

"All the News  
That's Fit to Print"

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THURSDAY, DECEMBER 9, 1993

**National Edition**  
Southern California: Sunny. Near sea-  
level readings with highs upper  
40's to lower 70's. Tonight, fair. Low  
near 50. Weather map and forecasts  
for other areas are on page B5.

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## Picture of Suspect Emerges in Long Island Killings



Colin Ferguson, the suspect in the Long Island Rail Road rampage Tuesday night, being led to his arraignment yesterday. Among those who died were Dennis McCarthy, top, and Maria Theresa Magtoto.

**1** By JAMES BARRON  
The man accused of opening fire on a Long Island Rail Road commuter train and killing five people was arraigned on murder charges yesterday, as officials released a sheet of handwritten notes in which he vented his rage about everyone from Gov. Mario M. Cuomo to the state Workers' Compensation Board to Asians, whites and "Uncle Tom Negroes."

The suspect was identified as Colin Ferguson, 35, of Brooklyn, a native of Jamaica who had worked at a Long Island burglar alarm company and had taken courses at Adelphi University in Garden City N.Y., as recently as last year.

The notes, apparently written by Mr. Ferguson in tight, tiny letters, were found in his pocket after he was wrestled to the floor by three passengers. The notes indicated that he was planning to wait to pull the trigger until the crowded rush-hour train had crossed the city line into Nassau County "because of my respect for Mayor David Dinkins" and Police Commissioner Raymond W. Kelly. "NYC was spared," he wrote, even though he took issue with "the sloppy running of the #2 train" and the New York City Transit Police.

Evidence of Careful Planning  
As frightened commuters tried to return to their familiar rush-hour routines yesterday, the authorities offered indications that Mr. Ferguson had planned the shooting spree carefully. Law-enforcement officials said he had bought the 9-millimeter semiautomatic handgun last May, traveling to Los Angeles to make the \$400 purchase and sitting out the 15-day waiting period required under California's gun laws. And on Tuesday he packed more than 100 rounds of ammunition in a small duffel bag, apparently so that he could reload quickly.

As Mr. Ferguson was being booked and fingerprinted yesterday, the death toll climbed to five yesterday, with 21 hurt. Eighteen of the injured were shooting victims, of whom one was breathing with a respirator yesterday. Two others were apparently hurt in the stampede of passengers as frightened commuters fled to adjacent cars on the train.

## Notes Found as Gunman Was Seized on Train Set Forth His Rage

Mr. Ferguson, a pudgy-looking black man whose hands were cuffed behind him, was held without bail after his arraignment yesterday afternoon on four counts of second-degree murder and a weapons charge. The fifth victim died later, and the authorities said a fifth murder count would be filed.

To Be Treated as Bias Case  
Mr. Ferguson said nothing at the hearing, and did not enter a plea. He was brought into the courtroom with his head hanging down, his chin against his chest. Five minutes later, he was gone.

As he was led from the courtroom, he turned to a television reporter, who asked if he hated whites.  
"It's a lie," Mr. Ferguson said.

But Barry Grennan, chief of the major offense bureau of the Nassau County District Attorney's Office, said that the case would be treated as a bias crime, based on the notes found in Mr. Ferguson's pocket after three passen-

gers were killed.

Using this assumption, Lawrence S. Levin, chairman of Lewin-VHI, said "The Administration's cost estimates are overly optimistic," but the Clinton plan still reduces the Federal budget deficit, and it holds together logically.

It meets the President's requirement of providing universal coverage, and it does so without relying on an increase in broad-based income taxes.

John F. Shells, chief author of the Lewin study, said that from 1995 to the year 2000 the Clinton proposal would cost the Government \$7.6 billion more than the Administration's estimate of \$26 billion. It would reduce the Federal budget deficit by a cumulative total of \$25 billion in that period, rather than the \$10 billion predicted by the Administration, he said.

