cuts if they were approved.

"But we have better circumstances this year (with the proposed 7 percent increase in funding) than if PHEAA were to have zero funding," he said.

The governor's budget proposals for higher education and financial aid should be passed by the state general assembly without revision, a spokeswoman for the state Department of Education said.

Ann Whitmer, press secretary, said the budget is "outstanding as

far as education is concerned."

The budget calls for a 7 percent increase in funding to community colleges, state-related universities and the Pennsylvania Higher Education Assistance Agency.

Whitmer said she does not expect any major battles this year over the education part of the budget "but one never knows for sure."

However, legislators will continue to battle over Thornburgh's proposal to sell the state liquor system to private owners, she said. The governor has proposed to use the money from the sale — estimated to be between \$150 and \$200 million — to upgrade science and computer courses and equipment.

No-fault halt:

Thornburgh repeals law, makes insurance optional

By BEVERLY IVENS
Collegian Staff Writer

Gov. Dick Thornburgh yesterday formally announced he signed legislation repealing Pennsylvania's no-fault auto insurance law and making automobile insurance optional for consumers.

Thornburgh had until Sunday to sign Senate Bill 942, repealing the state's no-fault insurance law. Thornburgh also signed companion Senate Bill 300 amending the original repeal bill as part of a compromise between legislative leadership and the governor.

Under the new law, effective Oct. 1, auto insurance coverage will no longer be mandatory. However, uninsured drivers must prove to the Department of Motor Vehicles they have assets worth at least \$47,500 in case of liability.

Uninsured drivers are currently eligible for unlimited medical benefits through the assigned claims fund. The new law replaces that fund with a catastrophic loss fund which will not be available to uninsured drivers. The new fund will provide benefits to insured motorists suffering damages of more than \$100,000 and less than \$1 million. An annual \$5 fee from every motorist will

support the fund.

The unlimited medical benefits required under no-fault would no longer be required. Instead, the new law mandates a minimum of \$10,000 in personal injury coverage.

There is some concern among opponents of the legislation that the gap between the \$10,000 required coverage and the \$100,000 minimum to qualify for the catastrophic loss fund could create problems. However, supporters of the legislation say that medical insurance will fill the gap.

The third party coverage required under no-fault will remain the same — \$15,000 per person and \$30,000 per accident. Work loss benefits of at least \$5,000 and funeral expense benefits of at least \$1,500 are also included in the new law.

The procedure for implementing insurance rate changes will be modified under the new law. Insurance companies currently must file requests with the state and wait for state review and approval before implementing the change. For a one year period, the state will be required to approve or reject the request within a 45-day period. If within that time no decision is made, insurance companies will be free to implement the rate change.

The \$750 threshold for pain and suffering suits

will be eliminated under new law. Because of this, opponents of the bill say courts will be clogged with petty suits. Thornburgh said in a prepared statement the lack of a threshold is a "deficiency which warrants future legislative action."

Two groups representing insurance companies have taken a strong stand on the law. The Insurance Federation of Pennsylvania, the largest trade association for Pennsylvania insurance companies, supports the repeal.

Making insurance affordable, controlling escalating premium costs and addressing the problem of uninsured motorists are the three major concerns of the federation, Director of Insurance Information Lee Feibinger said.

"It (no-fault coverage) is a fine package — it's an expensive package — but when people can't afford it then it doesn't work," he said.

However, the American Insurance Association — the second largest representative of Pennsylvania insurance companies — opposes repeal of no-fault, spokesman Loudon Campbell said.

"We think it (the repeal law) is going to reduce benefits without a corresponding reduction in costs," he said.

tuesday

inside

- The reaction of authority figures to a case of child molestation has a great deal to do with the psychological impact the incident has on the victim.....Page 2
- About 45 students have applied to reside in the interest community that would allow students from various campus groups to live in a self-governing setting, a project sponsor said yesterday.....Page 4
- Konstantin U. Chernenko takes over as Soviet Communist Party chief at a time of severe strain in U.S.-Soviet relations, and American officials do not believe the leadership change foreshadows an easing of tensions over the short term.....Page 6

index

- Classifieds.....4
- Free Lance.....3
- Opinions.....8
- Sports.....11
- State/nation/world.....6

weather

Cloudy today and tonight with rain and fog. The rain may be heavy at times with a high today of 48 and a low tonight of 42. Showers will end tomorrow with some clearing late in the afternoon. The high will be near 52.

.....by Glenn Rolph

fyi

Lovelines appear on Page 13.