

Higher prime lending rates may cool recovery

The Associated Press

NEW YORK — Banks raised their prime lending rate Monday for the first time since August, pushing the key business-borrowing rate up one-half point to 11.5 percent — its highest level in 14 months.

Analysts were sharply divided on whether the increase would be the first of several, or whether rates would now level off. Economists said a continued rise would cool the economic recovery.

"There's little reason, in our opinion, to think that the increase in the prime rate will hamper the recovery," Larry Speakes, President Reagan's spokesman, said at the White House. "Nevertheless, we want interest rates to come down."

As banks scrambled to match the one-half percentage point increase in the prime rate, prices tumbled on the New York Stock Exchange, with the Dow Jones average of 30 industrials falling 12.98 points to close at 1,171.38.

The rise in the prime rate had been widely expected because other interest rates have been climbing in the open market since the start of this year. The speed of the banking industry's adoption of a higher rate was a sign that "banks don't think the increase in money-market rates will be reversed anytime soon," said Maury Harris, senior financial economist at Paine, Webber, Jackson & Curtis Inc., a New York investment house.

First National Bank of Chicago, the nation's eighth-largest bank, led the move to raise the prime rate to its highest level since January 1983. Leading banks throughout the country quickly followed, including Bank of America in San Francisco, the nation's largest bank.

Mortgage rates and other consumer borrowing charges are not linked to the prime, but changes in the key rate reflect trends of interest rates overall. The prime rate is the base upon which banks compute interest charges on short-term business loans. Large, creditworthy bor-

rowers frequently borrow at below the prime rate while small businesses typically pay more than the prime rate.

The prime rate reached a record 21.5 percent in December 1980 and stood as low as 10.5 percent between February and August of 1983.

Economists attributed the rise in the prime rate to increased demand for borrowing at a time when the growth continues to exceed forecasts and when huge federal deficits continue to make large demands on the funds available in credit markets.

The course of interest rates has been a key guidepost for the economy in recent years. Soaring interest rates led to the two recessions since 1980, while falling rates contributed to the recoveries.

As to what happens next, "economic numbers are probably the key to the whole thing," said Maria Fiorini Ramirez, senior money market economist at the New York investment firm of Merrill Lynch, Pierce, Fenner & Smith Inc.

Harris predicted the prime rate would climb to a range of 14 percent to 15 percent in the next 12 months.

He said the economy has been learning to cope with high interest rates because of financial innovations such as adjustable rate mortgages and because of help from generous tax breaks to businesses in recent years. So, he said, the momentum built up in the economy should carry growth at least through 1985.

David Jones, senior economist at the government securities firm of Aubrey G. Lanston & Co. Inc. in New York, said he expected long-term interest rates would climb, predicting the interest on mortgage loans would approach 15 percent, up about one-and-one-half percentage points from current levels and reversing a six-month decline.

Jones said such developments would "cool the economy later this year," striking first at housing and business spending for expansion.

Mideast agreement reached

From Associated Press reports

LAUSANNE, Switzerland — Lebanese Christian and Moslem leaders apparently reached agreement Monday night on power-sharing plans.

Walid Jumblatt, chief of the Druse militia, told reporters of the compromise shortly before the delegation leaders met in a formal session that could wind up their reconciliation talks.

Jumblatt said he was disappointed with the proposed compromise. It focuses on institutional reforms demanded by the Moslem opposition and on a declaration of intent to strengthen the cease-fire reached at the meeting in Lausanne last week, Jumblatt said.

Illinois primary today

CHICAGO — Walter Mondale suggested Monday that Democratic presidential rival Gary Hart may be unable to control his own campaign, while Hart accused Mondale of being too quick to advocate use of American military force.

The two made their final campaign rounds in preparation for today's Illinois primary.

The third contender, the Rev. Jesse Jackson, conceded that it was difficult to persuade white voters to support a black candidate, but vowed he would keep his challenge alive.

With 171 delegates to the national convention at stake, Illinois is the biggest trophy so far on the Democratic calendar.

Smoking ban rejected

WASHINGTON — The Civil Aeronautics Board decided Monday it was impractical to ban smoking on airliners, leaving passengers free to smoke as long as non-smokers are provided separate seating.

News In Brief

The board voted 5-0 against a proposal that would have prohibited smoking on any flight shorter than two hours.

But the CAB agreed to prohibit smoking on small commuter aircraft of 30 or fewer seats.

Hunt ad debuts

RALEIGH — Gov. Jim Hunt unveiled a new campaign commercial Monday that calls on Sen. Jesse Helms to emerge from a "smoke-screen" of negative ads and discuss the "real issues" in the U.S. Senate race.

