

# Carter inefficiency fuels inflation rate, prof says

By JIM HUMMEL  
Staff Writer

President Carter's lack of leadership is the underlying cause of the nation's continuing price and wage inflation, Professor Maurice Lee of the UNC School of Business Administration said this week.

"If the Carter administration had instituted strong policies over the past two years, we wouldn't be where we are today," Lee said.

The federal government this week released reports indicating inflation as a prime contender for the spot of No. 1 economic problem. As a result of spiraling inflation, conditions on other economic fronts appear to be worsening.

"I think the dollar is as much a problem internationally as it is here at home," Lee said. "You can't blame it on oil prices because when you look at the rise in the cost of oil over the last two years, it's less than the inflation rate."

The government report revealed a .7 percent drop in the leading economic indicators, the first downward movement since January. But Lee said looking at the leading indicators alone does not give a complete picture of what direction the economy will take.

"There are a number of indicators used to predict the course we're taking. But it is possible for those to point in one direction and the economy not follow," he said.

Other infrequently used indicators do not predict the same downward trend as the leading indicators, he said.

Another cause of rapid inflation rates is excessive congressional spending,

according to Roger Waud, a professor of economics at the University.

"Congress is spending faster than tax money can be taken in," Waud said. "Trade deficit, inflation rate and other things are difficulties we'll have to deal with (over the long run). But this is one area that will have to quickly be brought under control."

President Carter said he will toughen his anti-inflation program, but he has not set specific guidelines. One thing the president said he will not do is institute wage and price controls unless a national emergency arises.

Both Waud and Lee agreed that wage and price controls are not effective in combating inflation.

"I think these controls are only a temporary solution. They will not be effective in the long run," Waud said. "I think at this point we should get away from gas regulations so we will not be forced to import oil from other countries."

Closer to home, Lee said the economy of North Carolina is in good shape. Wachovia Bank & Trust Co. this week issued a report pointing to rises in various business indicators across the state. The overall index was up .1 percent from the June level.

Lee said the Tar Heel economy is growing steadily and should continue to do so. Traditionally, North Carolina has not necessarily mirrored national economic changes.

"As we become more developed (in North Carolina), though, we fluctuate with the rest of the country. We are beginning to grow and see more advanced technology," Lee said.

### For The Record

A story which appeared in the Thursday *Daily Tar Heel* concerning the conflict between the CGC and the UNC Media Board incorrectly identified Frances Sparrow, director of the Student Activities Fund Office, as Mildred Sparrow.

The *DTH* also reported that Sparrow refused to approve a transaction between the Media Board and the *Alchemist*, but Sparrow does not have this power. She must abide by what the CGC approves.

The reference to a loan sought by the *Alchemist* also was incorrect. The approved moneys came in the form of a grant, not a loan.

# News in Brief

## House upholds Carter's carrier veto

WASHINGTON (AP) — President Carter won a surprisingly strong victory in his first veto confrontation with Congress as the House upheld on Thursday his rejection of the Defense Authorization Act and its \$2 billion nuclear aircraft carrier.

Despite an intensive bipartisan campaign mounted by the armed services committees in both House and Senate to override the Aug. 17 veto, Carter was sustained with power to spare.

The vote to override failed 191-206, or 74 votes short of the necessary two-thirds. Leaders on both sides of the issue had predicted a much closer outcome.

The overall \$37 billion measure vetoed by the president was sent back to committee, where the carrier, decried by Carter as wasteful, will be deleted and other projects may be added at his behest.

## Fretwell to be UNC-C chancellor

E.K. Fretwell Jr., president of the State University of New York College at Buffalo, is expected to be elected chancellor of UNC-Charlotte, according to published reports.

UNC President William C. Friday will recommend Fretwell for the chancellor's job. *The Charlotte Observer* said Thursday.

Fretwell's election by the full UNC Board of Governors is expected today, according to the paper.

The board will select a successor to Dean Colvard who is retiring at the end of this year as chancellor of the 9,000-student university.

## Senate approves judicial reform bill

WASHINGTON (AP) — The Senate approved a bill Thursday to establish a council that could remove federal judges who are disabled or who violate "good behavior."

The bill, passed by a 43-31 margin, now goes to the House where action this session is considered doubtful.

Sen. Sam Nunn, D-Ga., the bill's sponsor, said the measure was needed because the constitutional provision for impeaching incompetent, disabled or corrupt judges is rarely used.

Opponents argued that the legislation would tamper with constitutional safeguards designed to protect an independent federal judiciary.

The bill would establish a Council on Judicial Tenure, consisting of one judge elected from each of the 11 circuits of the federal judiciary and one from each of three special federal courts.

## 'Whistleblowers' will not be prosecuted

WASHINGTON (AP) — The Justice Department has ordered U.S. attorneys not to prosecute "whistleblowers" on charges of stealing government information.

