

Chance of rain

High today will be in the low 90s, low tonight near 70. There is a 40 percent chance of rain.

The Daily Tar Heel

Serving the students and the University community since 1893

DTH positions

There will be a 5 p.m. meeting today at the DTH for persons interested in being reporters, photographers or copy editors.

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Please call us: 933-0245



These students were among the 6,342 who waited for financial aid checks in the 90 degree heat

DTH/Andy James

Returns from Vietnam

Broyhill cautious about resuming talks

By CAM JOHNSON
Staff Writer

U.S. Rep. Jim Broyhill of Lenoir, recently returned from a congressional mission to Southeast Asia. Tuesday said he has guarded opinions about his delegation's report recommending a resumption of diplomatic talks with Vietnam.

"Because of the change in direction of the foreign policy of the Vietnamese, we want the administration to consider negotiations to normalize relations and concurrently start talks about opening trade negotiations," Broyhill said.

A major impediment to normal relations between the United States and Vietnam has been the Vietnamese demand that the U.S. government pay \$3 billion in war reparations for damages inflicted during the Vietnam War.

"We told the Vietnamese that Congress won't approve aid," Broyhill said. "They issued a statement saying

neither country should impose conditions on the other in aiming toward achieving normalization of relations."

The Lenoir Republican said congressional feeling about normalization depends on factors that will develop during peace talks between the two countries. He said the Carter administration should negotiate with the Vietnamese and report to Congress.

"If there are other factors that wouldn't call for it, we shouldn't extend (full diplomatic) relations," Broyhill said.

Broyhill said the administration should explore Vietnamese attitudes on several issues before deciding whether to normalize relations or begin trading with the Southeast Asian nation.

American treaties with other countries, treatment of U.S. business executives who would be living in Vietnam and Hanoi's attitude toward a global anti-hijacking treaty signed by the United States and her Western allies are matters the Vietnamese government should comment on before the White House decides to extend

full, normal relations, the member of Congress said.

Broyhill said he believes the return of remains of 11 American MIAs by the Vietnamese government is a step toward improved relations between the two countries.

"This was a good faith effort on their part," Broyhill said. "What is significant is that they have agreed to and are proceeding with a full-time search for bodies."

The Vietnamese want to establish relations with the United States "because they are in a real bind," Broyhill said. "They're reaching out to the U.S. and the West because of their conflict with China and because their economy is in trouble."

Although he was not among Congressional delegation members who visited the border area between Vietnam and Cambodia, Broyhill said his colleagues who went there "observed a lot of troop and tank movement and heard a lot of artillery fire."

In recent months, a border war has erupted on the Vietnamese-Cambodian border. As many as 60,000 Vietnamese troops have been involved.

Merchants check ledgers are incomplete

By MIKE COYNE
Staff Writer

Bookkeeping by the check recovery and collection departments of the Chapel Hill-Carrboro Merchants Association drew criticism Tuesday from an accountant who said records are so incomplete he cannot perform a certified audit.

Charles Carver of Farley and Carver, certified public accountants in Chapel Hill, gave the testimony in a hearing continued from May as part of a seven-month investigation by the N.C. Department of Insurance.

The hearing was continued so new evidence could surface and auditors could examine available records.

In earlier testimony, insurance investigator Allen Surratt testified he found \$2,000 in cash, checks and money orders that had been collected for bad checks but not returned to creditors.

The money was found in the desk of Andrew Landes, a Merchants Association collector who has since left the association.

Some of the money, checks and money orders involved came from UNC students. Part of the evidence in the resumed hearings was to come from complaints made to Student Legal Services attorney Dorothy Bernholz.

Bernholz did not present evidence to the Department of Insurance Tuesday because, she said, the persons who earlier filed complaints either have left town, decided they didn't want it to be known they wrote a bad check or decided they did not want to get involved.

Monday the executive director and the president of the association admitted that deficiencies existed in the check recovery department's accounts.

The association faces loss of its collection license if imposition of more stringent collection regulations.