Hunt, who is seeking Helms' Senate seat, referred to a Helms commercial that criticizes him for having a New York campaign committee.

Hunt called the Helms ad "hypocritical" because the Republican senator raised at least 75 percent of his money in 1983 outside North Carolina. Helms said Monday that he saw no problem with his out-of-state contributions.

Man charged in death

HICKORY — A Hickory man was held Monday on \$50,000 bond after being charged in the killing of a Lenoir-Rhyne college student early Sunday morning.

Dwayne Jonas, 24, was held in Catawba County Jail after being charged with the stabbing death of David A. Moose II, 21, the captain of the Lenoir-Rhyne football team, a jailer said. Moose, a junior linebacker, was a transfer student from UNC.

The Associated Press

WASHINGTON — Senate Majority Leader Howard Baker said Monday that a new inquiry involving White House counselor Edwin Meese III "doesn't help" his chances of being confirmed as attorney general, while one Democrat said "it would take a miracle" to save Meese's nomination.

But White House spokesman Larry Speakes said President Reagan continues to support Meese, his top policy adviser, and "wishes he will be confirmed" when the probe is ended. Speakes added that he thought the president was willing to wait several months for Meese's confirmation if necessary.

The Justice Department is evaluating whether a special prosecutor is needed to probe an interest-free loan Meese received and failed to report on his financial disclosure forms. Baker said that if the department calls for appointment of a special prosecutor, hearings on Meese's confirmation would be suspended for a second time and this "would have a damaging effect."

He added, however, that he did not "think it's going to come to that." Baker said he did not believe the inquiry would have any immediate serious effect on Meese's chances for confirmation.

Two other Democrats on the Judiciary Committee said the Justice Department

should conduct more than just a technical inquiry into whether a special prosecutor is needed. Under the law, a final decision on whether to name a special prosecutor would be up to a panel of judges.

Sen. Howard Metzenbaum, D-Ohio, Meese's major foe on the Judiciary panel, said that if the department limited its probe to Meese's failure to disclose the \$15,000 loan on his financial report, it would be a "totally inadequate" investigation.

"Anything dealing with special consideration for Mr. Meese should be looked into," Metzenbaum said.

Sen. Joseph Biden, D-Del., the ranking Democrat on the panel, issued a statement saying he assumed the Justice

Department is looking into more than just whether to recommend appointment of a special prosecutor.

However, it was learned that the Justice Department's initial plans for its inquiry were narrowly focused on the loan and the purpose to which it was put. Meese said the money was used to invest in stocks for his children.

Meese immediately asked for, and got, agreement from Senate Judiciary Committee Chairman Strom Thurmond, R-S.C., to have the hearings on his nomination suspended. A second round of testimony from Meese associates who had been involved in loaning him money, and who later got federal jobs, was set to get under way Tuesday.

Meese confirmation called difficult

END OF KENSINGTON TRACE

March 20, 1984 Sales will come to a final close.
If you've been putting off calling — ACT NOW!
Before it's good-bye great buy!

We would like to thank-you for making Kensington Trace the fastest selling project in the state of North Carolina.

Also taking rental reservations for this fall,
but the list is growing daily —
so call now!
967-0044



Support the
March of Dimes
BIRTH DEFECTS FOUNDATION

FREE T-Shirt

Bring in this coupon and get a FREE T-Shirt when you buy any regularly priced athletic shoes



Open weeknights 'til 8 pm
UNIVERSITY SQUARE
(Next to Granville Towers)
133 W. Franklin
942-1018



expires
3/31/84

Limit
one T-Shirt
per pair of shoes

SECOND SOLE

EDUCATION JOB FAIR

FETZER GYM, THURSDAY, MARCH 22 9:30-5 PM

classified ads

All ads must be prepaid. Deadline: Classified ad must be received by 12 (noon) one business day before publication. Display classified ads must be received by 12 (noon) two business days before publication.

Classified ad may be placed at the DTH office or mailed to the DTH Carolina Union 065A, Chapel Hill, NC 27514.

Classified Info

Return ad and check or money order to the DTH office by noon the business day before your ad is to run. Ads must be prepaid.

Rates: 25 words or less
Students — \$2.00
Non-students — \$3.00
\$5 for each additional word
\$1.00 more for boxed ad or boldface type

Please notify the DTH office immediately if there are mistakes in your ad. We will be responsible for only the first ad run.

announcements

KAPPA EPSILON OTC DRUG Fair Tuesday, March 20 Union Lobby Free Samples and Literature.

