

News Summary and Index

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The Major Events of the Day

International

Prince Juan Carlos de Borbón, the designated successor to Generalissimo Francisco Franco, assumed the powers of Spain's Chief of State. The transfer of power from General Franco, who is near death, to the Prince virtually marked the end of the 36-year-old Franco regime. The decision was believed to have been made final yesterday morning at a conference between Premier Carlos Navarro and the Prince, who is expected to preside over a Cabinet meeting today. [Page 1, Columns 1-2.]

President Ford asked Congress to approve foreign aid of nearly \$5-billion for the current fiscal year, an unusually large amount that includes \$3.4-billion for Israel and the Arab countries. This long-awaited \$4.7-billion military and support assistance request would supplement about \$1.3-billion in economic and humanitarian aid that is already close to approval in Congress. In addition, the Administration is asking for aid to international organizations and would allocate about \$1.5-billion in food assistance, bringing the current overall foreign-aid program to \$8-billion. The total appropriation is expected to be closely examined by Congress, particularly in light of Ma. Ford's refusal to help New York City. [1:5.]

National

President Ford and his advisers have found what they consider a central and potentially highly productive theme for his 1976 campaign: New York City must pay for its sins, and the rest of the country must learn from New York's errors or be doomed to repeat them. Officials at the Ford campaign committee in Washington privately acknowledged that one element in the President's position on New York was the conviction that "what he's saying now will play well on Election Day." They also believe that it will help to convince the public that Mr. Ford is a "real" conservative whom no one on the political right need desert to support Ronald Reagan. [1:6-7.]

Fossil evidence has been found in Tanzania by Dr. Mary Leakey that true man had evolved and lived in East Africa almost 3.75 million years ago, nearly a million years earlier than had been previously established. Dr. Leakey, widow of Louis Leakey, the archeologist, told a news conference in Washington that she had found

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International

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the jaws and teeth of at least 11 creatures that appear to belong to the genus homo, the scientific classification that includes modern man, homo sapiens. [1:1-2.]

Metropolitan

The Senate Banking Committee, voting 8 to 5, approved legislation that would provide a \$4-billion Federal loan guarantee against a New York City default. It also rejected the argument that the proposed guarantee was futile because of a threatened filibuster and Presidential veto. In the House, Speaker Carl Albert said the Democratic leadership "is 100 per cent committed to get a guarantee type of bill." The leadership agreed to make President Ford's bankruptcy proposal part of the loan-guarantee legislation, with which it would be inextricably linked. [1:8.]

Albert Shanker, president of the United Federation of Teachers, said that he was "not opposed in principle" to the use of city pension funds to guarantee loans to the city to prevent future default. He had reluctantly consented to the release of teachers' pension funds that prevented the city's default two weeks ago. Michael Mave, president of the Uniformed Firefighters Association, said that "we'll do whatever we can if it's possible." The proposal also has the backing of Victor Gothaum, executive director of the District Council 37 of the municipal employees union. [1:6-7.]

Angry and combative following President Ford's refusal to provide financial aid for New York City, Governor Carey announced that he would schedule a citywide demonstration called "Operation Alive and Kicking" to boost the city's image. At a meeting of the city's business leaders, the Governor said that the President's refusal of financial aid was "a kick in the groin." [1:7.]

President Ford made New York City's fiscal dilemma the focus of his political rhetoric at a meeting of Republican party contributors in San Francisco and derided New York officials for seeking Federal aid. In a Los Angeles television interview earlier in the day, Mr. Ford sought to absolve Vice President Rockefeller, who was Governor of New York from 1959 to 1973, of any responsibility for the dozen years of mismanagement by public officials that the President said was the source of New York City's financial crisis. [12:1-2.]

Quotation of the Day

"It isn't fair when the President of the United States hauls off and kicks the people of the City of New York in the groin, and I'm going to fight back." — Governor Carey, announcing that he would schedule a citywide demonstration as a reply to the President's rejection of Federal aid for the city. [1:7.]

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CORRECTIONS

It was incorrectly reported in The New York Times yesterday that the decline of 12.83 points in the Dow Jones industrial average on Wednesday was the largest in a month. The decline was the largest only since last Friday, when the average was down 14.64 points.

It was stated incorrectly in The Times yesterday that Westchester buses were subsidized by \$27-million a year. The correct figure is \$2.7-million.