

News Summary and Index

NYTimes

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The Major Events of the Day

International

Premier Chou En-lai of China believes that a world war is inevitable between the two "superpowers"—the United States and the Soviet Union—because of their "fierce competition." Nevertheless, he predicted that there would be "complete modernization" of a stable, orderly China by the end of the century. He made the statements in a speech to the National People's Congress, China's legislative body, at its meeting in Peking last week. The speech was made public yesterday. In general, the effect of the speech was a remarkable reassertion of the leadership of Premier Chou, who will be 77 years old this year. [Page 1, Column 5.]

Israel has asked the United States for more than \$2-billion in economic and military assistance for the next fiscal year, over three times the amount she currently receives from Washington, American and Israeli officials said. About \$1.5-billion of the request is for military aid. [1:1-2.]

Three Arab terrorists who held 10 hostages for 17 hours in a washroom at Orly airport in Paris released them and flew off to Baghdad in an Air France Boeing 707 jet. They first headed for Beirut, but were refused landing permission. They retraced their way and took off again. [1:1-3.]

Administration officials said that enough progress had been made in the East-West conference on European security to allow the United States to begin planning for a final meeting next summer of heads of state and government of the 35 participating countries. [1:4.]

National

A key part of President Ford's economic and energy proposals that would increase fuel prices through higher fees on imported crude oil brought the first specific challenge from Congress to his program. Senators Edward M. Kennedy and Henry M. Jackson said they would introduce a Senate resolution to delay the higher fees for 90 days. The delay, they said, would give Congress a chance "to develop fair and equitable alternatives" to the President's plan, which, they said, would lead to "massive hikes in prices of gasoline, home heating oil and electricity." [1:8.]

The Federal Reserve Board took its second major antirecession action in less than three weeks by making money for bank loans more easily available. The board's

action will release \$1.1-billion in required bank reserves and several times that amount in terms of the volume of new loans that banks will be permitted to make. [1:4.]

The General Motors Corporation became the last of the Big Three auto makers to announce substantial rebates to car buyers in an attempt to stimulate sales and lift the industry out of one of the worst slumps since World War II. The company said that rebates ranging from \$200 to \$500 would be granted to buyers of compact and subcompact cars between Jan. 13 and Feb. 22. [1:2-3.]

The Senate Democratic Caucus voted 45 to 7 to establish a bipartisan select committee—similar to the one that investigated the Watergate cover-up—to investigate all aspects of foreign and domestic operations of the Central Intelligence Agency and other Government intelligence units. The overwhelming majority in favor of the new committee was viewed as a major setback for Senator John C. Stennis, chairman of the Senate Armed Service Committee, whose traditional dominance of military matters in the Senate had gone unchallenged until the caucus vote. "What happened today was a kind of revolution," Senator Frank Church, Idaho Democrat, said. [1:1.]

A memorial service will be held in Kansas City, Mo., for Thomas Hart Benton, one of the leading American painters, who died there Sunday of heart disease. He was 85 years old. His obituary, Page 23.

Metropolitan

A State Supreme Court justice quashed subpoenas served on Bernard Bergman and others in the nursing home industry by Assemblyman Andrew J. Stein's Temporary State Commission on Living Costs. Justice Hyman Korn said the commission had exceeded its authority to investigate economic matters and had no right to investigate alleged criminal abuses by nursing home operators. [1:6-7.]

A gun battle in a Greenwich Village subway station between a policeman and a robbery suspect—touched off after a shopkeeper clad only in his underwear and raincoat had alerted the police—ended with the suspect dead and the policeman shot in the heart. The shooting occurred in the BMT station at Broadway and Eighth Street. The wounded policeman is Joseph R. Garcia, 35 years old. The suspect was identified as Charles Hunter, a former convict. [1:8.]

The Other News

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Quotation of the Day

"What conceivable good will it do for a family to receive a \$75 to \$100 tax rebate if that same family is then required to pay \$250 to \$300 more during the year for gasoline to get to and from work and to heat their homes?"—House Speaker Carl Albert, in Democrats' response to President Ford's recent speech on the economy. [16:2.]

Education and Welfare

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CORRECTION

An item on I. F. Stone, the author and journalist, that appeared in the Notes on People column in The New York Times last Saturday contained erroneous information. A corrective item appears in the column today on Page 25.