In a memorandum distributed Wednesday, Assistant Attorney General Philip Heymann, head of the criminal division, said it is inappropriate to bring such charges against public officials who reveal government information "for the primary purpose of public exposure of the material."

However, Heymann said officials could still be charged with other offenses, such as unauthorized dissemination or possession of government information. Daniel Ellsberg was charged under that law in the Pentagon Papers case as well as under a law prohibiting theft of government property.

## Duke Power Co. gets rate hike

RALEIGH (AP) — The N.C. Utilities Commission made a minor adjustment and then gave final approval Wednesday to a \$40.3 million rate increase for Duke Power Co. that will boost charges by approximately 5.25 percent.

The rate increase was made effective for service rendered on and after Sept. 1, and Duke was told to notify its customers of the rate change by first class mail during the next normal billing cycle.

# Classifieds

**Announcements**  
A LOVING TIME! "And walk in love, as Christ also has loved us." Eph 5:2. Full Gospel Fellowship tonight, 7:00 pm UNION. Come where the LOVE is!

**CREW IS CATCHING on all over campus.** Come join us, the UNC Crew Club. Watch the Campus Calendar.

**ATTENTION VOLUNTEERS** Organizational meetings for those interested in working at Unstead Psychiatric Hospital will be held Tues. Sept. 12 and Wed. Sept. 13 at 7:30 pm, Rm 215 Student Union. If unable to attend, please inquire at the Campus YMCA.

**ATTENTION SOCIAL COMMITTEES:** Nightshift, Chapel Hill's finest dance band, still has some open dates on their Fall Schedule. Book the best! Call 933-9876 after 6 PM

**Personals**  
K.B.: I can't understand it. Arno should've said something by NOW. Could be he needs some encouragement. I'll speak with him. Wood. Signed, Unshaven.  
JEPPIY: My dearest Tribble. I love you bunches! It's the little things that mean so much—Liebchen. P.S. Let's get Rowdy!

**WANTED: ADVENTUROUS MALE WITH EXCELLENT PHYSIQUE** for birthday party cake. Personal interview required. Excellent fringe benefits. Call 929-9302.

**POOF: I LOVE YOU** and what's his name's not ground ain't half bad either (what of it there isn't). Tigger says hello and he misses you muchly. Later, Honey.

**HAPPY BIRTHDAY PAULA,** Pee, Pinball Wizard, and Title 9! We love all of you! Janet, Teresa, and Bab

**For Sale**  
GOOD CAMERA! Olympus OM-1 for 300.00\$. Includes 50 mm lens, filters, two focusing screens, strap and lens case. Call now! 933-1259 days or 942-2368 nights. (Mary) negotiate!

**FOR SALE: FRIGIDAIRE** 6 cu. ft. ref. Royal blue with wood veneer top. Good condition, \$130. Call 929-3686 ask for Tom or Mike.

**HARMON HARMON RECEIVER** 80 watts per channel. Good condition. Has several features smaller receivers don't. Call 929-9006 set a time to come by for demonstration.

**USED FURNITURE.** Over 10,000 square feet of desks, chests, tables, chairs, sofas, beds, lamps, rockers, bookcases. Hundreds of UNFINISHED ITEMS. TRADING POST South Greensboro Street, Carrboro 942-2017.

**MOBILE HOME FOR SALE** Good condition, all appliances, A.C., two bedrooms & nice wooded location. Partly furnished. \$2750. Call 967-7180.

**MOTORCYCLE.** HONDA 250-XL, just tuned. Excellent condition. 6000 miles. Can be seen at Laurel Ridge Apts., Chapel Hill, daily. \$425 firm. 489-8206 Durham, nites.

**LOST: SMALL BLACK AND WHITE CAT** in vicinity of McCauley Street. Call 967-1741 or come by 305 Pittsboro Street. Cat may answer to "Stella."

**LOST CAT!** Reward for finding my sister's Abyssinian. Ransom Street area. Has brown 'wild rabbit'-like fur. It scares easily. Call Mike 967-6531. Name: Paque.

**Help Wanted**  
BABYSITTER NEEDED: 5 year old girl, Thurs. from 1:30-3:30 pm, occasionally later. Starts Sept. 14. Pay \$1.25/hr. Colony Woods near Eastgate. Own transportation. 967-8448.  
WANTED: MALE VOCALIST to sing lead in promising new top 40 dance band. Should have good range. Call 933-6024 or stop by 5 Old East, ask for Chuck.

**HELP WANTED:** Part time cooks and waitresses needed. Flexible hours. Apply in person at Peppi's, 208 W. Franklin St. and 15-501 By-pass at Eastgate.

