

NATIONAL

President tapes message to be broadcast on Iraqi television

From Associated Press reports

WASHINGTON — President Bush videotaped a message Wednesday telling the Iraqi people he has "no quarrel" with them and they should blame any hardship from the Mideast crisis on their own government, the White House said.

On the eight-minute tape, which the

White House will broadcast unedited in Iraq, Bush says the U.S. military is in the Persian Gulf only to defend Saudi Arabia from Iraqi aggression.

"We want a peaceful resolution. We want peaceful coexistence with the people of Iraq," Bush says on the tape, according to spokesman Marlin Fitzwater.

The White House held off releasing a transcript, but Fitzwater gave an overview of Bush's comments.

The president's address was intended to create internal problems for Saddam Hussein by emphasizing Iraq's isolation in the world community as a result of the invasion of Kuwait. Bush has said previously he would not be unhappy if

the people of Iraq removed Saddam from power, and the address stressed that Iraqis are paying a heavy price for his actions.

The president consulted with Arab specialists, and met twice with State Department and National Security Council officials to come up with the wording, Fitzwater said.

The Arab specialists were asked to look at the wording "to make sure that the tone of it translates well into Arabic," said one official, speaking on condition of anonymity. "You can write a speech that sounds perfectly good to Western ears," but might not convey the right impression in Arabic, the official said.

Fitzwater described the message as "a very candid but personal description of our goals and our objectives in the region."

"The president was forthright and didn't stage anything, just gave a direct message," said Sig Rogich, Bush's assistant for media consultation who produced the tape for the president.

The White House worked Wednesday on adding Arab subtitles and audio

translation to the tape before sending it to the Iraqi ambassador via Deputy Secretary of State Lawrence Eagleburger.

The Voice of America said in a statement that it was doing the translating before the tape is handed over "to forestall any excuses for not using the tape."

Fitzwater said although there had been no direct contact between the two governments regarding the videotape, "We expect that Iraq will honor its invitation to allow this to be addressed to the Iraqi people, and we will ask them to provide us an air time within the next five days."

He told reporters that the White House will release the tape to the media after it is aired, or after five days if the Iraqis do not show it.

Bush made the tape after the Iraqi government offered to send a TV crew to interview him and broadcast the interview on national television. He opted to make his own tape instead of submitting to an interview.

He taped the message at 7:30 a.m. in the Oval Office, standing in front of his desk and reading from a TelePrompTer.

"Essentially, it repeats some of the themes that the president expressed last night, particularly that we have no quarrel with the Iraqi people, that the Iraqi government has forced incredible hardships on the people of Iraq by virtue of the naked aggression against Kuwait," said Fitzwater.

Asked if Bush used any of the harsh rhetoric against President Saddam Hussein that he has used for domestic consumption, Fitzwater said the message was "personal and it's directed toward the people of Iraq and the hardship they've had to bear in this matter."

The Iraqi government offered Bush TV time after the president stated publicly that he would like to have the access to the Iraqi people that Saddam has had to the American people on U.S. TV networks.

Saddam Hussein's news conferences and appearances with hostages have been widely aired on TV news programs in the United States.

Fitzwater said he anticipated "broad international interest" in Bush's message.

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Commercial banks might collapse in recession, budget experts warn

From Associated Press reports

WASHINGTON — A taxpayer bailout of commercial banks similar to the savings and loan rescue may be necessary if the economy slips into a recession, congressional budget experts told Congress Wednesday.

"We're on thin ice, but the pants are still dry," Congressional Budget Office Director Robert Reischauer told the Senate Banking Committee.

He agreed with an earlier assessment by congressional auditors that the \$13.2 billion Federal Deposit Insurance Corp.'s bank insurance fund could face insolvency.

The General Accounting Office, in the darkest assessment yet of the nation's banking system, said Tuesday declining real estate values and risky bank loans might necessitate a taxpayer bailout for banks if the economy sours.

"The fund is too thinly capitalized to deal with the potential for bank failures in the event of a recession," said Comptroller General Charles Bowsher. "Such an event could exhaust the fund and require a taxpayer bailout."

Asked Wednesday if he agreed with that assessment, Reischauer said, "There is a possibility there, yes."

Even assuming the economy remains stable, he said, the country can expect 600 to 700 banks to fail over the next four years at a net loss to the government of \$5 billion to \$6 billion a year unless bank insurance premiums are raised. That would reduce the annual balance of the fund to \$4 billion, he said.