Carver testified that an audit is impossible due to missing checks,

destroyed statements and incomplete files. He said a number of discrepancies were found between check recovery ledgers and individual debtor cards kept on file. Records did not agree on whether the account had been paid.

Besides the charges of failure to keep proper collections records and a proper list of creditors, the Merchants Association is charged with using forms not approved by the insurance department, failure to furnish receipts to creditors and failure to place collected monies in a trust account immediately after receiving them.

C.W. Barbee, attorney for the Department of Insurance, said he was not satisfied with the Merchant's Association's efforts.

"I am chagrined that in the past five months (since the first hearing), in view of the testimony we heard in April, that no more progress has been made," he said.

Joe Augustine, executive director of the association, testified Monday that the check recovery department's collection agency has closed and all accounts have been settled. He also said money found in the office was dispersed to creditors and that there are no other claims against the association.

Merchants Association President Irving Folger said the group plans to merge with the Chapel Hill Chamber of Commerce before the end of this year. He said then the collection agency's bookkeeping system will be revamped by Carver and a full-time accountant will be hired. The association has been without a full-time accountant since the end of March.

Hearing chairman B.E. Latimore said records of the hearings will be open to testimony by letter from any client, debtor or interested person until noon, Sept. 5.

"There was some indication that citizens in the area did want an opportunity to speak," he said. "This way they get their testimony on record."

Repaving halts S bus

Students waiting for an S bus will find they have to walk or ride the U bus around campus—at least for this week.

While state contractors pave South Columbia and South Road, traffic, including buses, will have to detour the area.

The S-bus will travel the U-bus route while its regular path is blocked off. The three buses travelling the U route will be

hand dispatched to insure efficient service.

Each bus stop affected by the detour will have a notice posted listing the nearest U-bus stop. Bert Gurganus, operations director for the Chapel Hill Transportation Department, said the city is trying to run buses parallel to the regular S route.

"The buses should come about every 10 minutes, depending on the traffic and the extent of the detours, Gurganus said.

Doobies cancel UNC gig; ticket refunds available

By ANN SMALLWOOD
Assistant Arts Editor

The Doobie Brothers' Sept. 4 Carmichael Auditorium appearance has been postponed until Dec. 6, the Carolina Union announce Tuesday.

Full refunds will be given at the Union information desk from 7:30 a.m.-7 p.m. through Sept. 22 to the almost 2500 students who already have purchased tickets. After Sept. 22 the old tickets will not be valid for either refund or admission to the December concert.

The Doobie Brothers are dropping the Chapel Hill concert from the end of their present tour, having decided to end their tour in Atlanta before returning to the West Coast.

Union Director Howard Henry said that although advance sales had been good (almost one-third of the house had been sold) the Doobies were "probably unhappy with the advance and wanted to

quit on a high note." He said that he had not heard of any concert cancellations on the tour other than this one at UNC.

Henry said he thought more tickets might have been sold if the concert had not been scheduled so soon after the fall semester began because news of the performance was not given the usual amount of advance publicity.

Still, Henry said the Union was upset about the delay because, he said, "There isn't much you can do." He said they couldn't even be sure the group would not back out of the Dec. 6 engagement as well. He added, "We'll know for sure on Dec. 7."

Though the Doobies' promoters also are sponsoring the upcoming performance by Little feat Sunday Sept. 17, Henry said the feat concert will not be affected and will go on as scheduled. Tickets for that concert will be available at the Union Desk beginning Sept. 5.



DTH/Andy James

Shoppers should find grocery prices have leveled off this month

'No frills' groceries ease budget

The toilet paper is white and unscented. The green beans are cut unevenly. But "no frills" groceries packaged in plain wrappers can be as much as 30 percent cheaper than national brands, A&P store managers say.

A&P, the only Chapel Hill grocery store to sell the unbranded products, recently introduced the items in 135 A&P stores in North and South Carolina.

"This is A&P's part to show that we are trying to help inflation. These products are only for people who really want to save money," said Frank Thompson, manager of A&P at Eastgate.

"We are not trying to get people who want brand names to switch," he added.

