

## The Major Events of the Day

### International

The White House press secretary categorically denied yesterday that the United States was preparing three Army divisions for possible use in the Middle East. The strong denial was considered necessary because a question asked of Mr. Ford in a television interview Thursday night led to speculation whether the Pentagon in fact was preparing an expeditionary force for possible use in the Middle East. If the denial by the White House—and the Pentagon—is correct, the misunderstanding apparently resulted from a series of journalistic and official errors. (Page 1, Column 7.)

The Soviet Union reported that it had made economic progress in 1974, but official Government figures disclosed that there were numerous failures to meet goals for increased production of consumer goods. An increase in consumer items had been one of the principal objectives of the 1971-75 five-year plan. [1:7.]

Canada's Secretary of State for External Affairs, Allen J. MacEachen, said, in what his aides described as a major foreign policy statement, that Canada had reconsidered her relations with the United States and had decided to strengthen "the economy and other aspects of national life in order to secure our independence." [1:6-7.]

### National

The House Ways and Means Committee approved legislation that would not only stop President Ford from imposing higher fees on imported petroleum, but also would prevent him from taking an alternative measure he has been considering, the establishment of restrictive quotas on imports. The committee's bill would ban any Presidential action affecting oil imports for 90 days. It was approved by a vote of 19 to 15, with four oil-state Democrats joining unopposed Republican opposition. [1:8.]

A Federal Court of Appeals in Denver overturned an antitrust conviction of the International Business Machines Corporation that had ordered the company to pay \$259.5-million to the Telex Corporation, manufacturer of computer equipment. At the same time the court's judgment against Telex in a countersuit was affirmed. [1:6.]

An advisory council of prominent citizens reviewing the Social Security System, finds that benefits will start exceeding tax receipts next year by several billion dollars,

## The Other News

### International

and will recommend a change in the system's financing. The change tentatively decided upon would convert slightly more than half of the financing of Medicare for the aged to general Treasury revenues and out of the Social Security payroll tax. This would leave the Social Security tax unchanged from its present rate of 5.85 per cent for both employee and employer, but would devote more of it to the basic Social Security retirement, survivors' and disability benefits. [1:7-8.]

### Metropolitan

A thundering explosion believed by the police to have been detonated by Puerto Rican nationalists ripped through a 19th-century annex to historic Frances Tavern in lower Manhattan at lunchtime, killing three people and injuring at least 45 others. The blast roared and reverberated through the financial district. It erupted just inside the doorway at 101 Broad Street, the three-story Federal-style annex to Frances Tavern. Its second floor was occupied by the Anglers Club dining room. [1:1-5.]

John P. Scala, a security officer at St. Luke's Hospital, was shot and killed when he halted a robbery of a bank delivery at the hospital, but he critically wounded one of the gunmen. He was 45 years old and a 20-year veteran of the Police Department and was scheduled to retire Jan. 30. He had been working full-time at the hospital since Nov. 11 on accumulated vacation time and two-month terminal leave from the Police Department. [1:1-2.]

The New Jersey Supreme Court upheld two municipal ordinances that require door-to-door solicitors to register with the local police, but it ordered a little "judicial pruning" of the statutes. The court dealt separately with regulations in Collingswood, in Camden County, and Oradell, in Bergen County, and decided that, in general, the local ordinances did not violate an individual's right of free speech. [3:7-8.]

The New York State law that decontrols a rent-controlled apartment when it becomes vacant would be scrapped in legislation that will be proposed by the Beame administration. This is one of the revisions of the state's rent-control law proposed by the city administration and is among its package of housing bills that, when it is presented in Albany, faces a highly uncertain fate. [1:3.]

and will recommend a change in the system's financing. The change tentatively decided upon would convert slightly more than half of the financing of Medicare for the aged to general Treasury revenues and out of the Social Security payroll tax. This would leave the Social Security tax unchanged from its present rate of 5.85 per cent for both employee and employer, but would devote more of it to the basic Social Security retirement, survivors' and disability benefits. [1:7-8.]

