

# Merged Bank to Have Different Focus

The Associated Press

RALEIGH - The combined First Union-Wachovia may look like a bank with subsidiaries offering other financial services, but the company's bottom line will reflect a diminishing role for banking to millions of average consumers.

The merged company's future continues steering away from the traditional picture of a retail banker - turning deposits from checking and savings accounts into loans - to a richer future from fees generated by making and managing investments.

"It paints a picture of a contemporary, modern financial services company," Tony Plath, a finance professor at UNC-Charlotte, said Tuesday.

The merged company announced Monday would have securities divisions managing nearly \$320 billion in mutual fund and other assets compared to

\$183 billion in total deposits.

In addition, Wachovia's Offitbank subsidiary manages \$15 billion in assets held by wealthy clients around the world, each investing \$10 million or more.

The banks estimate their retail banking operations will generate 46 percent of their profits this year, while brokerage and wealth management services make up 21 percent.

That's expected to change as the banks focus on growth on brokerage and wealth-management fees, close up to 300 bank branches and sell off up to \$2 billion in deposits.

The deposit divestiture may be required to keep the two North Carolina banks from controlling too much of the market in some areas.

Once the merger is smoothed out in three to five years, retail banking profits are expected to drop to about 35 per-

cent to 40 percent of the bottom line. The new bank expects to reap 30 percent to 35 percent of its profits from brokerage and wealth-management services, according to a merger statement filed with the U.S. Securities and Exchange Commission.

The new Wachovia also has set lower profit goals from consumer banking services - 7 percent to 9 percent compared to 15 percent from brokerage and wealth management services and 10 percent from lending and other services to corporations.

Even a 9 percent growth rate for retail banking would mean the new Wachovia was stealing customers from other banks, Plath said.

The industry norm is about a 3 percent increase in deposits per year and a 5 percent annual increase in loans, he said.

Plath said, "Old banking is dying."

probably hamper their getting a job."

### A Challenge to the Courts

The cycle of criminal behavior identified by Philley and Woodall strains the court system.

Three Orange County judges attempted to address problems associated with repeat offenders last year when they signed a letter to the N.C. General Assembly requesting tougher sentencing guidelines for individuals convicted of more than 10 misdemeanor crimes.

"The response of the Sentencing Commission was an expression of concern as to how this increased prison population would be housed," said Orange County District Court Judge Charles Anderson, one of the letter's signatories.

Anderson said concerns about prison overpopulation were just one of the ways in which resource allocation impacted the criminal justice system's ability to deal with repeat offenders.

"It's a resource issue in terms of the number of law enforcement officers, court personnel, district attorneys and judges your county or state wants to pay for," he said.

But some observers believe rehabilitation, not more punishment options, is the best solution.

### The Possibility of Rehabilitation

In an effort to unburden the courts

## GENOME PROJECT

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dent from New York, works with two other graduate students in one of Magnuson's labs. He agreed that genomic research will have a significant impact on future health care. "It's a basic understanding of how we work - how humans are put together on a molecular level," he said. "(It) can certainly lead to future questions - addressing problems that occur within a population and trying to determine causes and treatments."

Mager said his own research work centers on human development. "I'm looking at one gene we've identified to be involved with the way mammals (such as mice) develop," he said. "In the absence of this gene, what goes wrong, and what can I learn about other genes from that?"

He said genetic research with mice can be applied to humans because both fetuses develop in a similar manner.

Funding for UNC's genetic research was initiated in June 2000 by a \$2.6 million grant from the Howard Hughes

Medical Institute, a privately funded philanthropic organization. The recently announced funds consist of private donations - most notably a \$25 million anonymous gift - and public funding such as money from the \$3.1 billion higher education bond passed in November.

Magnuson's research, and that of the department, will soon be aided with a new facility partially funded by the Howard Hughes grant. The Human Biomolecular Building, on which construction started last December, will be located on South Columbia Road next to the Neuroscience Building. Construction is slated to be finished by January 2003.

