

# The Daily Tar Heel

Chapel Hill's Morning Newspaper  
Chapel Hill, North Carolina, Thursday, April 4, 1974

Vol. 82, No. 130

Founded February 23, 1893

## Nixon consents to pay \$467,000 in back taxes

by United Press International

WASHINGTON — President Nixon will pay roughly \$467,000 he owes in back taxes and interest payments from his first term in office, the White House said Wednesday night.

Nixon's decision came four hours after the staff of the Joint Committee on Internal Revenue Taxation issued a long-awaited report that the President owed at least \$476,431 in back taxes and interest for the years 1969 through 1972.

Nixon's lower figure was based on what he said the Internal Revenue Service informed

him Tuesday that he owed.

The White House said Nixon would pay the taxes and interest, even though he believes his tax lawyers can refute the congressional staff's findings. Nixon had said in December when he turned his tax situation over to the committee that he would abide by its decision.

The figures he released in December showed Nixon had tripled his net worth since he became President, and was now a millionaire. The tax payments would take almost half that wealth.

In its announcement, the White House emphasized the IRS had found no hint of

fraud in Nixon's tax returns, including a deduction of more than \$480,000 for donating his vice presidential papers to the National Archives.

The White House noted that the IRS communication to Nixon had rebutted any suggestion of fraud by the President, and spokesmen said "any errors which may have been made in the preparation of the President's returns were made by those to whom he delegated the responsibility for preparing his returns and were made without his knowledge and without his approval."

"The President believes that his tax counsel can make a very strong case against

the major conclusions set forth in the committee's staff report," the White House said.

"However, at the time the President voluntarily requested the committee to conduct its examination of his tax returns, he stated that he would abide by the committee's judgment."

"In view of the fact that the staff report indicates that the proper amount to be paid must be determined by the Internal Revenue Service, Nixon has today instructed payment of the \$432,787.13 set forth by the Internal Revenue Service, plus interest," the White House said.

The committee's staff said the money it computed the President owed covered the period of from 1969 through 1972 — Nixon's first term in office.

Rep. Wilbur D. Mills, D-Ark., vice chairman of the group, emphasized that the report did not necessarily reflect the views of the committee itself. But he expressed hope that if the committee does take a position, the President will abide by it.

The committee voted 9-1 to release the 784-page report, which stressed that the staff drew no conclusions as to "whether there was or whether there was not fraud or negligence involved in any aspect" of the returns, either on the part of the President or his personal representatives.

"The staff believes it would be inappropriate to consider such matters in view of the fact that the House Judiciary Committee presently has before it an impeachment investigation relating to the President . . ." the report said.

It also said members of the committee, which undertook the tax study at Nixon's request in December, may have to pass judgment on impeachment and so "would not want to have pre-judged an issue which might be brought before any such proceedings."

The lone dissenter to making the report public was said to have been Sen. Carl T. Curtis, R-Neb.



Staff photo by Tom Randolph  
Durham lawyer Nick Galifianakis speaks in the Pit Wednesday in his bid for the democratic nomination for Sam Ervin's Senate seat. Nick promised to seek federal funds for improving Highway 54 between Chapel Hill and Raleigh.

## Treasurer fight settled

### CGC approves Dugan

by Art Eisenstadt  
Staff Writer

Overturning the recommendation of its Appointments Committee, the Campus Governing Council (CGC) voted Tuesday night to approve the nomination of Tim Dugan for student body treasurer. The motion passed four votes above the two-thirds majority required by the constitution to approve a treasurer.

Dugan's nomination had been the subject of controversy since Robert Kelley, an unsuccessful applicant for the position, challenged the appointment on racial and qualitative grounds at an Appointments Committee meeting Thursday.

The committee decided Monday to vote down the appointment, but Student Body President Marcus Williams, who appointed Dugan, made a motion to send the matter to the floor of the entire CGC.

John Sawyer, chairman of the Appointments Committee, said the committee found no corroboration of any racial charges, and had no specific objection to Dugan himself.

But he said that the committee's position was that "appointments are to some degree competitive. There was at least one other candidate available (Kelley) who had better qualifications." He included Kelley's age and work experience among these qualifications.

The floor then went to Williams, who immediately yielded to Williams. "The purpose of an interview is to match the so-

called paper experience with the person there at the time," the president said, re-emphasizing his belief that compatibility with the executive branch is an important consideration in selecting a nominee.

Williams said that he could not forget Kelley's charge that he told him he had appointed too many blacks to SG positions.

The new treasurer, whomever he would be, would be losing valuable time in which he could learn the job if the council did not come to a quick decision, Williams said.

"I didn't see it coming out any other way," Williams said of the decision. "I hope the people will stop confusing these racial charges with what was just a personal conflict."

Sawyer said that he did not feel the decision would affect the strength of his committee. "It was not a decision that we enjoyed making," he added.