## Quotation of the Day

"The U.S. is not creating a Middle East expeditionary force; is not creating three divisions to send to the Middle East. The U.S. has no plans to develop any military divisions to send to the Middle East."—Ron Nessen, the White House press secretary. [8:4.]

### Wildlife Federation issues environment report.

Patman career fell short of goals. Page 33  
Rally in British stocks continues to strengthen. Page 33  
Patents: Electric transit system is devised. Page 33  
People and Business: Ford's program scored. Page 37

### Amusements and the Arts

Phoenix stages David Hare play, "Knuckles." Page 13  
Grigory Sokolov displays piano virtuosity. Page 13  
Works by 31 artists are in portrait show. Page 22  
New sculptures by Mary Frank are shown. Page 23  
Genovese and Berlin books are reviewed. Page 25  
Army goes antique again, for 21st show. Page 29  
1966 Varma ballet film on CBS. Page 54  
Democrats reach a low TV audience. Page 55

### Energy

Analysis disputes assertions in Ford energy plan. Page 14  
General  
Police call terrorists intent on killing. Page 10  
A brief history of Frances Tavern. Page 10  
Now in Jackson Heights: se habia Español. Page 28  
Metropolitan Briefs. Page 31  
Thompson assesses his defeat by Hays. Page 31  
Police provide testimony for higher pay. Page 31  
Beame rebuffed on hospital layoffs. Page 31  
Funeral held for policeman slain in subway. Page 31  
Two hospitals here are ordered to close. Page 31  
Convicted man is accused of death plot. Page 56

### Going Out Guide

Family/Style  
Mah-Longg tournament held at Grossinger's. Page 16  
Men's styles undergoing quiet revolution. Page 16  
Obituaries  
Samuel O. Clark Jr. of Justice Department. Page 30  
Larry Fine of the Three Stooges. Page 30  
Dr. Matthew Stirling, Smithsonian archeologist. Page 30  
Harold H. Sherburne, investment banker. Page 30

### Business and Financial

Stock market makes a broad advance. Page 33  
Several large banks cut their prime rate. Page 33  
Rebates stimulate car sales in Westchester. Page 33  
Dollar slumps to new low abroad. Page 33  
Bank earnings soar despite recession. Page 33  
Timken to merge with Latrobe Steel. Page 33

### Industry and Labor

Arnold Miller faces criticism in U.M.W. Page 11  
Education and Welfare  
Neediest Cases given \$63 anniversary gift. Page 20  
Health and Science  
Ex-official calls Coast reactor unsafe. Page 14

### Sports

People in Sports: Browns call Collier back as aide. Page 18  
Dianne Fromholtz new star in tennis world. Page 18  
Miss Nadig takes Cup downhill skiing race. Page 18  
Litter, Watson share lead in Crosby golf at 139. Page 19  
Alexander adds Richey to list of tennis upsets. Page 19  
OTB is coming to Nassau in spite of opposition. Page 19  
DiGregorio of Braves set to oppose Knicks. Page 19  
Colonels' "Bird" swoops in on Nets' court. Page 19  
Forbes enters innocent plea in hockey assault. Page 19  
Janet Ely is diving victor in New Zealand games. Page 19  
New face at Vonkers is really an old hand. Page 20  
Stones hopes to break mark in Coast track meet. Page 21  
Notes on People Page 17  
Editorials and Comment  
C. L. Sulzberger on reach of Finlandization. Page 27  
Russell Baker sees Chilles joining the Okies. Page 27  
Letters on "happy" joblessness article. Page 27  
Elias Schwartzart recalls the Scottsboro Case. Page 27  
News Analysis  
Kenneth A. Briggs on Christian ecumenism. Page 17  
Iver Peterson on ethnic roles in schools. Page 56

Amer. Exchange...	38	Market Averages...	38
Bond Sales...	39	Market Place...	34
Business Brief...	37	Money...	35
Business Records...	37	Mutual Funds...	40
Commodities...	39	N.Y. Stock Exch. 34	34
Grains...	39	Out-of-Town...	38
		Over the Counter...	40