UNC STUDENT AUDIT BOARD is now taking applications for positions 1984-1985. Please submit resume and cover letter to Box 18, Carolina Union by Monday, April 2. If you have any questions contact Caroline Cockrell, 967-9922.

LADIES LOCKOUT RETURNS to Purdy's every Tuesday until 10:00 pm. Ladies only with free admission and free champagne. Guys admitted at 10:00 pm. Specials include penny draft, 50¢ wine and 50¢ specials for those 21 and over. That's every Tuesday at Purdy's. See you there!

INTERESTED IN BECOMING AN Aerobic Dance Instructor? Clinic offered March 23 & 24 or March 30 & 31. Registration deadline March 23. For more information call days: Delaine 962-2021 evenings: Lindsey 967-3182.

AIESEC

presents

Computer Communications In Business

with:
Anne Witle Economics
Professor UNC
Mel Deener

Tele-Communications IBM

MARCH 21, 8 pm
Philanthropic Chamber
New East 4th Floor

lost & found

TOMORROW NIGHT at ELLIOT'S Nest, the Fabulous Knobs. Happy hour 8-9. Call 967-4273.

LOST: FEMALE FERRET in the vicinity of Hillsborough St. If seen or found please call 929-3665 or 929-3303. Keep an eye out please! — REWARD offered.

help wanted

18-30 YEAR OLD white males with respiratory colds and flu are needed for paid research study at the US Environmental Protection Agency, Chapel Hill. Subjects must be in good general health. Smokers and non-smokers needed. Please call Dr. Robert Chapman or Dr. Robyn Tropper at 541-3894 (days); 942-3912 (nights). Please tell your friends.

BLACK MALES & BLACK FEMALES—\$45 will be paid to healthy non-smokers 18-35, who complete an EPA breathing study on the UNC campus. For more info please call 966-1253, Monday-Friday 8 am-5 pm.

CAMP COUNSELORS—OUTSTANDING SLIM and Trim Down Camps: Tennis, Dance, Slingmaster, WSI, Athletics, Nutrition/Dietetics, 20+ Separate girls' and boys' camps, 7 weeks. CAMP CAMELOT on COLLEGE CAMPUSES at Mass., Penn., No. Carolina, Calif. Send resume: Michele Friedman, Director, 947 Hewlett Dr., No. Woodmere, N.Y. 11581, 516-374-0785.

\$5/HOUR WILL BE paid to healthy non-smoking white males, age 18-35, participating in an EPA breathing study on the UNC campus. Time commitment may include seven half days (5 hours each) to be completed before April 30. For more information please call 966-1253, Monday-Friday, 8 am-5 pm.

Work in Britain/Work in Ireland

representatives will be on campus
Tuesday, March 20
Information session at
4 pm in the Union.

Return all questions to:
International Center
962-5661

HOUSEKEEPER NEEDED. BUSY, DISORGANIZED, 28 year old single male needs part-time help managing chores in new four bedroom home. \$5/hour. 544-2551 (H), 949-3699 (O).

ASTHMA SUFFERERS EARN \$75 in an EPA breathing study on the UNC campus. To qualify you must be a white non-smoking male, age 18-35 with currently active Asthma. For more information call 966-1253, Mon.-Fri., 8-5 pm.

TEST YOURSELF. CAN YOU manage your time productively? Work 2-4 hrs/wk consistently? Are you success-oriented? Self-motivated? Marketing position available on campus. 1-800-243-5706.

NOW HIRING STUDENTS for traffic monitor jobs. We have vacancies on Mon., Wed., and Fri. 7:30 am-10:00 am and 10:00 am-12:00 pm. Contact Jane Riley, 206 YMCA Bldg., Campus or call 966-2694.

SPRING BREAK SUMMER JOB hunt prove disappointing. Summer jobs available. Resume experience travel, pay average \$320/wk. Send name, local address, phone to: Summer Work 84, Box 3455, Chapel Hill 27515.

WE NEED HEALTHY MALES 19-30 for 2 studies on alcohol elimination. One requires a one day lab visit the other a 2 day lab visit requiring 8 to 10 hours drinking alcohol and giving breath samples. Send name, address and phone number to: B.P. Crossover 1124 FLOB 231 H, Dept. of Pharmacology, UNC Campus, Chapel Hill, NC 27514. Payment upon completion of studies.

BABYSITTER WANTED TO CARE for 2 children in my home on a regular part-time basis. Your hours may be mine! Own transportation. Call 967-5815.

