

N.C. banks stable; Ohio incident impossible

By MARK POWELL
Business Editor

Unlike Ohio depositors, North Carolinians with money in North Carolina savings and loan associations can feel that their money is safe, state savings and loan officials said.

State-chartered savings and loan associations are privately insured as a back up.

Though North Carolina and Ohio are two of only five states with state-insured funds, the North Carolina financial system is the strongest in the world, Thad Woodard, president of the N.C. League of Saving Institutions, said.

"The financial system of North Carolina is the strongest, not only in the United States, but in the world," Woodard said.

Woodard said that what happened in Ohio would not happen in North Carolina because of the Financial Institutions Assurance Corp., which insures 35 savings and loan and 24 credit unions, as well as regulatory and supervisory controls on the savings and loans.

Edward Mann, president of Orange Federal Savings and Loan Association, said the failure of Ohio's Home State Savings Bank is an isolated incident and a similar incident would not happen in North Carolina.

Several customers have called Orange Federal to ask if their money is safe, Mann said. There is nothing

for anybody in Chapel Hill or North Carolina to worry about, he said.

"We're in the confidence business. Anytime anything happens, people get uneasy. They just need some assurance," Mann said.

All the saving and loan associations in Chapel Hill are federally insured except Southeastern Savings and Loan, Mann said.

"Southeastern is a very good, very strong (institution)," he said.

The U.S. financial system is in a transition period, with banks and savings and loans trying many new ideas and procedures because of the deregulation of the banking industry, he said.

"There are fewer savings and loans now, because we went through a shake-out period."

Some savings and loans have failed as a result of the deregulation of the banking industry. The competition has increased and the weaker savings and loans have failed while the stronger ones have become even stronger.

Banks, savings and loans and various financial institutions are competing for the same customers. The competition is reducing the profit margin of the savings and loans and banks, he said.

Federal savings and loans are part of a national system while state-insured savings and loans are part

of the state system, with rules tailored for North Carolina.

Mann said being a state-insured savings and loan is an advantage because the rules that govern state savings and loans are more permissive. However, federal institutions have the advantage of federal backing, he said.

Woodard said what happened in Ohio can't happen in North Carolina because the state would not allow that type of ownership. The owner of the Ohio savings and loans owned 96 percent of his business, he said.

Savings and loans are an \$18 billion business in North Carolina, Woodard said, with several new ones now in the process of being chartered.

"Confidence in North Carolina savings and loans has been raised to new heights in the past few years," Woodard said.

Robert Eisenbeis, a UNC business professor, said North Carolina has more reserves in proportion to assets than the federal government.

"The Ohio problem was triggered by the dealings of one large institution with a lack of diversification," Eisenbeis said.

To a large extent, the failure of the Ohio savings and loan was the result of unrepaid loans in the agriculture sector of Ohio's economy, Eisenbeis said.

Soviet embassy official killed

From wire reports

NEW DELHI, India — Two motorcycle-riding gunmen assassinated a Soviet official Thursday, firing four bullets into him as he and his wife rode in a car, officials said.

The victim, Valentine Khitrichenko, was an engineer and staff member of the embassy's economic section. He had been supervising Indo-Soviet projects for nearly two years.

Brock nominated

WASHINGTON — William E. Brock III, a former Tennessee Republican Senator, was nominated Wednesday by President Reagan to replace Raymond Donovan as secretary of labor.

Reagan said Brock had several tasks ahead, including "rebuilding and maintaining" ties between the administration and labor. Reagan said Brock should attack the "serious endemic problem of youth unemployment, particularly in minority youth."

Savings and loan to reopen

COLUMBUS, Ohio — One of Ohio's closed state-chartered savings and loan associations has been given approval to reopen immediately, a state Commerce Department said Thursday.

U.S. economy rate growing slowly

WASHINGTON — The U.S. economy is growing at a slow 2.1 percent rate during the first three months of 1985, an abrupt slowdown from the gross national product's fourth quarter growth, the Commerce Department said Thursday.

At the same time, however, inflation is stronger.

Israeli storm villages

BEIRUT, Lebanon — Israeli paratroopers stormed several Shiite Moslem villages Thursday in southern Lebanon, in an advance near the Sidon port where renegade Christian militias battled the Lebanese army, military sources said.

The action involved paratroopers backed by tanks and helicopter gunships. It was the Israeli largest invasion since Feb. 16, when it withdrew from the area around Sidon.

news in brief

Union sends members back to work

NEW YORK — The union representing Pan American World Airways flight attendants ordered its members back to work, although some employees are refusing to cross picket lines.

"Right now, I think it is an individual decision for attendants to make about whether to cross picket lines or not," said one union member.

MX missile goes to House

WASHINGTON — President Reagan has his work cut out for him in the next six days trying to get the controversial MX missile to survive in the House, according to the missile's opponents.

However, in two days, Reagan won successive 55-45 victories for the 10-warhead missile in the Senate and a 38-7 victory in one House panel. The missile was defeated by a 28-26 vote in one House committee.

Crash report released

WASHINGTON — Cockpit voice recordings show a Galaxy Airlines Lockheed Electra flight crew sensed repeated vibrations shaking the turbo-prop before it crash in Nevada, killing 70 people.

