

# The Daily Tar Heel

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## Congress moving to cut billions in loans

Leaders worry about effect on CFNC

BY ERIC JOHNSON  
SENIOR WRITER

In an effort to shift the focus of federal student aid, Congressional leaders are moving forward with a plan to cut billions of dollars in loan subsidies to offer more generous grants to the neediest students. Proposals put forward in both the House and Senate would sharply reduce the subsidies paid to student loan providers, with some of those savings earmarked to increase the maximum award for the

federal Pell Grant, the government's largest direct aid program for disadvantaged students.

The move to trim loan subsidies has been loudly opposed by some of the nation's largest financial institutions, which rely on the extra money to maintain profit margins from student loan operations.

But the primary concern in North Carolina is about how such a large reallocation of federal money would impact

the College Foundation of North Carolina, the nonprofit group that administers most student loans in the state.

CFNC passes on the savings from federal subsidies directly to students, and officials are concerned that a cut might force them to raise interest rates or reduce services.

"We're a long way from knowing what the cuts will actually be," said Steve Brooks, executive director of the State Education Assistance Authority. "But it still gives me a great deal of concern."

Depending on the ultimate size of the subsidy reductions, Brooks said CFNC might cut back on advertising, outreach

and financial counseling services.

Raising interest rates for borrowers would be the last resort, but the kind of reductions proposed so far by Congress could force such a step. An increase in interest rates could translate into thousands of extra dollars during the life of a loan.

"There's not a good choice in this whole business," Brooks said. "Something would have to give, and we just don't know what yet."

Despite the potential impact on nonprofit lenders and the strong protests from banks, a number of national student advocates have

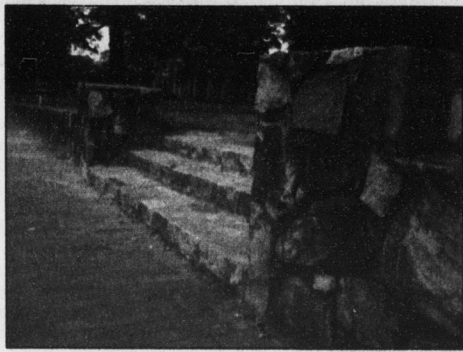
hailed the renewed focus on grant aid.

Proposals in both the House and Senate would push the maximum Pell award past the \$5,000 mark for the first time, a move that grant advocates say is long overdue.

"For us, it's a great thing," said Rebecca Thompson, legislative director for the U.S. Student Association. "We'll finally be able to see increases to the Pell, and if it has to come at the expense of lender subsidies, so be it."

The political will to take on large lending companies has come partly as a result

SEE STUDENT LOAN, PAGE 6



DTH/LAUREN COWART

The speaker-ban law prompted SBP Paul Dickson to invite banned persons to speak over the wall at McCorkle Place.

## Friday urges need for free news media

BY KESHA HUDSON  
SPECIAL TO THE DTH

"The press is the best instrument for enlightening the mind of man." -- Thomas Jefferson

The N.C. Scholastic Media Institute hosted a UNC icon and legend on Tuesday. And although it may not have been someone most student attendees were familiar with, he delivered a strong message.

William C. Friday, the first UNC-System president, encouraged high school journalists to take to heart Jefferson's words, which are posted in Carroll Hall.