PERMANENT AND SUMMER JOBS Math-Oriented Sophomores, Juniors and Seniors for demanding, lucrative actuarial program in New York City. Arrange in Career Planning Office for March 26th interview with Equitable Life. Brochures available in Career Planning Office.

services

ABORTION—TO 18 WEEKS. Private and confidential GYN facility with Saturday and evening appointments available. Pain medication given. Free Pregnancy Test. 942-0824 Chapel Hill.

PLAYERS

SOLD OUT

Special Performance Scheduled

March 13-18

Paul Green Theater

962-1121

Encore Performance

Sunday nite 7:00

AMITY LSAT/GMAT/MCAT/GRE SEMINARS. Our guarantee: score in top 25% or take next course free. Call now toll-free, 800-243-4767 about summer and fall classes.

E.J. & COMPANY calendar is filling up fast for the rest of the semester. Book your party now! Four hours of non-stop jam for only \$125.00. Call Andy Pittman at 967-8871.

COMPUTERIZED TYPING \$1.25 PER PAGE. Free correction of typos. Rough draft, pick-up and delivery, other services available. Call 489-5895 or 489-7168 after 5 pm.

ALL CAMBRIDGE DIET PRODUCTS available. Call Gwen Swanson 489-3523.

for rent

WILL SUBLET 1ST SUMMER session. Two-bedroom Carolina Apt. 54-Bypass Carboro on J bus route. Call 968-8220.

MUST SUBLEASE TWO BEDROOM apartment from May-July. On busline, less than two miles from campus. Will accept nearly any offer. Call 968-1538 evenings.

HUGE TWO BEDROOM COLONY Apt. need someone to take over lease mid May with option to renew in fall. On busline. \$570 month. Call 929-8457.

LIVE AT CAROLINA APTS. this summer. Must sublet furnished two bedroom at reduced rate! AC, pool, laundry, busline. Call Rod 968-9481. Call any time.

NEED A PLACE TO live this summer? Come to the TEP house across from Morehead on Rosemary. Co-ed, full use of facilities, junior, A/C available. Double and singles. Low rates. Call Harold or Greg at 968-9007 or 942-8223.

SUMMER SUBLEASE: FEMALE ROOMMATE needed to share bedroom in Kingswood apt. from May thru August 10th. May rent is free. Rent is \$80.00 per month. Air conditioning and pool. Call Karen at 933-6365 or 933-0790.

SUBLET MY ONE BEDROOM apartment May-August, with option for next year. Five minute walk to campus. Rent negotiable. 933-7402.

SPEND SUMMER SCHOOL with Tri-Signal 1/2 block from campus on Franklin St., available first and second sessions. Room and utilities, air conditioning. Double rooms - \$200, single rooms - \$225/session. Deposit required. Call 967-6001 after 5 pm.

FOR SUMMER RENT MID-MAY to mid-Aug. 2 bedroom apartment, AC, pool, laundry facilities, on busline, furnished. Call 942-0759.

cakies (kākēs) n. 1. enormous chocolate chip cookies
2. gift used to celebrate special occasions
3. custom decorated
4. \$6.25

the cookie jar
112 W. Franklin Street
(beside Häagen-Dazs)

for sale

OXFORD BUTTON DOWN DUCK Shirts-99. Polo short-sleeves - 14. Esprit & Beverly Hills Polo Club sweatshirts - \$11. Regly shirts - \$15. Limited supply! Hurry for best selection Randy 929-9556.

FOR SALE: TWO PANASONIC SB-750 5-way speakers (10" woofer, two tweeters and two midranges), excellent value at \$200 for the pair. Also smoked-glass O'Sullivan stereo cabinet \$45. Call Mark at 929-9741.

3BR MOBILE HOME in Camble for sale by 3 graduating students. 1 1/2 miles from campus on busline. Save on rent. \$6000 negotiable 967-2346.

roommates

LOOKING FOR NORTH MYRTLE Beach roommates for large house just off Ocean Blvd. The sooner the better, deposit required. For more information call Brenda at 967-3240.

WORKING IN NAGS HEAD this summer? I'm looking for potential roommates, or someone with a place already. Give me a call! Will - 942-4354 keep trying!

I AM LOOKING FOR two females to share an apartment for this upcoming Fall Semester 1/2 rent, 1/2 utilities. On bus line. Call Karen W. at 967-8240.

ROOMMATES NEEDED FOR SUMMER: 1 or 2 places available in air-conditioned furnished Kingswood Apt. on busline. 2 can share a bedroom \$87.25 + 1/2 utilities. Call 929-3557.