Specific sales figures for unbranded products introduced in recent months in supermarkets form coast to coast are not available, but Thompson said products sold in the so-called Economy Corners of A&P stores are selling well and that shoppers are particularly interested in trying out non-food products such as detergents and paper goods.

Reception of the "no frills" items introduced this month has been good, said Brooks Mills a

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Food prices down; other indices have year's smallest rise

The Associated Press

The first decline in grocery prices in a year gave shoppers some welcome relief from inflation in July as overall consumer prices increased just 0.5 percent, the smallest rise this year, the government reported Tuesday.

Grocery prices fell by 0.4 percent in July after average monthly increases of 1.6 percent during the first six months of the year. The improvement was due chiefly to lower prices for beef, down 2.2 percent, and pork, down 4 percent.

The government had been saying for months that the upward spiral in food prices would ease after mid-year. However, prices of goods other than food increased 0.7 percent in July, the same as in other recent months, showing there has been no improvement in inflation in the non-food sectors of the economy.

Consumer prices had increased 0.9 percent in each of the previous three months, and the July increase was the smallest since 0.4 percent registered last December. If continued for a year, it would translate into a 12-month inflation of 6 percent. The annual rate of inflation in the previous three months was 10.7 percent.

President Carter's inflation adviser, Robert Strauss, said Tuesday the best that can probably be hoped for this year is total inflation of 8 percent, up from 6.8 percent in 1977.

He told the National Governors' Conference in Boston that the administration is studying new ways to strengthen its anti-inflation program, but declared they would not include wage and price controls.

The July improvement in inflation gave some brief support to the dollar on currency exchange markets. But that was quickly offset by another government report showing the nation's foreign trade in July was in deficit by nearly \$3 billion, the fourth largest monthly deficit ever.

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Two members claim Media Board inefficient; seek revamping

By GEORGE SHADROUI
Staff Writer

Reorganization or elimination may be the fate awaiting the UNC Media Board if various board members, Student Government officials and publication editors have their way.

Crisann Ohler, *Yackety Yack* editor for 1978-79, and Will Blythe, *Cellar Door* editor for 1978-79, have said the Media Board in its present form is inefficient.

"There are too many politics on the board," Blythe said. "I suspect that many of the board members get on to advance their careers in business and politics. They want their dossiers to look good."

Ohler said the Media Board is "producing red tape, at least for the *Yack*."

"There is also a question of whether or not an

editor of a publication should also be chairman of the Media Board," Ohler said.

Ted Kyle, 1977-78 *Yack* editor, will serve as Media Board chairperson this year. The board's member organizations include the *Alchemist* and the *Carolina Quarterly*, as well as the *Yack* and the *Cellar Door*.

But Kyle said he sees no conflict of interest as his term as *Yack* editor officially ended last spring. He added that as chairperson he votes only in case of a tie.

"I know of several CGC members who would like to see the board disbanded," said Jim Phillips, student body president. He added that something will have to be done about the board this year, whether it be reorganization or disbandment.

But Kyle said he is not aware of any plans to disband or reorganize the board. He said that if

a change does take place, it will be change for the sake of change.

"There is some dissatisfaction with the Media Board on the smaller publications because the organizations want to control themselves," said Andy Michael, Media Board member.

"There has been a role change," Michael said, "but there is nothing wrong with that. It is a question of reorganization."

The Media Board oversees the publications, controls their budgets and selects their editors.

Blythe said these duties could be performed by an independent organization which was not stifled by a Media Board caught up in personality clashes. But Kyle said he believes publications must answer to a governing board, whether it be the Media Board or not.

The Media Board has undergone several major changes in recent years. The *Daily Tar Heel* gained its independence from the board in 1977 when a referendum guaranteeing it 16 percent of the student fees was passed by the students.

Michael said the *DTH* separation was necessary because the newspaper monopolized the board's time. It was a case of the *DTH* being too large for the board to handle, he said.

WXYC, in a move sparked with controversy, also gained independence from the Media Board last year.

The Media Board serves a valuable function, Michael said, because it settles financial problems. But he added the board in its present state is obsolete.



Ted Kyle