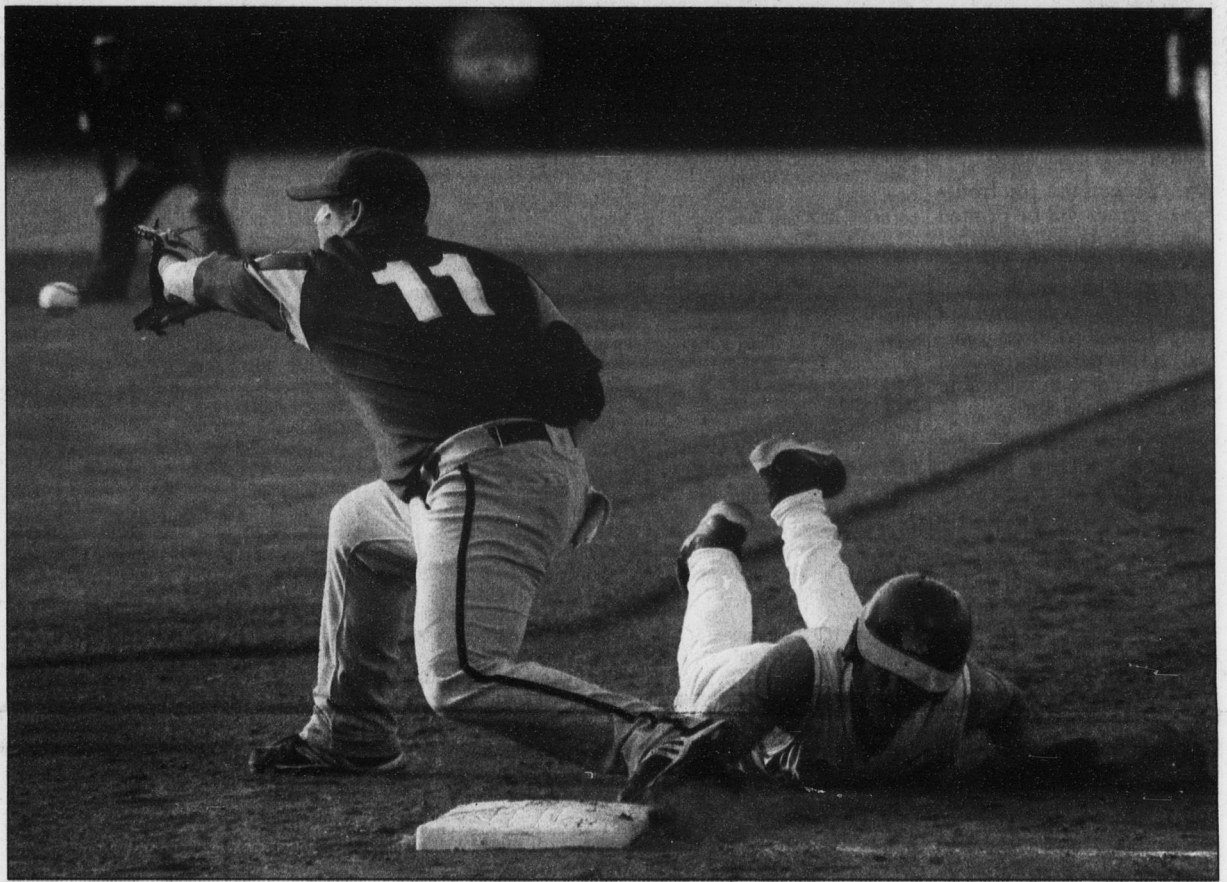
"That's the point," Friday said. "To survive, a democracy has to have a free press. A university must have a free campus, free expression or it's not a university at all." Friday was giving a lecture entitled, "Crossroads on the Hill: Free Speech at Carolina," to about 100 students and advisers.

His brief lecture and presentation focused on the 1963 speaker-ban law passed by the N.C. General Assembly, which banned known members of the Communist Party or those who had pleaded the fifth under oath about their possible communist activities, from speaking at any state-sponsored institutions. The law was ruled unconstitutional in 1968 after years of student activism and media attention sought to overturn it.

Friday grew up in Dallas, N.C., and studied engineering at N.C. State University. After graduation, he served at an ammunition depot in Virginia and later enrolled at UNC-CH School of Law. Following graduation, he became an assistant dean of students and eventually the fledgling UNC-System's first president from 1955-1986.

That tenure put Friday squarely at the center of the free speech issue, which students protested about during the

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DTH/TIMOTHY REESE

First baseman Dustin Ackley slides safely into first base against the Mississippi State in game one of the College World Series. Although North Carolina lost to Rice 14-4 in game two, the win against Louisville in game three keeps the Tar Heels in the tournament located in Omaha, Neb.

## HEELS STILL AFLOAT

NORTH CAROLINA REBOUNDS AGAINST LOUISVILLE AFTER FALLING TO RICE

BY DAVID ELY  
SPORTS EDITOR

OMAHA, Neb. — In center field of Rosenblatt Stadium is a flag for each of the eight teams competing in the College World Series in Omaha, Neb.

