

# The Daily Tar Heel

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## 2002: YEAR IN REVIEW

Weather

Today: Mostly Cloudy; H 49, L 27  
Tuesday: Sunny; H 47, L 26  
Wednesday: Partly Cloudy; H 53, L 35



Volume 110, Issue 129

Monday, January 6, 2003

www.dailytarheel.com

# Budget Includes \$50M in Cuts for System

By ELYSE ASHBURN  
State & National Editor

SEPT. 20 — After months of struggling to craft a budget while contending with one of the worst fiscal situations in the state's history, legislators approved a \$14.3 billion budget Sept. 20 that Democratic leaders hailed as a victory for education.

"We were able to get a budget passed that is one of the best state budgets around," said House Speaker Jim Black, D-Mecklenburg. "It's a budget I'm very proud of. We've made some moves for-

ward in education."

Under the budget plan, the UNC system was hit with a 2.9 percent across-the-board cut — totaling about \$50 million.

Lawmakers provided \$66 million to fully fund system enrollment growth and slated \$4.5 million for need-based financial aid — intended to counter system-wide tuition increases.

UNC-system President Molly Broad said that given the state's financial predicament, she is pleased with the system's appropriations. "Considering the fiscal situation, the budget is fair," Broad

said. "There is strong evidence that in every step of the delegating process legislators moved with concern and consideration for the universities.

"This has been a very difficult session, and we have had many champions in the General Assembly. The support for the universities has been deepened in both houses and on both sides of the aisle."

House Majority Leader Phil Baddour, D-Wayne, agreed that lawmakers avoided making deep cuts in system funding. "I think (universities) came out well given the pressure we were under," he

said. "They were our first priority."

Higher education was made a top priority because colleges and universities will aid North Carolina in recovering from the recession, said Sen. Walter Dalton, D-Rutherford. "(The state will have) a broader-based economy if we continue to invest in the universities," said Dalton, chairman of the Senate Appropriations Subcommittee on Education.

But House Minority Leader Leo Daughtry, R-Johnston, said the budget damages education and threatens the classroom with vague cuts. "It hurts edu-

cation — particularly universities."

Daughtry said leaving \$41 million in cuts — pegged as management flexibility — to Easley's discretion might further harm higher education and other key services.

Even if fundamental programs are not damaged by the cuts Easley makes, it is poor form for the legislature to pass its responsibility on to the executive, Daughtry said. "To say, 'We can't fix it. Maybe the governor can do it' is bad policy."

Daughtry said that he had innumerable reasons for opposing the budget but

that he ultimately did so because the budget does not reflect his constituents' needs. "There's lots of reasons for me to not support the conference report," he said. "But the overriding reason is it doesn't serve the people of North Carolina."

Republican leaders also criticized the budget, claiming Democratic budget writers had inappropriately cowed to Easley's demands to fund his pet programs — namely by providing \$26 million to reduce class size in early grades.

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Chancellor James Moeser and Student Body President Jen Daum address members of the press Aug. 19 after leading freshmen in a discussion session on the hotly debated summer reading book, "Approaching the Qur'an: The Early Revelations," by Michael Sells.

## Reading Puts UNC in National Spotlight

### Judge upholds court ruling, allows program to proceed

By MEREDITH NICHOLSON  
AND DANIEL THIGPEN  
Senior Writers

AUG. 20 — Inside Room 302 of Bingham Hall on Aug. 19, Chancellor James Moeser waited anxiously, preparing for the summer reading discussion group he was about to lead.

The room was small and quiet, and as students

trickled into the classroom, their expressions were inquisitive, their steps soft and timid.

Perhaps it was because on their journeys across campus they were bombarded with television crews, reporters from across the nation and demonstrators yelling from the Pit — and when they finally got to class, they were greeted by a press corps and the University police chief.

During calm, collected discussion groups about this year's summer reading choice, "Approaching the Qur'an: The Early Revelations," it would have been hard to tell what all the controversy was about.

In fact, some students were wondering that themselves before they went to the discussions.

"I think it's kind of been taken out of hand," said Heba Abdelbaky, a freshman from Boston. "I wasn't expecting reporters and cameras."

While the media frenzy was erupting on campus, a judge in the 4th U.S. Circuit Court of Appeals in Richmond upheld a ruling Aug. 19 stating that UNC's summer reading program does not violate the separation of church and state.

The action came just days after a federal district court judge refused to order an injunction blocking the discussion sections. Judge N. Carlton Tilley said Aug. 15 that he did not see a correlation between

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## Dole Snags Seat In U.S. Senate

### Defeats Erskine Bowles to replace Helms

By ELYSE ASHBURN, RACHEL LEONARD AND JENNIFER SAMUELS  
Senior Writers

NOV. 6 — Republican Elizabeth Dole cruised to victory with unexpected ease Tuesday, defeating Democrat Erskine Bowles to become the first woman to represent North Carolina in the U.S. Senate.