Legislation removing caps on how much the FDIC can charge for deposit insurance was introduced Wednesday in both the Senate and House by Sen. Donald Reigle, D-Mich., and Rep. Frank Annunzio, D-Ill.

Government figures do not yet show a recession, but many economists contend the economy turned downward when unemployment rose in July and again in August.

"Not since its birth during the Great Depression has the federal system of deposit insurance for commercial banks faced such a period of danger and uncertainty," Bowsher told the Senate

panel Tuesday.

"We have a lot of situations that could wipe the fund out."

With 129 bank failures so far in 1990, FDIC Chairman William Seidman has estimated the insurance fund will incur a net loss of at least \$2 billion this year atop losses of \$5.1 billion in 1988 and 1989.

Bowsher said the situation is much worse. Including "several billions of dollars in losses" that banks have yet to report, Bowsher said the insurance fund could already be insolvent.

At least 15 of this year's bank failures have been among the nation's 200 largest banks. An additional 20 of the largest 200 are expected to fail or require bailout assistance in the next year, Bowsher said. He said total cost to the government would be \$4.4 billion to \$6.6 billion.

In addition, the GAO said, the FDIC has a contingent liability of \$8 billion for troubled loans now held by the acquirers of already-failed banks in Texas.

Altogether, more than 1,100 of the nation's 13,200 commercial banks holding some \$3.3 trillion in federally insured deposits are in financial difficulty, the auditors said.

"A recession would exacerbate their problems and could lead to their failing, as well as the failure of other banks," the GAO auditors said in a 124-page report.

Events

are concerned about the issues," he said.

Attacks on certain politicians because of the budget crisis concerned him, though, he said.

"We're all so anxious that we tend to be frustrated," he said. "The proper thing to do is to show how bad this hurts. We don't gain much when we attack, and we tend to attack those we depend on to help."

McCord also said he felt the activities were a success. "The bottom line is, the message got out," he said. "It was a fairly good turnout."

The involvement of others in the University community in addition to students was important, he said.

Donald Boulton, vice chancellor of student affairs, also expressed his approval of the events.

"I thought there were some excellent speakers at the rally. They made clear, compelling speeches," Boulton said.

Boulton said he was pleased with the turnout from legislators. It was impor-

Cuts

to be valid, or do you wait until information is verified?"

Tuchi said he was hesitant to be optimistic about the announcement from the state budget office. "The information we have (at the University) is that there are no positives in this budget crisis, only negatives."

Funding

before congress, the situation could have been blown out of proportion and a struggle between the congress and the executive branch could have resulted.

At the Student Congress meeting Wednesday night, Hildebolt said, "I have heard some interesting rumors of mamby-pamby game playing going on quite behind my back concerning this bill."

Events

tant for legislators to hear that their constituents are willing to pay more in taxes to improve education, he said.

Boulton and Hildebolt said the next step in solving the University's budget problems was to register voters. Students will be able to vote for legislators who support education, Hildebolt said.

McCord agreed, "Unless we change the minds of legislators, or the legislators themselves, nothing will be done. They need to realize we are their constituents," he said.

Increased gasoline prices and reduced first quarter allotments in University spending are two negatives affecting the University budget, Tuchi said.

Reducing University expenses while ensuring the quality of education is a difficult task, he said.

"When you freeze positions you're

reaching a dollar target, but that's not much of a way to develop programs."

Future uncertainty for UNC students and employees is a problem created by the budget cuts, he said.

"We don't want to subject people in the University to uncertainty, but that's unrealistic."

from page 1

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Campus Calendar

- THURSDAY**
- 10:30 a.m.: The Mu Zeta Chapter of Alpha Phi Alpha Fraternity Inc. is having its annual Voter Registration Drive until 3:30 p.m. in the Pit and South Campus throughout the week. Register to vote!
 - 11 a.m.: The Membership Committee of the Campus Y is having Y Horizons. Stop by anytime until 2 p.m. in the Pit to check out the terrific committees of the Campus Y. Make a difference - we need you!
 - The Black Student Movement is having a membership drive in front of the Union until 2 p.m., today and Friday, \$3 for a year's membership.
 - 3:30 p.m.: Career Planning and Placement Services will hold Job Hunt 101: Basic information on how to use the UCPS office for seniors and graduate students in 210 Hanes.
 - 4:30 p.m.: The Student Environmental Action
- Coalition (SEAC)** will meet in the Campus Y. If you are angry that our state is more concerned with new highways than our education, come to this meeting. Help save our education and the environment!
- 5 p.m.: The International Association of Students in Economics and Business Management (IAESEC) invites all students interested in foreign countries and issues to attend its introductory meeting in 226 Union. Learn about foreign cultures, get a job abroad, travel and have fun with us!
- The Carolina Badminton Club will have an organizational meeting in Fetzer Gym B. All levels of skill are welcome.
- Youth United invites you to join and be a partner to a local teen — organizational meeting in the Campus Y lounge. Also come by the Pit today for more info.
- 5:30 p.m.: The Association of International