Once a squad is eliminated, its flag is unceremoniously lowered to half-mast, signifying the death of its season and its dream of college baseball immortality.

For at least 24 more hours, North Carolina's banner will be waving from the top of its pole as the Tar Heels eliminated Louisville (47-24) with a

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Read full coverage of the College World Series.

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55th win of the year.

"It was obviously a-typical of what we've done the past couple of days out here," UNC head coach Mike Fox said. "We just pitched, obviously, terrific. I thought Luke, Rob and A.C. were terrific, and of

course, they picked a good day to be terrific." Putkonen was clicking Tuesday afternoon. He threw his fastball hard and used a deceiving slider that kept Cardinal right-handed batters — who combined to go 2-for-14 — from getting comfortable.

Through seven innings of work, Putkonen struck out seven and allowed just three hits as he cruised through the formidable Louisville lineup — one that had scored 42 combined runs in its three previous games.

"Just all around he was a lot more confident up there in just throwing a lot of strikes," UNC catcher Tim Federowicz said.

Given how anemic the UNC offense was against Louisville, Putkonen's shutdown performance was even more pivotal.

SEE BASEBALL, PAGE 6

## UNC hosts alum's postcard collection

Donated images range from 1892 to 1994

BY ALLISON MILLER  
UNIVERSITY EDITOR

Images of floods, hog butcherings and mills burning down aren't the pictures most people would want to send to their family and friends on the front of a postcard.

But these images, along with thousands of others from North Carolina, are a part of the postcard collection donated to UNC in 2006 and now on display in Wilson Library's North Carolina Collection Gallery through Sept. 30.

The postcards range in date from 1892 to

1994. "We just decided it would make a nice exhibit and also to celebrate the donation," said Linda Jacobson, organizer of the "Greetings from North Carolina: A Century of Postcards from the Durwood Barbour Collection" exhibit and assistant keeper at the gallery.

"What I tried to do was pick some that were representative of different parts of the state and also representative of different categories," said Jacobson, of how she selected about 150 cards to display.

The images on the cards show North Carolina's beaches, mountains and many places in between, including Chapel Hill in the 1940s.

In the exhibit, the cards are categorized by

IF YOU GO

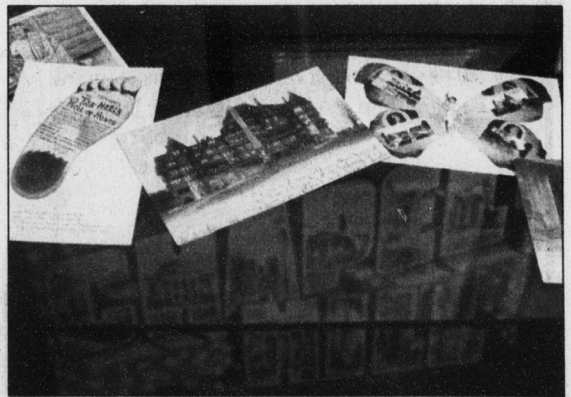
Time: Through Sept. 30  
Location: Wilson Library's North Carolina Collection Gallery  
Info: www.lib.unc.edu/wilson/calendar.html

their subject matter, from architecture to tourism.

The postcards were donated by Durwood Barbour, a 1952 UNC graduate who lives in Raleigh.

Barbour said he started out collecting currency and scripts and later became interested in postcards.

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DTH/TIMOTHY REESE

Wilson Library's North Carolina Collection Gallery is displaying a range of postcards covering a century from the Durwood Barbour Collection.

online | dailytarheel.com

Visit our Web site for updates on the Tar Heels' games in Omaha, Neb., during the College World Series.

Dailytarheel.com is updated continuously during the week with new stories and blog posts.

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Safe burning

A bill is being considered in the N.C. General Assembly that would require the manufacture of fire-safe cigarettes, which burn out automatically.



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Painful reminder

In the wake of a firefighter tragedy in Charleston, S.C., local emergency responders are wearing a black badge to honor the victims.

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Let's talk about sex

Author Audacia Ray will be giving a talk tonight at Internationalist Books on the role the Internet plays in women's sexuality and empowerment.

dive blog

For more arts reviews, visit dive.dailytarheel.com

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