The council approved the nominations of Nita Mitchell for attorney general, Pat Timmons for secretary, Rodman and Alston Gardner for elections board, Rey Doak for notary public, Murray Fogler for executive assistant to the president and Darrell Hancock for chief justice of the Supreme Court.

A resolution that authorizes the rules committee to look into reform of the election laws was adopted by consensus. The committee will strive to eliminate loopholes in the current law pertaining to the use of pseudonyms by candidates, definitions of what constitutes a campaign expense, the number and location of polling places and clarifications of whether a majority or a plurality should be required to win an election. All these topics are causes of controversy in the recent campus-wide election.

## King memorial

The Black Student Movement has scheduled services and seminars today in memorial of Dr. Martin Luther King Jr., killed 6 years ago today.

From 2-5 p.m., seminars on protest and reform will be held in rooms 213 and 215 in the Union.

At 8 p.m. in the Great Hall the Rev. Phillip Cousins will conduct eumenical services, music by Martha Flowers, UNC music instructor and the UNC Gospel Choir.

## Students to vote on PIRG

by Henry Farber  
Staff Writer

A student referendum will be held Monday, April 8 to decide if a state Public Interest Research Group (N.C. PIRG) will be established here, the Campus Governing Council decided Tuesday night.

If approved by the student body and the Board of Governors, the campus PIRG will defend the public interest in the areas of consumer protection and environmental preservation, said local organizer Doug Copeland, who is now a member of the Student Consumer Action Union (SCAU).

The referendum will request a \$150 increase in student activities fees per student each semester, part of which will fund the campus PIRG. A portion of the increased fees will go to the state wide PIRG office in Durham, Murray Fogler, executive assistant to the president of the student body said.

The referendum includes provision that requires a semi-annual reaffirmation of student support for PIRG continue here. Even if the PIRG is established by the necessary two-thirds vote next Monday, students will be able to decide during registration each semester they want their activities fees to go to the PIRG, stated a Suite C release.

Students who want to withhold their \$1.50 from the PIRG will be able to check "no support" on a computer card to be included with their registrations. The increase in fees will go into a general fund to be re-appropriated by the CGC.

If 35 per cent of the student body checks "no support" for the PIRG, a referendum will be called to decide on the campus PIRG's continuing existence. If 50 per cent withhold their support the group will be automatically disbanded, Suite C said.

If the campus PIRG is established, it will

work in conjunction with the SCAU until merger plans are completed, Copeland and SCAU member Jack Knight said. SCAU chairman Janie Clark said, "We'd have the same programs as the ones we have now, but with the backing of the statewide group."

The N.C. PIRG passed a student referendum in 1972, but was vetoed by the Board of Trustees, past SCAU chairperson Ted Claghorn said.

At that time, Claghorn said, the referendum stipulated that students who did not want to support the PIRG could have their extra student activities fees refunded. However, activities fees are not refundable, Claghorn said, and he conjectured that the board did not want to set a precedent by approving the student referendum.

Polls will be set up at the Student Union, the Y-Court, Berryhill Hall, the School of Public Health, the Law School, and these dorms: Craige, Ehringhaus, Parker, James, Morrison, Granville, McIver and Cobb.

## Galifianakis predicts defeat will not recur

Nick Galifianakis says it will not happen again. He is out to win the seat now held by Sen. Sam Ervin and told UNC students that Atty. Gen. Robert Morgan will be the man to beat.

Galifianakis told a small crowd of UNC students Wednesday the deciding factor in his loss to Jesse Helms in 1972 was a well-timed visit by President Nixon to North Carolina. He said this visit gave the impression of a strong Republican unity between Helms, Gov. Holshouser and Nixon, but such a coalition effect would not be possible again.

On other issues, Galifianakis called disintegration by busing senseless, but doubted an anti-busing amendment would come out of the issue. He said he is against busing to end segregation and referred to a bill he introduced when he was in the House of Representatives calling for voluntary desegregation.

Galifianakis pledged himself to utilize all the available influence to secure federal funds for the improvement of Highway 54. He reminded the students of his efforts in the

past that resulted in the reconstruction of the road when it was termed the "missing link."

As a means of curbing military spending, Galifianakis said "I would hold the contractor to his contract price."

He said he would seek to end the use of the open-ended contract, a common arrangement between civilian contractors and the military which allows contracts to be revised after work is in progress. However, he said a great deal of excess military spending is passed in supplemental allocations in well disguised and often misleading forms.

Galifianakis has represented himself as being in favor of increases in personal income tax exemptions and has proposed an incentive plan encouraging medical students to locate their practices in medically deprived areas.

The candidate has served six years in the state government and also served six years in the U.S. House of Representatives. He considers this to be one of his greatest advantages over Morgan.

"Morgan has no national legislative experience. I happen to have that legislative experience," he said.

Galifianakis has not yet released figures on his campaign expenses. He is the only candidate not to have done so. He explained that he had not had time to get the information together since he was the last candidate to file. He estimated them to be about \$40,000.