NEED FEMALE ROOMMATES FOR condominium at Kensington Trace for fall semester. Advantages include: continuous shuttle bus, pool, tennis courts, etc. Call Bobbi 933-1921.

NEED 2 NON-SMOKING FEMALES to share 2 bdr Kingswood Apt. for summer starting May 15 or June 1. \$118/mo. + 1/2 utilities. Call Corinne at 933-7132.

FEMALE ROOMMATE NEEDED FOR 2 bedroom Eates Park apartment next fall. Must be quiet, studious. \$158 + 1/2 utilities, deposit. Call Beverly 933-1771.

DID YOU AND YOUR roommate get closed out? Too bad. First no more, however, because I have space available for two non-smokers in my Kingswood apartment starting in May. Call Bob at 967-5991.

FEMALE ROOMMATE(S) NEEDED NEXT fall. I have furniture, prefer Royal Pk, but am flexible. Would like own room. Call me! Let 968-4348 after 5 pm.

TWO SEMI-STUDIO FEMALE roommates needed to share nicely furnished Royal Park Apartment next fall. Rent \$103 each plus 1/2 utilities. Call Sandy at 942-8182. Evenings.

rides

BOONIE! HELP! I NEED a ride to ASU on Friday, March 23rd and back on Sunday. Please call now! Thanks, Sara. 933-5338.

wanted

WANTED: A SITAR. OR information on where to find one. Please call Gail. 933-1677.

musical instruments

SYNTHESIZER WORKSHOP — JOHN BOWEN, LA studio musician (with Herbie Hancock, Billy Cobham...), product specialist with Sequential Circuits, and initial developer of the Prophet-5, performs and demonstrates synthesizers, DrumTrax and MIDI principles. Wed., March 21, 7:30 pm, B&B Music, Eastgate, Chapel Hill, FREE. 968-4411.

business opportunity

OWN YOUR OWN JEAN-Sportswear, Ladies Apparel, Combination, Accessories, Large Size store. National brands: Jordache, Chic, Lee, Levi, Vanderbilt, Irod, Gunne Sax, Esprit, Brittanica, Calvin Klein, Sergio Valente, Evan Pecone, Chabonne, Members Only, Bill Blass, Organically Grown, Healthtex, 300 others. \$7,900 to \$24,900, inventory, airfare, training, fixtures, grand opening, etc. Mr. Loughlin (612) 888-6555.

personals

NEED MONEY? TRIANGLE JEWELRY and Pawn, 750 East Chatham St. Carry off Highway 54 will loan money on anything of value. We also buy class rings. Call 469-1333.

GINA SINCLAIR, MIGHT AS WELL JUMP (male or female) and Bang Your Head on your Twelfth birthday 'cause you ain't no crickler. Love, Eddie.

HELP ME! MY FATHER flies for an airline so I can fly for free. I want someone (a girl would be nice) with the same privileges to travel with. Interested? Call Robert at 967-1069.

TO THE ZATE DRUMMER and guitarist, We heard you Thursday night and we're beginning to enjoy your concert! Keep practicing! I and M, Granville East.

THE "FRISCO KID" RETURNS! See this terrific comedy on Sunday, March 25 at Carroll Hall in the business school for just \$1. Two showings at 7 pm and 9:15 pm. A true Come to the Frisco Kid! Sponsored by the Hill Foundation.

HERE IS THE ANSWER: P Kapp Push-A-Thon. April 4th Wheelchair Marathon Around Campus. Project Push: Play units for The Severely Handicapped. Help A Kid, Get Involved — Sharon.

CURT S. — HOPE YOU had as good a time as I did at the party Saturday night. Sorry I was too shy to continue the conversation. It was fun talking to you & I hope to see you again — Sharon.

TO GUY IN SEAT X-169 at M.C. Concert: Enjoyed our brief conversation. Want to talk some more? Respond DTH. Girl in X-167.

DONNA, HAPPY BIRTHDAY to a very special person. Love, D.B. P.S. Bruce-summer '84 — see you there!

YOUR DADDY SLEEPS IN Spencer.

THIS IS IT! Weary of that winter weight? Shed those pounds in time for summer sun! A COMPLETE 10-DAY DIET PACKAGE. Developed by Dr. Hoffman (Consultant U.S. Navy Nutrition Plan) Delicious, nutritious, easy-to-prepare meals. Less than \$2.00 per meal! Call Brian 967-6519, Breast 967-4465.

TOMORROW NIGHT at ELLIOT'S Nest, the Fabulous Knobs. Happy hour 8-9. Call 967-4273.