Marzluff praises the progress of such an ambitious project at a relatively early date. "Progress has been excellent," he said.

Mager echoed Marzluff's sentiments, emphasizing the future consequences of UNC's genetic research. "With the gene being sequenced, we have tools that we never had before," he said. "It's a profound difference in how we approach our work."

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## RACIALS

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The data shows that from Jan. 1, 2000, to Jan. 31, 2001, black drivers stopped by the N.C. Highway Patrol were searched almost twice as often as were white drivers.

But this data is not available at the local level because the statute does not include municipal or county law enforcement agencies.

The Chapel Hill and Carrboro Police Departments and Orange County Sheriff's Department, for example, keep statistics only about citations.

All information about stops made by these agencies is processed through the communications division of Orange County Emergency Management in Hillsborough, but that information does not necessarily include detailed data about the stop, said Gwen Snowden, the agency's deputy director.

"Anytime (the police) do a traffic stop, they call into us," she said. "All we would get is the license number and location, and if the officer happened to say that it was a white male or a black male, we would get that as well."

Snowden said officers did not have to give the reason for the stop.

While proponents of S.B. 147 say information about stops is important to the fight against profiling, some local law enforcement officers say the bill might be unnecessary and counterproductive.

"Don't get me wrong, if there is a perception of racial profiling, we need to do everything we can to investigate and alleviate peoples' concerns," said Carrboro police Capt. John Butler. "But we've already done studies on this in our department, and it's pretty balanced in terms of who's getting cited."

Butler said he was not familiar with the bill's specific provisions, but he feared the bill could negatively affect both the public's perception of the police and the job done by officers.

"The only thing it's going to do is, even if we only have to give a warning we're going to have to tie people up while we write it up the information," he said. "If you've got lazy police officers - which, thank God, we don't - it's going to keep them from stopping people."

But the issue of racial profiling is too important to be disregarded for convenience, said Alan McSurely, a Chapel Hill-based civil rights attorney.

"Ask any black person; they don't just suspect that racial profiling is going on, they know it," he said. "It's happened to their friends. It's happened to their mothers, fathers, sons and daughters." McSurely and others say passing S.B. 147 is just the one step toward documenting the practice of profiling.

Matt Zingraff, associate dean for research in N.C. State University's College of Humanities and Social Sciences, researches racial profiling in North Carolina.

He said traffic stops were not the only stops potentially involving racial profiling.

"Walking stops are detentions, too," he said. "There are fewer cases where people are contesting their detentions and searches when they're walking."

"There's a whole world of racial profiling going on that's not being explored."

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## ELECTION

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have to get students in their district to vote for them as a write-in candidate.

Tuchmayer said students can find out more about the open seats by asking Congress members who will be sitting in the Pit beginning Friday. "The purpose (of the Pit sit) is two-fold," he said. "We want to find out from students what their interests are and let students know about the election."

And Student Body Vice President Rudy Kleysteuber said student government will continue holding special elections until they get the congressional seats filled. "If we don't get enough people, we'll just do it every 30 days for the rest of the year."

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## REPEATS

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ple we see are repeat offenders," he said.

Behind bars, the ratio is even higher.

Of 172 misdemeanants and felons who were convicted in Orange County since October 1994 and who exited North Carolina prisons in the year prior to March 1, 2001, more than 80 percent are repeat offenders.

In Durham County, the figure is just under 85 percent.

### A Familiar Story

After almost four years of patrolling the west Chapel Hill community of Northside, Officer Alan Philley of the Chapel Hill Police Department said he saw little change in repeaters' behavior.

"For most of them, it's the same thing over and over. If they break into cars, they break into cars. If they break into residences, they break into residences."

In addition to residential and car break-ins, repeat offenders are likely to be arrested for shoplifting, larceny, forgery, credit card fraud or dealing drugs, Philley said.