The National Transportation Safety Board disclosed its reports Thursday on the Jan. 21 crash in Reno, but did not draw conclusions on the accident pending further investigation.

Students fear death in attack

JAMESTOWN, Pa. — High school students who were told the Soviet Union had attacked a U.S. ship feared death in a nuclear holocaust and said they would never see their families again, the school principal said.

The announcement was made in an American Culture class last week at Jamestown High, a northwest Pennsylvania school. Principal David Schaffer said it was an effort to spark discussion of world crisis situations for the class' next topic — the Cuban missile crisis.

16 killed, 22 injured in S. African police riot

From wire reports

UITENHAGE, South Africa — South African police opened fire on a crowd of about 4,000 rioting blacks, some armed with rocks and spears, as they marched near a white suburb Thursday. The incident, occurring on the 25th anniversary of the Sharpeville massacre, resulted in at least 16 deaths and 22 injuries.

A Uitenhage police officer said the blacks were marching from the township of Langa toward a nearby white

suburb of Port Elizabeth, about a mile from the suburb.

The crowd surrounded about 20 policemen and began throwing rocks at them. Police responded by firing rifles and shotguns.

"The crowd was ordered to stop and turn back," the officer said. "They refused and began stoning the police, who opened fire."

Lt. Henry Beck said the official death count stood at 16 with 22 wounded. But a spokesperson for the Black Sash civil rights organization in Port Elizabeth said at least 42 people were killed and 50 wounded.

Reporters on the scene said they had difficulty determining how many had died.

"Based on interviews with survivors, we are sure that many more than the police figure of 16 were killed, but we don't know how many," said one

reporter.

According to local sources, the marchers were going to a funeral for victims of other riots that have claimed 15 lives in areas around Port Elizabeth over the last several days.

Thursday's shootings brought the number of people killed in riots since Feb. 16 to at least 225.

On March 21, 1960, police fired on a crowd of 20,000 blacks in Sharpeville who were protesting apartheid outside the Sharpeville police station. That incident left 69 dead and hundreds injured.

Police also reported violence in Sharpeville Thursday, about 50 miles south of Johannesburg, and in nearby Sebokong and Thabong. Those riots were met by police with tear gas who broke up crowds destroying vehicles and building barricades.

Officials in Pretoria and Port Elizabeth

Wednesday had imposed a two-day ban on meetings commemorating the Sharpeville shooting that is remembered by many blacks as a symbol of opposition to apartheid.

Black leaders were quick to condemn the government for its response to the incident.

"The regime has responded viciously in the past, but this is the worst we have seen in a commemoration of Sharpeville," said Sydney Mufamade, a spokesman for the United Democratic Front.

"There is only one way out of the crisis we are in and that is a peoples' government. If we go on like this the situation is going to become too ghastly to contemplate," he said.

"Even today's killing will look like a Sunday school picnic alongside what is in store for us if there is no change," he said.

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Symposium will spotlight works of A.K. Lowenstein

By CRYSTAL BAITY
Staff Writer

A symposium featuring the life and writing of social activist Allard K. Lowenstein will be held at UNC March 29-30. The symposium, which coincides with the completion of a group of Lowenstein's papers in the Southern Historical Collection in Wilson Library, will also include discussions on "Participation and Social Change: How can One Person Make a Difference?"

Lowenstein, a 1949 UNC graduate, earned a law degree from Yale University. Lowenstein taught at N.C. State University from 1962 to 1964 and helped organize many sit-ins and civil rights protests. He organized the "Dump Johnson" movement in 1967, supporting the presidential campaign of Sen. Eugene McCarthy. Before his death in 1980, Lowenstein was appointed as U.S. Representative to the United Nations Human Rights Commission in Geneva by former President Jimmy Carter.

The event, being held in the Student Union, is free and open to the public. "We very much want student partici-

pation," Fran Weaver, director of the Lowenstein Papers Project, said. "Lowenstein himself was a great encourager of student involvement. It is in no way a memorial service to him but will offer encouragement. Hopefully, students will take some action of their own part (in making a difference)."

Weaver said in a prepared statement that participants will include Reps. Barney Frank, D-Mass.; Andrew Jacobs, D-Ind.; Doug Walgren, D-Pa.; and former Rep. L. Richardson Preyer, D-N.C. Otis L. Graham Jr., distinguished University professor of history at UNC, will deliver an address March 29. E.M. Adams, Kenan professor of philosophy at UNC; Robert Seymour, pastor of Brinkley Baptist Church in Chapel Hill; and Dr. Paul Luebke, associate professor of sociology at UNC-Greensboro, will also participate.

The Lowenstein papers document such subjects as the struggle for civil rights in Mississippi and domestic opposition to the Vietnam War, which won Lowenstein a House seat in 1968. Another paper discusses the topic of a book by Lowenstein, *Brutal Mandate*, dealing with racial oppression in South Africa and calling for American action against apartheid.

"Certainly his concern for human rights is still relevant today with issues like South Africa and Cambodia," said Weaver.

The symposium starts at 1:30 p.m. March 29 and 9 a.m. March 30 and is sponsored by the Southern Historical Collection, the University Library and the Lowenstein Foundation. For additional information, including required reservations for a dinner and luncheon, contact Fran Weaver at 962-1345.



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