**WAITRESSES AND COOKS** needed for evening and day work. Contact THE CREPE ROOM, Willow Park Mall, Chapel Hill Blvd. 489-6017

**PART TIME JOB** providing after school care for 7 yr. old boy, Mon & Wed 2:30 to 5 PM. Must have car. 929-6607 after 5 PM.

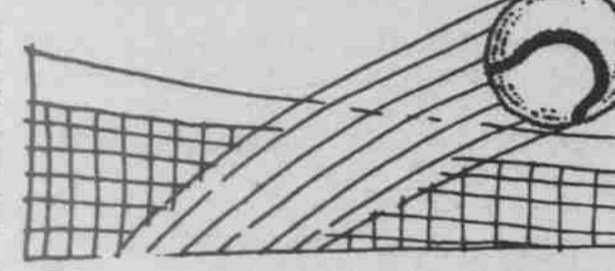
**AFTER SCHOOL CHILD CARE** needed for 7 yr. old boy. Monday through Thursday from 3 pm to 5:30 pm. Male or female acceptable. Call 929-3614.

**ADORABLE ONE YEAR OLD GIRL** needs to be picked up on campus and cared for at our home 3-4 days/week, noon to 3:30 pm, 929-2690.

**WANTED STUDENT TO GO TO WILMINGTON** Sunday 2 pm, return Monday night. To assist in repairing apartments, \$3.50/hr. plus room/board. Phone 929-1795, Prof. Brandes.

**Business Manager**  
Katie Neal

## It's your return that counts!



**FRESHMEN & SOPHOMORES** with math or physics background. You may be eligible for: Scholarships \$100 a month Summer cruises and after graduation: An opportunity to enter the best nuclear power training program available.

Call Lt. M.M. Graves  
933-1198/2344

**Red Cross is counting on you.**

Where else can you spend a nickel and walk away with a book?

The Old Book Corner  
137-A E. Rosemary St.  
CHAPEL HILL, N. C. 27514

**ASAHI PENTAX K1000**

When you're ready for a camera of elegant simplicity, but with just enough features for your own needs: The Pentax K 1000

K 1000 with 40mm f/2.8 lens 159.95  
K 1000 with 50mm f/2 lens 169.95

PHOTOsynthesis has everything you need for your Photography Class!  
**Sale on Developing Tanks and Reels**

Durst Plastic Tanks with 2 Reels only 5.95

Stainless Steel Tanks from 5.95

**PHOTOSYNTHESIS**  
PHOTOGRAPHIC CENTER  
UNIVERSITY MALL • CHAPEL HILL • 929-5555 Open 10-9, Mon.-Sat.

**STUDENTS ONLY**

Renting furniture for a 3-room apartment costs less than 3 beers per day with our STUDENT FURNITURE RENTAL PLAN. **\$37.88<sup>+</sup>**

2631 Chapel Hill Boulevard  
933-1481  
9:00 am - 5:30 pm, 9:30 Sat

FREE DELIVERY

**Classified info**

Pick up ads in any classified box at all DTH pickup spots or at DTH Office.

Return ad and check or money order to DTH Office 12:00 (noon) 1 day before the ad will run or in campus mail 2 days before. Ad's must be prepaid.

Rates: 25 words or less  
Students — \$1.75  
Non-students — \$2.75  
5¢ for each additional word  
\$1.00 for boxed ad or hold type

Please notify the DTH Office if there are mistakes in your ad, immediately! We will only be responsible for the first ad run.

The *Daily Tar Heel* is published by the Daily Tar Heel Board of Directors of the University of North Carolina daily Monday through Friday during the regular academic year except during exam period, vacations and summer sessions. The *Summer Tar Heel* is published weekly on Thursdays during the summer sessions.

Offices are at the Frank Porter Graham Student Union Building, University of North Carolina, Chapel Hill, N.C. 27514. Telephone numbers: News, Sports — 933-0245, 933-0246, 933-0252, 933-0372; Business, Circulation, Advertising — 933-1163.

Subscription rates: \$30 per year; \$15.00 per semester.

The Campus Governing Council shall have powers to determine the Student Activities Fee and to appropriate all revenue derived from the Student Activities Fee (11.14 of the Student Constitution). The *Daily Tar Heel* is a student organization.

The *Daily Tar Heel* reserves the right to regulate the typographical use of all advertisements and to revise or turn away copy it considers objectionable.

The *Daily Tar Heel* will not consider adjustments or payment for any typographical errors or erroneous insertion unless notice is given to the Business Manager within (1) one day after the advertisement appears, within (1) day of receiving the last sheets or subscription of the paper. The *Daily Tar Heel* will not be responsible for more than one incorrect insertion of an advertisement scheduled to run several times. Notice for such correction must be given before the next insertion.

Clare Bagley Business Manager  
Katie Neal Advertising Manager