Alice M. Rivlin, Deputy Director of the Office of Management and Budget, welcomed Mr. Lewin's report as a

## ANALYSIS SAYS COST OF HEALTH EFFORT IS UNDERESTIMATED

BUT LOWER DEFICIT IS SEEN  
An Independent Study Projects Larger Premiums Than Are Forecast in Clinton Plan

**2** By ROBERT PEAR  
Special to The New York Times  
WASHINGTON, Dec. 8 — A comprehensive analysis of President Clinton's health plan says that it would reduce the Federal budget deficit, as Mr. Clinton said, but that the costs to Government and business would be higher than advertised by the White House.

In the most complete independent analysis of Mr. Clinton's plan, Lewin-VHI, a respected nonpartisan consulting concern, said today that insurance premiums for the wide range of health benefits promised by Mr. Clinton would be higher than estimated by the White House. Under the Clinton plan, employers would pay at least 60 percent of such premiums, and consumers would generally pay the remainder.

The study accepts Mr. Clinton's assumption that the Federal Government can slow the rate of increase in health care spending by regulating insurance premiums and by increasing competition among doctors and hospitals.

"Estimates Overly Optimistic"  
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## Xerox Is Latest To Cut Payroll

**3** The Xerox Corporation is joining a growing list of big companies that are sharply cutting back their payrolls in an effort to become more efficient and improve profits.  
Xerox announced that it would cut more than 10,000 jobs, or nearly 10 percent of its work force, over the next three years.  
Since Sept. 1, more than a dozen big companies have announced plans to cut more than 5 percent of their jobs. Earlier this week, RJR Nabisco said it would eliminate 8 percent of its work force. And in the last year, giants like I.B.M. and General Motors have said they would shed tens of thousands of workers.

Business Day, page C1.

## Mexican Vows Some Changes In Voting Rules

By TIM GOLDEN  
Special to The New York Times  
MEXICO CITY, Dec. 8 — Seeking to dispel doubts about the fairness of Mexico's political process, the governing party's presidential candidate has promised to issue detailed fundraising and spending reports and take other steps to insure the credibility of elections next year.

In an interview Tuesday, the candidate, Luis Donaldo Colosio Murrieta, outlined a campaign strategy that seemed less about winning than about routing the memory of a 1988 vote that many Mexicans believe President Carlos Salinas de Gortari won by fraud.

Mr. Colosio is the overwhelming favorite in the election, scheduled for next August.  
For the first time in the 64 years that his party has governed, Mr. Colosio said he would issue regular reports on where his campaign was getting its funds and how they were being spent. He said that he opposed former election monitors, but that he would propose a wider role for Mexican-born election observers and would accept an independent audit of the voter rolls.

"This is in the short term," said Mr. Colosio, a 45-year-old former Secretary of Social Development. "In the medium term, I would propose to continue the democratic transformation of the country so that future generations can be confident of the political process, and that there will be clear rules in politics as there are in the economy."

Changes Called Insufficient  
Most of the changes Mr. Colosio endorsed appeared merely an elaboration on steps already contemplated by the Government or on new electoral laws approved this summer. The leaders of several election-monitoring groups said that the changes were encouraging but that they considered them far from sufficient to guarantee a democratic process next August.

Diaks did not like the deal and its regulations because they required excessive paperwork.  
Under the newly proposed standards, regulators would evaluate banks

## CLINTON PROPOSES TOUGH NEW RULES ON BIAS BY BANKS

BROADER ACCESS TO CREDIT  
Administration Sees Minorities Gaining Billions of Dollars in New Loan Availability

By JOHN H. CUSHMAN Jr.  
Special to The New York Times  
WASHINGTON, Dec. 8 — The Clinton Administration proposed tough new tests today designed to insure that banks end discrimination in their lending to minorities and people with low and moderate incomes.

The changes are the latest development in a yearlong effort by the Administration to broaden access to credit, financial services and investment. Administration officials predicted that people and businesses in these communities would have new access that they might not otherwise have to billions of dollars of credit once the proposals take effect in 1995.

The regulations, which set higher standards for banks to meet, for the first time apply objective measurements on three levels. Banks would be tested in several ways to determine if their loan activities in specific neighborhoods are fair, whether they are making investments in the community's growth by making grants for economic development, and whether they are providing a full array of customer services.

Although Federal examiners would still have a fair amount of leeway in determining whether an institution is complying with the law, banks could for the first time face sanctions like bonding orders, or even fines, to change their practices.

