

# The Daily Tar Heel

Serving the students and the University community since 1893

Volume 99, Issue 40

Monday, April 22, 1991

Chapel Hill, North Carolina

News/Sports/Arts 962-0245  
Business/Advertising 962-1163

## Martin endorses flexibility, tax increase

By Peter F. Wallsten  
City Editor

Governor Jim Martin told student leaders in an informal meeting Friday that he agrees taxes and tuition should be increased this year to help compensate for the shortfall in funds for higher education.

Martin said he would support a small increase in the state sales tax and a tuition hike to raise funds for universities.

Martin invited student leaders to discuss the state's budget after receiving a letter from former Student Body President Bill Hildebolt requesting a meet-

ing several months ago.

"I think that I sense you're strategy is to not fight the cuts that have already been made, but to take the stand, 'no more cuts,'" Martin told the group of six student leaders that included Student Body President Matt Heyd and Hildebolt.

"Then as far as (revenue) is concerned, you support a tax increase, and a tuition increase, provided that it goes back to the universities," Martin said.

"I'd say the chances of that (getting approval) are good," he said.

Martin said he would begin lobbying for a "modest" sales tax increase of 1 cent or less in about two weeks when

the debate begins in the General Assembly about a possible tax increase.

But students should prepare early, he said. "I would encourage you to start gearing up, and that doesn't mean waiting until two weeks from Friday, that means maybe just on the leading edge of that, start making your feelings known to legislators."

Martin seemed surprised when students informed him about the number of class sections being cut at UNC.

"I'm astonished that the cuts on the order of eight percent are producing 30 percent reductions," Martin said.

Student body Vice President Meredith Rentz said that because de-

partments have tried to avoid cutting sections to cope with budget cuts in past years, the present cuts "dig deeper" into class sections than normal.

During the hour-and-40-minute long meeting in the governor's capital building office, Martin said he thought the budget cutting would end.

"They've reached about as far as they're going to go," he said. "That stage of the process is about concluded."

Following the meeting, Heyd said he was surprised the governor was not aware of the extent to which classes were being cut at the University.

"I was surprised he didn't know that," Heyd said Sunday. "We've been asking

students to put that in their letters to legislators. The state press hasn't picked up on it yet like the newspapers in Chapel Hill."

The governor's power to affect the budget cuts has lessened, but his help is still necessary, Heyd said.

"If he spends two hours with students, it's a good thing," Heyd said. "But it also indicates that his influence on this issue is waning. The Republicans in the legislature are following (Lt. Governor Jim) Gardner, and that's unfortunate."

**Flexibility and tuition**  
Martin expressed support for provid-

ing individual schools and universities increased flexibility in managing their funds. Martin did not specifically mention the UNC Fiscal Accountability Bill, which Sen. Howard Lee, D-Orange, proposed last week to give two pilot schools control over their own budgets, but said he would support such a plan.

The flexibility issue began to gain momentum in 1989 with the passage of Senate Bill 2, which allows for a release from regulations and centrally controlled rules for public schools, Martin said.

"It'd be better... to go all the way and just provide a block grant and hold

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## BOG spent \$9,800 on retreat to discuss system's budget cuts

By Ashley Fogle  
Staff Writer

The UNC-system Board of Governors recently spent \$9,800 at its semi-annual retreat to discuss issues facing the schools, including the impact of state budget cuts.

All 32 BOG members and the eight newly elected members met April 11-13 at the Durham Guest Quarters Hotel, said Travis Porter, BOG vice chairman.

BOG member Phillip Haire said the retreat served many purposes. "It was a regular board meeting, number one," he said. "We also discussed issues that we wouldn't normally have time to discuss."

Board members discussed the Knight Commission's report on collegiate athletics and met with former university

presidents to review the mission statements of the 16 schools in the system, he said.

Betty McCaine, also a BOG member, agreed that the retreat was worthwhile. "We try to do this every other year or every year to go over everything the University is doing," she said.

