

Cranston Presses Congress To Act On Tight Money

WASHINGTON, D.C. — Senate Democratic Whip Alan Cranston (Calif.) said Thursday, March 18, Congress should order the Federal Reserve Board to "follow a policy that would bring about lower interest rates".

"The Fed, though independent, is a creature of Congress and Congress has the power to compel the Board to ease its tight money policy," Cranston told a luncheon meeting of the Century 21 National Brokers Communication Congress at the Capitol Hilton Hotel.

Cranston, a member of the Senate Banking Committee, said he will introduce legislation directing the Fed to comply with a timetable President Reagan and Congress last year agreed should be followed to determine how rapidly the money supply should be allowed to grow.

It was understood that the rate of growth should be reduced gradually over the next five years, "but the Fed is more than eighteen months ahead of schedule," Cranston said.

"This restrictive money policy is choking

off economic recovery. Along with towering deficits, it is helping produce sky-high interest rates that are creating bankruptcies, unemployment and recession, and threatening to produce a depression.

"If we can bring down the deficit and hold it down, it seems clear that we can afford to let the supply of money go back to the course originally chartered for 1982."

He said his legislation should be considered as part of an overall package to reduce the deficit and head toward a balanced budget that also includes:

- Exploring all areas of potential savings in federal programs, including defense.

- Deferring both the cut in individual income taxes slated for 1982 and the indexing of the tax code, scheduled to go into effect the following year.

- Closing tax loopholes, including the controversial leasing provision of the 1981 tax cut.

"A lowered deficit would permit a slightly expansive monetary policy without incurring great risk of rekindling

inflation, Cranston said. "Monetary growth would simply be back on course and conditions would be favorable for a noninflationary recovery."

"It simply is not accurate to say, as some people do, that Fed action to lower short-term rates by any modest easing of its tight money policy now would rekindle inflation."

"We can combine prosperity with low inflation. But to reach that middle course there must be a major relaxation of the Fed's tight money, high-interest rate grip."

[AN] A unit of 45 commandoes from South Africa's 32 Battalion raided a camp of SWAPO guerrillas in Angola last week, the South African Defence Force announced. The unit, said the statement, killed 201 guerrillas of the Namibian nationalist movement who were in a temporary transit camp fourteen miles into

Angola, suffering only three fatalities in their own unit. SWAPO's UN Ambassador Theo Benjumb, however, says that those killed were primarily refugees, not guerrillas. Under guerrilla war conditions, he said, such large numbers of the insurgents were never grouped in one place. The 32 Battalion is largely composed of

black and white foreign mercenaries recruited into the South African army, and it has been accused by deserters of committing atrocities in its repeated raids into Angolan territory.

The South African commander in Namibia, Maj. Gen. Charles Lloyd, charged that cans of corned beef from Zimbabwe found at the scene of last week's action showed the com-

placency of the Zimbabwe government in SWAPO's guerrilla campaign. However, Derek Bensley, managing director of Liebig's Ltd., in Bulawayo, which canned the beef said the cans could easily have been purchased through normal commercial channels.

No detailed SWAPO account of the most recent attack is available. But a SWAPO com-

unique in February reported a total of 360 South African soldiers put out of action in January by SWAPO attacks, as well as the downing of one helicopter and one Impala fighter-bomber. Another SWAPO statement in early March said guerrillas had attacked a South African base at Okaho in Namibia, killing some 100 of the defenders.



PONTIAC, MICH. — Ricardo Ellington, who wishes to be called Raquel, is escorted by deputies to court March 18 where Oakland County Circuit Judge George LaPlata will determine whether the convicted thief will go to a male or female prison. Ellington is undergoing a sex change procedure which is still incomplete.

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Angola Business Under Attack

(Continued from Page 17)

ners. "They're very businesslike, and we have found it to be a mutually advantageous relationship." Gulf, which began operations in Angola in 1957, gets 49% of the Cabinda oil field's output — which totals about 71,000 barrels per day. Total Angolan production is about 160,000 barrels daily.

In the view of critics, Gulf's activities go against the grain of current U.S. foreign policy. "Here we have Gulf supporting a Marxist government, a Soviet-sponsored government — Cuban soldiers, and the SWAPO bases — which is inconsistent with the stated policy of the Reagan administration," said Smoak's law partner and Trade Council chairman Carl Shipley in a separate interview.

Wooten, who is senior director of planning and policy analysis at Gulf, sharply disagreed: "We have been encouraged over the years to maintain financial ties with Angola, both by word and deed. This was true under the Carter administration and it's been true under the Reagan administration."

He cited the decision last November by the Export-Import Bank to extend \$85 million in credit for a \$160 million gas injection project to substantially boost output in the company's Angolan fields.

(The U.S.-Namibia Council has also filed suit to block that loan by the American government-run lending agency.)

On Wednesday (March 24), Gulf is scheduled to take part, along with other companies doing business in Angola and those that are interested in learning more about potential opportunities, in an all-day seminar on Angola's economic prospects at the Georgetown University Center for Strategic and International Studies. Angola will be represented by senior government officials, including the governor of the Banco Nacional de Angola, Jose Carlos Victor de Carvalho.

Significantly, Reagan administration officials from Commerce, State, and the Agency for International Development along with representatives from the Export-

Import Bank, the World Bank and the International Monetary Fund will take part. The meeting was organized by Helen Kitchen, director of African Studies at the Center, whose predecessor was the Assistant Secretary of State for African Affairs Chester Crocker.

Smoak, who has good relations with senior administration officials (he served on the Reagan transition team at the State Department) and Shipley believe the president remains committed to a southern African policy they can support. "Certainly, we get hard-line talk all through the government," Shipley said.

"It's hard for me to believe that Reagan — having campaigned in 1979 on the Namibian question — would let that be his first great foreign policy fumble — that he would extend diplomatic recognition to Angola. But he may. Maybe Chase Manhattan is big enough to bring it about," he added, referring to recent remarks by the bank's retired chairman, David Rockefeller.

Rockefeller visited Angola last month and he has since gone on record favoring the normalization of U.S./Angolan relations.

In an interview with the *Los Angeles Times* published March 4, Secretary of State Alexander Haig said: "I've been in close touch with David Rockefeller on the Angolan question and in general he has been very helpful to the executive branch." Asked about restoring normal relations without the removal of Cuban troops, he said the U.S. wants "to set in train a process which would lead to their withdrawal and to recognize that there's an empirical relationship between that withdrawal and the withdrawal of the South Africans from Namibia and the independence of Namibia. And that sounded like heresy ten months ago and it is now becoming rather broadly understood and accepted."

Angola, meanwhile, remains, according to diplomatic sources, unconvinced that the U.S. is not at least complicit in aggression against its territory, including the latest raid on March 13 by South African forces

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