

News Summary and Index

FRIDAY, JANUARY 17, 1975

JAN 17 1975

NYTimes The Major Events of the Day

The Economy

The Commerce Department reported yesterday that the nation's total output in the last three months of 1974 declined at the fastest rate for any three-month period in 16 years, giving evidence that the country was in its most precipitous recession since World War II. For the 1974 as a whole, the drop in the national output was the largest for any year since 1946 when the vast productive machinery that supported World War II was halted for conversion to peacetime use. [Page 1, Column 8.]

President Ford, insisting that immediate action to implement his economic and energy proposals was urgent, began a concerted effort to sell his new policies to the country. He held separate meetings, the first of a cabinet officials, other second-level Administration officials, and with governors, mayors and other local leaders. There were growing indications, however, that many of the President's proposals would be resisted. [1:5.]

The automobile industry's stone wall against price cuts appeared by the Ford Motor Company that it was following the lead of the Chrysler Corporation in offering large rebates in an attempt to improve declining sales. Ford's decision is expected to put further pressure on the General Motors Corporation to make a similar offer. [1:7-8.]

International

The Soviet Union asserted that it was not to blame for the collapse of the 1972 trade agreement and still sought trade with the United States, but only on a "mutually beneficial" basis. The statement was made through the official press agency, Tass, to rebut speculation in the Western press that Moscow's unwillingness to carry out the agreement meant a departure from its policy of accommodation with Washington. [1:2.]

The Provisional I.R.A. announced in Dublin that it would not extend its 25-day ceasefire in Northern Ireland when it expired at midnight "owing to a total lack of response to our peace proposals by the British Government." The decision was unexpected and it angered or disappointed both Protestants and Roman Catholics. [1:1-2.]

National

Democratic Representatives voted to unseat the long-term chairman of the House

The Other News

International

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Richard Helms, former Director of Central Intelligence, told Congress that the C.I.A. had become involved in domestic spying by Presidential request to deal with what he termed "the sudden and quite dramatic upsurge of extreme radicalism in this country and abroad" beginning in the late nineteenth fifties. He said the agency's basic concern was not so much with American radicals, but rather finding out whether their violence and dissent was coordinated with or funded by "anti-American subversion mechanisms abroad." [1:4.]

The American Civil Liberties Union won a \$12-million damage suit against the District of Columbia for the false arrest and infringement of the rights of 1,200 anti-Vietnam war demonstrators on the steps of the Capitol in 1971. The award is believed to be one of the largest ever won in a civil liberties suit. Individual awards to the demonstrators would average \$10,000. A spokesman for the District of Columbia's Corporation Counsel said the decision would be appealed. [1:2-3.]

The New York Secretary of State, Mario M. Cuomo, said in a report on the nursing-home industry: "There is now evidence that there are in existence a number of powerful syndicates which own multiple homes and which operate them as a big business. It would not be surprising to learn that like some other giant businesses dependent on public expenditures, the nursing-home industry had developed powerful political sources to protect its investment." [1:1.]

Governor Byrne of New Jersey, warning that his administration was faced with an immediate fiscal crisis, ordered \$66-million in state funds impounded in an attempt to head off a mounting budget deficit. The funds had been authorized under the current budget for various projects. [1:6-7.]

Quotation of the Day

"I will not be influenced by any views which are backed with threats of the bomb and the bullet. I share the feeling of outrage and disappointment of the people of Northern Ireland that the Provisional I.R.A. have today shown a total lack of concern for the people's clear call for an end to violence."—Merlyn Rees, British Secretary for Northern Ireland, commenting on the end of the I.R.A. truce in Ulster. [3:7:1.]

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CORRECTIONS

In some editions of The New York Times yesterday, the text of a report by William E. Colby, Director of Central Intelligence, to a Senate subcommittee contained an erroneous "not" that distorted the meaning of one of his statements. A corrective article appears on Page 10.

Some of the stocks in the New York Stock Exchange list from A through Q that closed at a price including the fraction 5/8 were incorrectly shown without that fraction in yesterday's issue of The Times.