Added Powers for Regulators  
That would give regulators additional powers. Now a bank's poor record in this area can affect whether regulators will permit bank acquisitions or mergers, and banks that fail are vulnerable to legal challenges by community groups or regulators.

The proposal is the most important modification to equal lending enforcement since 1977, when Congress passed the Community Reinvestment Act. That law was designed to force banks to make loans to individuals, businesses and groups in neighborhoods that many of the nation's larger financial institutions had shunned.

While the law has been effective in some respects, there were growing complaints from consumer groups that the method for evaluating a bank's lending activity was too lenient. While it is not strictly prohibited, racial discrimination has been going on, numerous studies, including one from bank regulators, reported that minority applicants for home mortgages, for instance, were denied loans at a higher rate than whites even when other social factors were considered.

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Under the newly proposed standards, regulators would evaluate banks

## Video Game Industry to Issue Ratings in Response to Critics

**4** By EDMUND L. ANDREWS  
Special to The New York Times  
WASHINGTON, Dec. 8 — Amid growing concern about blood and sex in home video games, and eager to avoid Government intervention, several of the biggest game companies and retailers in the country will announce plans tomorrow to establish an industry-controlled ratings board similar to the one used for rating movies.

The effort is being led largely by Sega Enterprises, the second-largest video game company in the United States. It includes Nintendo of America, the biggest game, and retailers like Sears and Toys "R Us."

The plan is an attempt to head off legislation that would establish a stricter rating system. A Senate hearing on that legislation is also scheduled for tomorrow.

The industry's proposal would create a board that would design a rating system under which games would be rated before they went to market. Participating manufacturers would label the games and retailers would try to enforce the guidelines.

Details on how the board would be constituted and how a ratings system would be enforced at the retail level have not been decided.  
Though the companies have not decided how the ratings would be designed, they could resemble a system that Sega recently imposed on its games.

## International Report Card Shows U.S. Schools Work

By WILLIAM CELIS III  
For the workplace, much of the real training is being done by two-year community colleges, whose long tradition of vocational education is being strengthened through Federal, state and local grants.  
The report offers a statistical portrait of American education that is far more favorable than several studies undertaken in recent years by American educational institutions. The study, however, has indicated that American students lag their counterparts elsewhere in core academic subjects and that scores on standardized college entrance exams have been sliding in recent years.

Scores Are Stabilizing  
But in recent years, the free fall in entrance exams has stopped, and scores in math and science have also stabilized. The study released today finds, for example, that American students score above average in reading comprehension and about average in science.

The study also showed that, despite criticism of early childhood education in the United States, 90.2 percent of all 5-year-olds attend public or private early childhood programs, a percentage that places the country among the top five nations surveyed out of 24.

Describing the report as "full of pluses and minuses," Education Secretary Richard W. Riley said yesterday that the study "illustrates why the American habit of being comfortable with just being average comes up short in the new global economic environment." Mr. Riley said the report "confirms why there is an urgent need to press ahead in our con-

Continued on Page A4, Column 1

## Russians Survey Crossroads Of Business and the Ballot

**5** By STEVEN ERLANGER  
Special to The New York Times  
TOMSK, Russia, Dec. 8 — This is Russia's first modern political campaign, and here in freezing Tomsk, 1,800 miles from Moscow, Russians are discovering the political power of big business.

Thus huge Siberian province, larger than Germany but with only a million people, is dominated by oil, timber and military industries, which in the past were largely insulated from the Soviet Communist Party.

With the party broken, the desire of big industry to have its own candidate in Russia's new parliament, which is to be elected on Sunday, is hardly surprising. What is more striking is the political alliance these old Communist barons have formed with new private business.

Having It Both Ways  
The managers of these big businesses, many of them under strong state influence, do not oppose the essence of market reforms. Nor are they against getting rich.  
But they want the transition to be slower and safer, and they want the Government to play a bigger role through investment, credit, purchase and sales tax policies.

If their candidates do well, that is likely to slow economic change and prolong inflation.  
The race in Tomsk also shows the dominance of well-known local per-

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