"We spent a lot of time on the budget this time. It was in-depth and helpful. I'm positive we did accomplish much."

The almost \$10,000 spent on the retreat was not high compared to the cost of other meetings, McCaine said.

"I've planned a lot of meetings, and this was about average," she said. "This was a rather frugal meeting. There were no giant banquets and a lot of sandwiches. We've never been anything but frugal."

Members insisted the expenditure for

the retreat was not extravagant despite the financial difficulties the system is facing now. The UNC system budget next year will be cut by \$59.2 million by members of the N.C. General Assembly.

"Everybody there got paid zero dollars," Haire said. "I'm a practicing attorney. I don't get any money from the state. No one was spending the state's money extravagantly. None of us draws a salary."

"It's a question of do we let the University go down and not make these decisions. We were down to help the University run."

McCaine said the UNC-system general administration did not pay all of the costs of the retreat.

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## Graduate School requests faculty donate \$2 million for fellowships

By Aimée Hobbs  
Staff Writer

The Administrative Board of the Graduate School unanimously approved a resolution Thursday asking UNC faculty members to contribute \$2 million for graduate fellowships as part of the Bicentennial Campaign.

Board members also proposed a plan to seek money for graduate students from other sources in conjunction with the campaign. They hope to raise \$10 million from the outside donations, which would almost double the graduate school's present endowment.

The \$2 million target amount for faculty contributions stems from the research of a committee that studied graduate fellowships.

Henry Dearman, dean of the graduate school, said, "This is an outstanding opportunity to raise endowment to help

the graduate school."

The Graduate School's administrative board is composed of 21 graduate school professors. The resolution must be approved by the Faculty Council to receive the faculty's endorsement.

Dearman said if each of the approximately 2,000 University faculty members pledged \$1,000 over the campaign period, the target amount would be reached. The Bicentennial Fund-Raising Campaign will be held from 1992-1995.

The last substantial fund-raising campaign at the University was the Carolina Challenge in the late 1970s. During that campaign, faculty members pledged more than \$1 million in undesignated funds that led to about \$7 million in endowments for graduate fellowships, Dearman said.

The graduate school often has problems raising money from private

sources, he said. Alumni usually prefer to designate that donations be used for undergraduate programs because most of them attended the University as undergraduates.

"Graduate education is not well understood by many of the benefactors of the University—they were undergraduates here," Dearman said.

Robin Lorsch, co-chairwoman of Graduate Students United, said most people liked to donate money to be used for tangible items such as buildings and library books. They are reluctant to give money to graduate fellowships because after graduate students complete their studies they leave the University, she said.

"The resolution could be great in the long term," Lorsch said. But it probably will not have any immediate impact

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## Supreme Court refuses to hear appeal by UNC law professor, 2 attorneys

By Brian Golson  
Staff Writer

A UNC law professor says he was surprised by the U.S. Supreme Court's recent decision not to review fines levied against him and two other lawyers by a lower court for filing a frivolous civil rights case.

Law professor Barry Nakell said: "I couldn't believe that this would happen in this country. I was very surprised and disappointed. It is always a long shot, but I thought we made a compelling case for review."

Nakell; Lewis Pitts, director of the Christie Institute South; and William Kunstler, attorney for the Center for

Constitutional Rights, appealed \$122,834.28 in fines levied against them by U.S. District Judge Malcolm Howard for filing a frivolous lawsuit.

Pitts said that he, unlike Nakell, was not surprised by the Supreme Court's refusal to hear the case.

"I actually wasn't very surprised at the refusal to hear the case, because two

other federal courts had acted without integrity with regard to acknowledging the actual reality of oppression in Robes County," he said.

The three men filed the suit against N.C. and Robes County officials to bring attention to alleged injustices and corruption occurring in the county at the time Eddie Hatcher and Timothy Jacobs,

two Lumber Indians, took hostages at the Robesonian newspaper in Lumberton on Feb. 1, 1988.