A case in point is that of Glenton Horton, 35, of Chapel Hill. Horton went to prison in February 1997 on charges of breaking and entering and larceny.

He was released four months later.

Since that time, he has been arrested by Chapel Hill police more than 15 times on charges including second-degree trespass, misdemeanor larceny and - most recently - possession of drug paraphernalia.

Horton's most recent charge was dismissed by the district attorney.

Horton was one of six people identified by Chapel Hill police as sample repeat offenders.

The six offenders are not Chapel Hill's worst repeaters. "They're just a subset," said police spokeswoman Jane Cousins.

### A Deeply-Rooted Problem

Both Woodall and Philley said most repeat offender crime can be traced to substance abuse. "There are some people who are just plain mean, but I would guess if you took drugs and alcohol out of the equation, you would eliminate 75 percent of the crime," Woodall said.

He said in addition to substance abuse, other factors such as mental illness contribute to the behavior of some repeat offenders.

Philley said he believed many repeat offenders were caught in a cycle of bad behavior. "For a lot of these repeat offenders, it's what they've done. It may be what they learned growing up, what they've been around their entire lives," he said. "Once they've committed these crimes one, two, three times, they have a felony on their record, and it would

## Campus Calendar

Today

noon - The Sonja H. Stone Black Cultural Center presents Around the Circle: "Exploring the Relationship Between Africans and African-Americans."

How can relationships between Africans and African-Americans be improved? What are the stereotypes that exist? What has been the influence

of African-American popular culture on African society? Join us to discuss these topics.

noon - Professor Patrick O'Neill of the Department of English will present a luncheon talk on "The Present State of Celtic Studies" in Toy Lounge of Dey Hall. Bring lunch and join us!

6 p.m. - The Wesley Foundation will have dinner, followed by a senior worship service.

7 p.m. - The Management and

Society Student Association will hold its last meeting of the year in Union 213.

Anyone interested in becoming an officer for next year should attend.

7 p.m. - The Sangam Executive Board Elections will take place in 209 Manning Hall. Come see what's happening in the South Asian community.

7 p.m. - Come express your views on the student judicial system at an Honor Court forum in the Cobb Residence Hall lobby. Free pizza!

7:30 p.m. - Choice USA and Department of Women's Studies will sponsor the discussion "Reproductive Choice: The Facts Behind the Headlines," in 209 Manning Hall. Panelists will include UNC faculty as well as legal and medical professionals from the community.

Discussion will focus on the global gag rule, comprehensive sex education and mifepristone (RU-486).

8 p.m. - Mary T. Boatwright of Duke University will lecture on "Harmonious Partners: Husbands

and Wives on Tombstones From Rome's Northeastern Frontier (Pannonia)" in 039 Graham Memorial. The event is free & open to the public.

### Thursday

7 p.m. - The Campaign to End the Death Penalty will hold "Close to Death," a forum on crime, punishment and the death penalty.

The event features Darby Tillis, former death-row inmate who was later proven innocent and released; Rose Clark, sister of N.C. death-row inmate; and the sister of a murder victim.

The forum will be held in 05 Mitchell Hall and is free and open to the public.

### The Daily Tar Heel

Wednesday, April 18, 2001  
Volume 109, Issue 33  
P.O. Box 3257, Chapel Hill, NC 27515  
Matt Dees, Editor, 962-4086  
Advertising & Business, 962-1163  
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Sign up in the CAA office - Suite B in the Union - or drop by one of our info sessions: Wednesday, April 18 and Thursday, April 19, 2nd floor lounge in the Union, 4-6 PM

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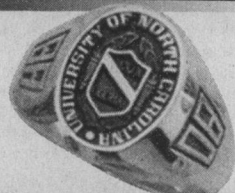
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TIME..... 10am-3pm weekdays, 11am-2pm on Saturday  
PLACE..... UNC Student Stores



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