

The Major Events of the Day

International

Government officials in Jerusalem said Israel had offered a withdrawal from the western portion of the Sinai mountain passes and a corridor leading to the Abu Rudeis oilfield as part of a new interim agreement with Egypt that would last three to four years. In return, Israel would retain control of the eastern ends of the passes and access to electronic surveillance stations in the Gidi Pass. Many expected that the initial Egyptian reply would be negative but felt that the proposal might open the way to an agreement. [Page 1, Columns 2-3.]

The Supreme Court of India ruled that Indira Gandhi could continue as Prime Minister for the near future but could not vote in Parliament pending the court's full review of her appeal of a lower-court conviction on charges of electoral corruption. Her party urged her to remain in office but opposition leaders said they would stage a nationwide campaign of passive resistance unless she stepped down. [1:4.]

National

President Ford vetoed a \$1.2-billion emergency housing measure, contending that it would damage both the housing industry and the economy. At the same time he ordered the immediate release of \$2-billion for government purchase of home mortgages at subsidized rates. He also asked Congress to authorize \$7.75-billion for the existing mortgage assistance program. He called these steps the best way to meet current housing problems. [1:1.]

John Roselli, a former member of the Al Capone gang, told a closed meeting of the Senate Select Committee on Intelligence that the Central Intelligence Agency had recruited him in a plot to kill Premier Fidel Castro of Cuba, according to committee members. He was said to have filled in details without departing from previously published press reports about the plot. [1:2.]

Two of the largest international grain companies and an American affiliate of a third company are undergoing investigations as part of the spreading inquiry into the United States grain export trade, according to sources close to the inquiry. They are the Bunge Corporation, Cook Industries, Inc., and Mississippi River Grain Elevator, Inc., which is owned by Serafino Ferruzzi, an Italian financier. [1:2-3.]

Metropolitan

An Eastern Airlines Boeing 727 jetliner flying nonstop from New Orleans with 115 passengers and a crew of seven crashed in flames while attempting to land at Kennedy International Airport during an electrical storm. It was feared that 109 persons in the plane were killed. The plane struck in a relatively open section of Rosedale, Queens, at the northeastern fringe of the airport and there were no casualties reported among persons on the ground. The plane fell just short of the runway, with no immediate indication of the cause. Suspicions centered on heavy rain and shifting winds in the area at about that time. It was the first major airline disaster in the New York area since Feb. 8, 1965, when an Eastern DC-7B went down in the Atlantic shortly after take-off from New Kennedy causing the loss of 84 lives. [1:5-8.]

United States Attorneys in Newark, New York, Philadelphia and Los Angeles who have been investigating payola in the record industry have obtained indictments of 19 persons, including the presidents of Gamble-Huff Records, The Brunswick Record Corporation and Arista Records. The indictments include illegal payments to radio station personnel, income-tax evasion, mail fraud and also the interstate transportation of stolen goods. [1:1.]

New Jersey's Governor Byrne announced that unless the State Senate approved a state income tax he would cut the proposed budget by \$378-million next Tuesday. The cuts would include \$180-million in aid to local schools, \$50-million in aid to higher education and \$74-million in aid to highways and mass transportation. [1:4.]

Governor Carey formally asked the Justice Department to investigate allegations that while in Congress he had used his influence to help his brother's oil company with a lucrative oil contract. He noted that the story persisted after his public statement that newspaper reports of the allegations were unfounded. [1:5-6.]

A measure to let the New York savings bank industry offer checking accounts was killed in the State Senate after heavy lobbying against it by the commercial banks in the state. The bill would have created a \$3-billion pool to help rehabilitate substandard housing in the state. [1:7.]

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Quotation of the Day  
 "We neither associate ourselves with nor justify internal repressive actions, and will continue to make clear our concern and that of the American people over the protection and preservation of human rights." — Philip C. Habib of the State Department, speaking of South Korea and the Philippines. [1:1.]

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