Potts said that because the conditions in the county changed drastically after the suit was filed, the three lawyers chose to drop the suit three months later.

"Everybody who has looked into the

situation in Robes County knows that our case was fully supported by the facts and oppressive conditions in that county," he said. "It had nothing to do

See APPEAL, page 6

## U.S. higher education struggling to survive under severe state budget cuts

Editors' note: This is the first segment of a five-part series examining the effects of state budget cuts on higher education across the United States.

By Wendy Bounds and Dacia Toll  
State and National Editor and Assistant Editor

While the UNC-system bandages its own \$59.2 million budget wounds, most of the nation's public universities are facing similar cuts inflicted upon them by a bleak U.S. economy.

More than two-thirds of the states suffer under financial duress, and most public colleges and universities cannot dodge the budget axe. A combination of fewer resources, fewer faculty and fewer classes could result in long-term damage to higher education.

"When you cut the muscle and bone, these things just don't grow back," said David Merkowitz, director of public affairs at the American Council on Education.

"When the quality and access to education suffer, so do the students,"



### Education

Merkowitz said.

Precisely 13.1 million students. "A significant number of students will confront limited opportunities," Merkowitz said. "We could be losing a generation of students."

Higher education has undeniably suffered from fiscal troubles before. The magnitude of today's crisis is unique due to its effects across the board, according to Merkowitz.

"This is a recent development in terms of the widespread nature of the cuts," he said. "It has become a national phenomenon within the last two years."

Because state schools are not receiv-

ing enough money to offset rising costs, many schools are forced to raise tuition, placing the financial burden on students, said Allan Ostar, president of the American Association of State Colleges and Universities.

"Tuition increases could lock the doors to a significant number of students," Merkowitz said.

But those who can afford the increased tuition won't be immune to the cuts. Fewer class sections prevent students from fulfilling their graduation requirements, forcing some to stay in school longer, while others search nearby campuses for their needed classes, Ostar said.

Professors share the burden along with their students. Teaching salaries, usually increased each year, have instead decreased in real dollars by .6 percent, said Iris Molotsky, spokeswoman for the American Association of University Professors.

Teachers at the University of Rhode Island are not receiving their salaries, deferring their pay until the university

"A significant number of students will confront limited opportunities. We could be losing a generation of students."

**David Merkowitz**  
Director of public affairs, American Council on Education

can afford to sign the paychecks.

In the case of several suffering universities, professor positions are being cut completely.

"When positions are eliminated, they are generally not reinstated quickly," Molotsky said.

Who's to blame?

The state of the U.S. economy is such that state revenues have fallen far short of original projections, according to Ostar.

"What everyone is hoping for is an economic recovery," Ostar said.