Elizabeth Dole defeated Bowles with 53 percent of the vote, capturing the hotly contested Senate seat soon to be vacated by Sen. Jesse Helms. Bowles garnered 45 percent of the vote with 98 percent of precincts reporting. About 1.2 million people cast votes for Elizabeth Dole, with Bowles receiving slightly less than 1 million votes.

The race was the nation's costliest, with about \$21 million spent in the two campaigns.

Dole's victory was one of several Republican triumphs on Election Day that allowed the GOP to take control of both chambers of Congress. It was the

first time in recent history that the president's party picked up seats in a midterm election.

Elizabeth Dole's victory speech was interrupted by spontaneous cheers from the hundreds of supporters packed into Salisbury's train depot. She addressed the crowd about 10:30 p.m. after receiving a concession phone call from Bowles.

"We made history — Elizabeth Dole will be the first woman to serve the people of North Carolina in the U.S. Senate," she said.

Elizabeth Dole praised Bowles' effort and stressed that she will do her best to represent North Carolina in Washington, D.C. "I want to ask those who voted for Erskine Bowles to please give me a chance because I intend to be a senator for all of North Carolina," she said.

The mood was more somber at the Hilton North Raleigh, where a crowd of several hundred gathered about 10:30 p.m. to witness Bowles concede the elec-

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Sen.-elect Elizabeth Dole celebrates among supporters in Salisbury on Nov. 6 her victory over Erskine Bowles in the U.S. Senate race.

## Deal With Ehringhaus A Mistake, Moeser Says

By ELYSE ASHBURN  
AND DANIEL THIGPEN  
Senior Writers

DEC. 3 — After weeks of defending a controversial pay agreement for outgoing Vice Chancellor and General Counsel Susan Ehringhaus, Chancellor James Moeser on Dec. 2 called his decision a mistake that cannot be renegotiated.

"The arrangement in my view was an error in judgement on my part," Moeser said in a meeting with reporters. "I have to accept that responsibility."

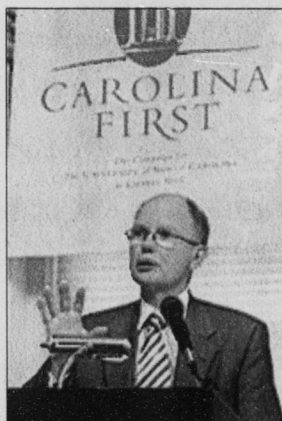
In October, Moeser and

Ehringhaus agreed on a salary deal that will provide her with almost \$320,000 for eight months of unrelated work in Washington, D.C., beginning Jan. 1, and a year of teaching at the UNC-Chapel Hill School of Law from September 2003 to August 2004.

In the end, Moeser said that in formulating the agreement with Ehringhaus, he failed to recognize the larger impact it would have on both the UNC-CH community and the state.

Moeser's decision has resulted in harsh criticism and backlash from UNC-CH workers and state legisla-

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Chancellor James Moeser announces the campaign's start.

## Carolina First Aims for \$1.8 Billion

By LANCE JOHNSON  
Staff Writer

OCT. 14 — The Carolina First campaign went public Oct. 11 with an announcement stating the project's mission of "transformation" and declaring an official fund-raising goal of \$1.8 billion.

Several UNC officials, including Chancellor James Moeser, spoke to a crowd of faculty, students, alumni and Carolina First committee members in the Carolina Inn's Hill Ballroom.

"This is the moment that so many of us have been working toward — to make this campaign public," Moeser said.

He said the mission of the campaign was transformation — a goal for the University to transform the state, the

nation and the world.

Carolina First is an eight-year fund-raising campaign aimed at making UNC the leading public university in the nation by increasing the University's endowment through private donations.

The goal is to secure \$1.8 billion in private donations to be spent in five areas of interest — faculty, students, strategic initiatives, research, and campus renovation and expansion.

To date, \$866 million in private donations has been raised through the campaign's silent phase, which began July 1999.

The University already is on its way to meeting its goal of creating 200 new endowed professorships and 1,000 new undergraduate scholarships, Moeser said.

Since the beginnings of the campaign, donors have established 92 endowed professorships and 267 scholarships and fellowships.

The attitude at the announcement was professional yet relaxed. Speakers joked about the silent phase of the campaign being "the worst-kept secret" and made light of recent University issues such as the summer reading controversy.

The announcement even included a visit from a costumed representation of Gen. William Richardson Davie, considered to be the father of the University. English Professor Christopher Armitage, dressed up as Davie, discussed the history of the University and joked about the

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Each new season grows from the leftovers from the past. That is the essence of change, the basic law.

Hal Borland