



# The Charlotte Observer

FRIDAY, MARCH 12, 2004

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## Madrid massacre called Spain's 9-11

### Suspects include Basque separatist group, al-Qaida



CHRISTOPHE SIMON - AFP PHOTO VIA GETTY IMAGES

Bodies are evacuated Thursday after a series of explosions tore through trains headed into Madrid's main station. The coordinated attack came 72 hours before national elections that will determine a successor for popular Prime Minister Jose Maria Aznar.

### At least 192 killed, 1,400 injured by explosions on trains during rush hour

BY MATTHEW SCHOFIELD  
Knight Ridder

MADRID, Spain — It was the deadliest terrorist attack in Spain's history.

At least 192 people were killed and at least 1,400 injured Thursday when a series of bombs ripped through trains during morning rush hour in the heart of Spain's capital.

Three days before national elections, government officials blamed the bombings on the Basque separatist group ETA, which has waged a 40-year campaign for independence.

Later in the day, a letter to an Arabic-language newspaper in London claimed the attacks

were carried out by the al-Qaida terrorist network.

The letter, which dubbed the explosions "Operation Death Trains," called the attacks "a way to settle old accounts with Spain, crusader and ally of America in its war against Islam."

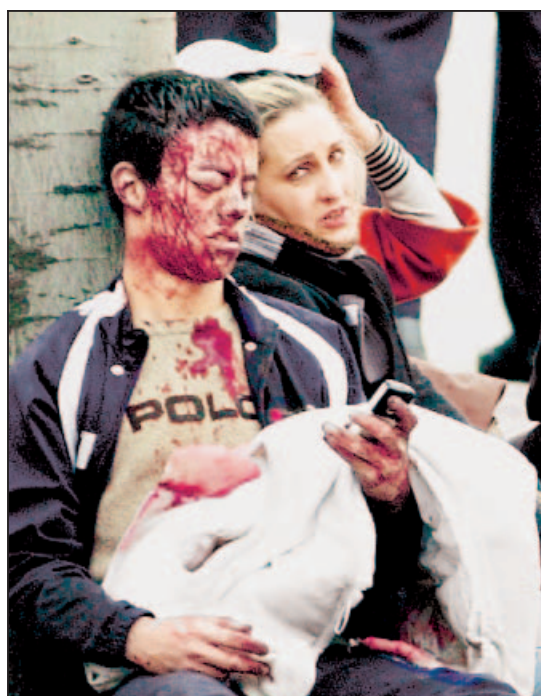
Across the nation Thursday, people planned rallies for today to protest Islamic terrorism and ETA-sponsored violence. They gathered in Madrid's main square to share five minutes of silence. And they mourned.

"This pain will never leave Madrid," Mayor Alberto Ruiz Gallardon said.

Spain's ambassador to the United States, Francisco Javier Ruperez, told CNN, "This is our own 9-11, and I am sure we are going to react very much the way the Americans did."

Prime Minister Jose Maria Aznar called for three days of mourning, and political parties

SEE MADRID | 8A



JOSE HUESCA - EFE PHOTO VIA AP

Two of the injured await medical attention outside Atocha station in Madrid. More than 1,400 people were injured.

### Spain's Deadly Day

■ Prime Minister Jose Maria Aznar called it a day of "infamy," and many dubbed it Spain's 9-11. The death toll far outstripped any terrorist act in Spain's modern history.

■ Spanish authorities immediately assigned blame to the violent group ETA, which for 40 years has fought for an independent state for Spain's distinct Basque minority.

■ Police discovered evidence that suggested a link to the al-Qaida terrorist network, and a group associated with al-Qaida told a London newspaper it was responsible.

8A | More coverage, reaction and background

### FEDERAL INVESTIGATION

## Duke cleared in inquiry

### No criminal wrongdoing in utility's accounting practices, probe finds

BY GARY L. WRIGHT AND STAN CHOIE  
Staff Writers

A federal investigation has found no criminal wrongdoing in Duke Power's accounting practices, ending a probe in which the government spent at least 13 months poring over 110,000 documents from the Carolinas' largest utility.