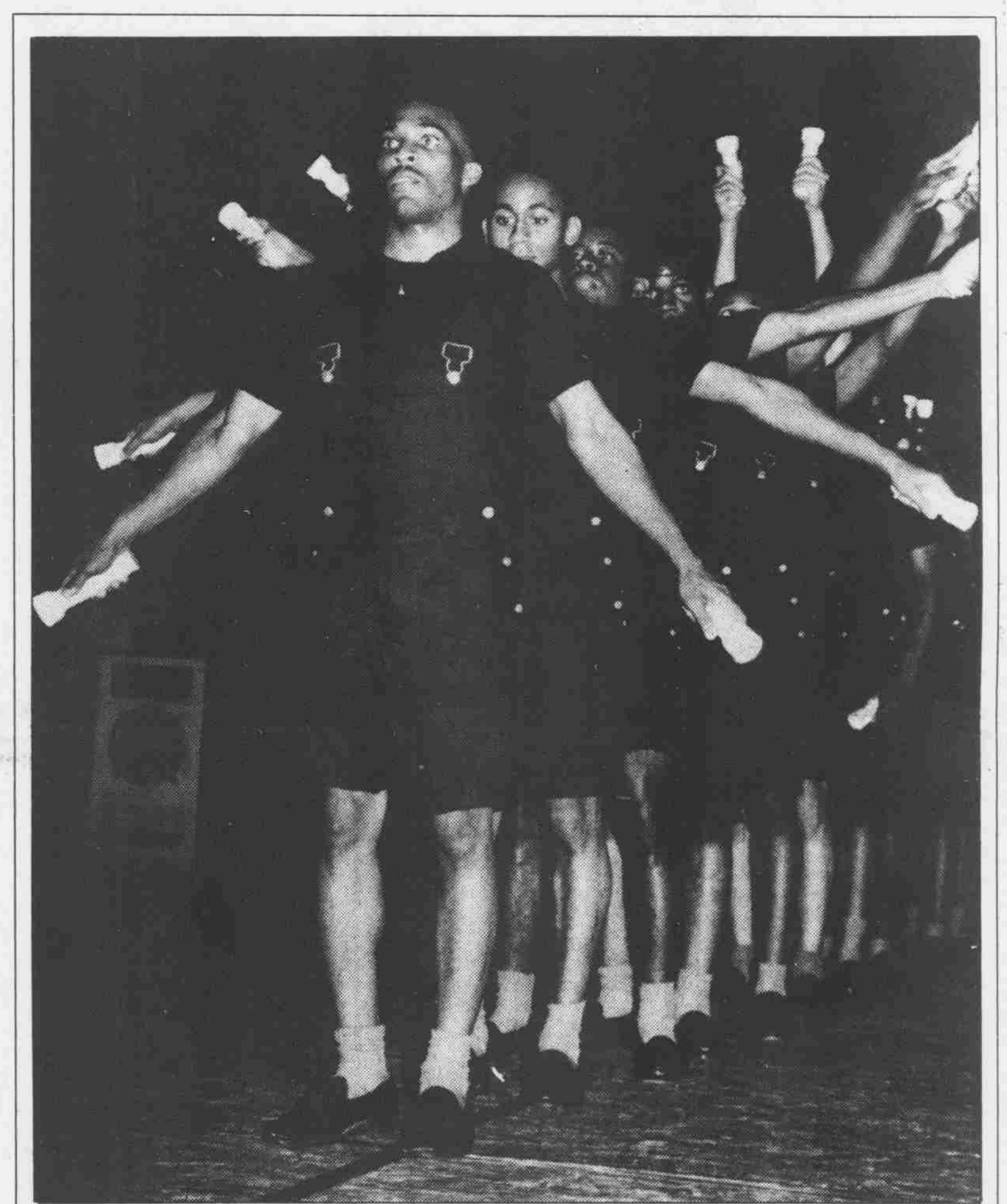
Currently, states are in the tightest financial bind in almost a decade, said Raymond Scheppach, executive director of the National Governors' Association.

States have slashed spending and raised taxes, but will still end up with the smallest balance in their accounts since 1983, the final year in the last recession, Scheppach said.

In preparation for each fiscal period, state legislatures estimate the amount of revenue they expect to gain from various taxes. In recent years, reality has fallen far short of expectations.

"At least 29 states have revised their revenue estimates downward for this fiscal year since they put their budgets together," Scheppach said.

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### Flash dance

Members of Duke's Alpha Phi Alpha fraternity performed Saturday at the step show in Carmichael Auditorium. The

routine was performed in darkness as the steppers illuminated the stage with flashlights for special effects.

DTH/Evan Eile

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#### WEATHER

TODAY: Cloudy; high in upper 60s  
TUESDAY: Rain; high in 60s

#### ON CAMPUS

Representatives from 19 health professions will be present at a health sciences fair at 6 p.m. in Great Hall.

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Can anybody remember when the times were not hard, and money not scarce? — Ralph Waldo Emerson