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Be On A Union Activities Board Committee. Go Get Info. Today At The Union Desk.

- Students (AIS) will meet in 208-209 Union. Elections for a Cultural Corner Coordinator and for a Social Chairperson will be held, and a guest speaker will give a presentation on the Outer Banks of North Carolina.
- The Performing Arts Committee of the Carolina Union Activities Board is having its first meeting in 210 Union. Please, come express yourself!
- The Elections Board will have its first meeting in the Elections Board Office, 215-A Union.
- 6 p.m.: The Presbyterian Campus Ministry will have an undergraduate dinner at the Presbyterian Student Center, 110 Henderson St.
- University Counseling Center announces "Brothers" discussion and support group for and about African-American male students in the first floor lounge of Ehringhaus Residence Hall. Hank Frierson, Assistant Dean of the Graduate School, will discuss "Graduate and Professional School Opportunities for Black Men." Call 962-2175 for info.
- The Black Business Student Alliance will hold a general body meeting/mixer in the Black Cultural Center. Business-related majors are encouraged to attend. Food will be provided.
- 6:30 p.m.: The Black Student Movement will hold Opeyo! Dance Troupe auditions in Studio B of the Women's Gym until 8:30 p.m. and again Friday 6-8 p.m.
- 7 p.m.: Carolina Fever announces Women's Field Hockey game against Radford, on the astroturf field.
- The UNC Outing Club invites those interested in getting out and enjoying the outdoors to come to its meeting in 205 Union.
- The UNC Popular Culture Study Group will hold its first meeting in 209 Union.
- 7:30 p.m.: The Student Ad hoc Committee for Peace in the Middle East will have an organizational meeting in 307 Dey Hall.
- 8 p.m.: The Science Fiction Writers' Group will meet in 213 Union. All those interested in writing — science fiction or not — are welcome.
- The Spanish/French House: Hoy a las ocho, hay Charlemos para reuniones con todas las personas que hablan español. Ven a charlar con nosotros!
- 11 p.m.: WXYC FM 89.3 will play the new compact disc from Leo Kottke, *Thar's Whar*, in its entirety with no interruptions.
- ITEMS OF INTEREST**
- Carolina Fever needs members to help sell T-shirts in the Pit Sept. 19 and 20. Earn points doing it! Sign up for a time at the office in Suite A of the Union.
- The Elections Board announces that applications are available in Suite A, 215-B; Suite C; and at the Union desk. Return as soon as possible to Suite A, 215-B. Open districts are SC1, SC2, SC16 and SC18.
- The UNC Student Agencies are now open. Services include Movie Courier, Grocery Delivery, Typing and Temporary Help. For more info, stop by 215-A, Suite B, of the Union between 10 a.m. and 9 p.m. Monday-Saturday or 1-6 p.m. on Sunday.
- ModernExtension, UNC's modern dance company, will hold auditions on Sunday, Sept. 16, 6:30-8:30 p.m. in the Women's Gym. Interested male dancers are strongly encouraged to attend!
- The University Counseling Center is offering a Black Graduate Women's Support Group for African-American female graduate and professional students at UNC. For info or to sign up, call 962-2175.
- The University Counseling Center is looking for new members to join its Dissertation Support Group. For information/registration, call 962-2175.
- Student Health Service announces that a Diabetes Educational Group is now forming. Call 966-6562 for information/registration.
- PlayMakers Repertory Company will open its 15th season with "You Never Can Tell," Sept. 12 through Oct. 7 at the Paul Green Theatre.
- UCPPS announces that the Foreign Service Written Exam will be held on Oct. 27. Deadline for receipt of application is Sept. 21. Applications are available in 211 Hanes.
- Get ready for Senior Class Kickoff Sept. 17-22 in the Pit. Look for more details later this week and all next week in the DTH.
- SENIORS 1991**