## Weather

Cloudy with a chance of showers today and tonight. Highs today upper 70's, lows tonight in the 50's. Chance of rain, 50 per cent today, 30 per cent tonight.

## Exclusive inn slightly bizarre

by Joel Brinkley  
Staff Writer

EUGENE, Ore. — Eugene is not the sort of place in which one could expect to find a nationally famous restaurant. It's a small town, not much larger than Chapel Hill, and the home of lumber mills and cattle ranches.

But Eugene is all the home of The Country Inn. The name conjures visions of greasy fried chicken and wagonwheel chandeliers suspended from fake beam ceilings. Instead, he finds a bizarre establishment—the object of stories in *The Los Angeles Times*, *The Wall Street Journal*, *The Washington Post* and virtually every newspaper and television station in Oregon.

"For people here at The Country Inn is a social test," Eugene resident said. "Many people just can't take it."

What many people can't take is the restaurant's staff—of Jimmie Harper and host-waiter Neil Kn. They own the place, live upstairs and operate the restaurant in a totally absurd manner. The Country Inn leaves the first-time customer with the impression he has been in another world, a ludicrous world that is just a bit insane.

"We don't think The Country Inn as a restaurant" Neil Kn says. "It's a way of life." For most guests, it's a way of life unlike any ever before experienced.

Inside the frontage, a sign reads: "If you have a reservation, ring bell." Reservations generally must be made at least a month in advance and only are only accepted with

personal recommendations.

A moment after the bell is rung, Koch inspects his patrons through an eye-level slot, then opens the door. Guests are led into the barely lit dining room.

Koch and Harper decorated the room themselves. It resembles a wealthy Victorian brothel. Tassled velvet drapes and tiny glass beads hang from the ceiling and antique alabaster animals are carefully scattered about. One end of the room holds a large pipe organ. A fire crackles in the fireplace opposite.

The far wall is a bank of windows all painted over with tiny flowers. "We had little noses pressing against the glass, peeping in and destroying our privacy," Koch explains. "So we painted the noses over."

The focal point of the room is a small stage with several layers of velvet curtains, each lowered to a different height. Diffused red lights glow from the stage floor.

"Sometimes we give shows on the stage," Koch says, "but we don't do them when nice people are here." He did tell us that one show inspired a lady to leave her table, remove her clothes and dance on the stage.

The sole dining room holds only four tables, providing a total seating capacity of 18. Each table is used only once a night and groups are staggered so that each has the restaurant to itself for a period of time.

Chef Harper only serves one meal to a group; each group has a choice of only three entrees. The meal's five courses are

beautifully prepared and served, each course with a different wine.

As excellent as the food is, it takes second place to the constant attentions of the owners. At several points during the meal, Koch ceremoniously displays to his guests various *Objets d'art* and other oddities from his personal collection.

During the first course, we were presented with an antique toy bear that marched across the table, beating a tiny drum. "Toys aren't for children," he said. "Kids should be given bones to gnaw on. Don't you agree?"

Later, we were shown a porcelain figure on a silver tray. Setting the figure in the center of the table, he asked one guest to shine a flashlight on it. "Look at the detail on those knuckles," he said. "There are only six of these left in the world."

At other times he came in blowing an antique bird whistle, and displaying a green-visor wind-up gorilla that shot dice across the table.

Koch leaves the room after each presentation (often after his partner summons him to the kitchen with a loud cow bell) and the guests stare at each other in silent awe of the place's total absurdity. "That guy's half crazy," someone said after one such visit. "This sure isn't a Howard Johnson's."

The evening's climax comes when chef Harper makes his entrance, ducking under the velvet drapes to avoid knocking off his 18-inch starched chef's hat. He presents a

tiny antique music box, the evening's final curio.

"This box is passed from person with love, not money," he says. "And we show it to you because we love you." He then presses a button on the box and a tiny metal bird pops up, chirping and furiously flapping its wings.

As the bird quits, Harper seats himself at the organ and plays a 15-minute medley of pre-1940 popular songs.

While this goes on, Koch is in a back room manipulating unseen controls. The stage's various curtains rise and fall as stage lights flash and dim.

With the final song, all curtains rise, displaying 15 life-size cutouts of Victorian ladies, each wearing bustles, satins and a sash proclaiming the lady's affiliation with a particular virtue—chastity, charity, truth, etc. Each lady bears a facial expression betraying her as opposite the virtue she claims.

With the organ's final note, the curtains fall; the lights dim. Koch and Harper make a final bow, present a red rose to each guest and leave the room to be seen no more. The check is discreetly left on a side table.

Koch and Harper are sincere about their conduct; it's not an act. Considering The Country Inn's high price (\$135 for a meal for 6, and long waiting list, they seem to have found a bizarre formula for success.

Editor's note: Joel Brinkley was on a work-study project traveling down the West Coast with a television news film crew.



Staff photo by Joel Brinkley  
Chef Harper plays old favorites after unusual evening