"After an extensive investigation, we have concluded that there is not probable cause to believe that Duke Power's regulatory filings were in violation of any federal criminal law," U.S. Attorney Bob Conrad wrote in a letter Duke received Wednesday afternoon.

The Charlotte-based utility, which had denied criminal wrongdoing all along, released the letter shortly before the New York Stock Exchange opened Thursday.

The government investigation into Duke Power's accounting focused in part on allegations by an independent auditing firm that Duke underreported more than \$100 million in profits to Carolinas regulators over a three-year period and sought in some cases to mislead them.

Duke Power and its parent, Duke Energy Corp., have been struggling on several legal and financial fronts, clouding the utility's decades-long reputation of reliability.

The federal investigation is the latest major legal issue in which Duke Energy or one of its subsidiaries has been cleared or has settled with regulators. It settled with the Federal Energy Reg-

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### DEPARTMENT STORE COMPANY

## John Belk will retire; Tim Belk to head stores

### Longtime head of family firm, now 83, molded Belk Inc., led Charlotte

BY LEIGH DYER  
Staff Writer

John Belk, one of Charlotte's civic giants who spent more than a half-century building Belk Inc. into the nation's largest privately held department store company, announced his retirement Thursday.

His nephew, Tim Belk, will take over as chairman and chief executive officer effective May 26.

"This is a perfect time for me to retire," the elder Belk, who turns 84 this month, said in a statement. "I'm in good health."

The retirement of Belk, a former Charlotte mayor, marks one of the last departures from the vanguard of business leaders who propelled the city's growth and prosperity from the 1960s to the 1990s. Local family-managed companies includ-



John Belk

SEE STORES | 7A

### PRICE OF PRESCRIPTION-DRUG BENEFIT

## Medicare cost expert muzzled

### Actuary told not to give higher estimate in '03

BY TONY PUGH  
Knight Ridder

WASHINGTON — The government's top expert on Medicare costs was told not to tell key lawmakers about cost estimates that could have torpedoed the White House-backed Medicare prescription-drug plan.

Richard Foster, the chief actuary for the Centers for Medicare and Medicaid Services, told colleagues last June that he would be fired if he revealed a number higher than some lawmakers said they would approve.

When the House of Representatives passed the controversial benefit by five votes in November, the White House was embracing an estimate by the Congressional Budget Office that it would cost \$395 billion in the first 10 years.

But for months the administration's analysts in the Centers for Medicare and Medicaid Services had concluded that the drug benefit could cost upward of \$100 billion more than that.

Withholding the higher cost projections was important because the White House was facing a revolt from 13 conservative House Republicans who'd vowed to vote against the Medicare drug bill if it cost more than \$400 billion.

SEE BENEFIT | 3A

### ACC BASKETBALL TOURNAMENT

## After today, Fridays won't seem quite as feisty

### League's growth ends day with top 8 on court

BY PETER ST. ONGE  
Staff Writer

Terry Holland has attended the ACC tournament for 30 years — as Virginia's coach, athletic director, and now as an administrator.

He was there when ACC folks fretted in the 1970s over the NCAA accepting at-large teams

for its tournament, lessening the importance of conference tournaments. He also heard the moans about the Thursday play-in game, introduced in 1992 after the conference added a ninth team, Florida State.

Neither, of course, has altered the ACC tournament's status as among the best in college basketball — and a tournament that offers one of the finest days in sports. That day is today, ACC Friday, in which the whole conference — minus the play-in loser

Clemson — comes to one place for four quarterfinal games in Greensboro.

"I don't think there's any question that almost everyone regards that day, with eight teams playing,

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### More Coverage

1C | N.C. State's Herb Sendek doesn't fit mold of typical coach.

6-8C | Complete ACC coverage.

Weather

SUN: High: 60. Low: 29. Sunny today. Clear, slightly chillier tonight. Full forecast, 18B

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