

News Summary and Index

NTimes

TUESDAY, JANUARY 20, 1976

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The Major Events of the Day

International

President Suleiman Franjeh of Lebanon reportedly appealed yesterday to Rashid Karami to reconsider his resignation as Prime Minister, which has brought about a constitutional crisis. Mr. Karami appeared to be insisting that there be a cease-fire first between the warring Christian and Moslem factions. A new cease-fire, the 22d in three and a half months, was declared last night and, according to some accounts, Mr. Karami agreed to reconsider his resignation if this truce held. But there were reports of continued fighting. [Page 1, Columns 1-2.1]

Israel officials were deeply concerned over the intensified fighting and political chaos in Lebanon, but civilian and military sources said that Israel would not intervene unless Syria did so first. [1:1-2.1]

According to evidence obtained by the House Select Committee on Intelligence, the Central Intelligence Agency has systematically undervalued, in some cases by half, the military equipment provided to warring factions in Angola. The effect of the undervaluation has substantially diminished the face value of the American supplies. For example, under the C.I.A.'s accounting procedures, .45 caliber automatic pistols were valued as low as \$5 each, and semi-automatic .30 caliber carbines at \$7.55. [1:5-6.1]

When one of the biggest strike movements in Spain in 40 years began to disrupt train service, the Government drafted about 70,000 railroad workers. The Government had previously put 55,000 postal workers under military rule and subject to court martial for refusing to work. The draft also threatened 4,000 subway workers in Madrid after negotiations with a private subway company broke down. Labor unrest has spread through Madrid's factories, banks, insurance companies and the building trades and has affected provincial centers, notably Barcelona. [1:3.1]

National

In his State of the Union Message last night, President Ford asked Congress to reduce Federal taxes and curb Government spending, to increase the earnings base of Social Security, to spur private industry in providing new jobs, and to give states and localities more leeway in the use of Federal funds for education, health and social services. Mr. Ford also asked Congress to give

him more flexibility in the conduct of diplomacy, rather than less, and to resist the temptation to legislate "crippling" and dangerous shackles on the intelligence community. [1:8.1]

The only one of a number of major tax recommendations made by President Ford in his State of the Union Message that had not been leaked earlier would be a new kind of tax benefit that, it is hoped, would encourage more people to invest in common stocks. The tax-incentive for stock ownership would not be available to the wealthy. The Treasury Department reportedly has proposed that no one with an income of more than \$40,000. [1:7.1]

An increase in the American Telephone and Telegraph Company's long-distance rates by \$225 million a year has been approved by the Federal Communications Commission. The amount was sufficient to raise A.T.&T.'s overall rate of return on investment to 9.5 percent from 8.74 percent. [1:2-4.1]

Mayor Frank L. Rizzo of Philadelphia, who had been a policeman there, apparently has become the city's most powerful Democratic politician. He has rejected the local Democratic organization, which gave him his start in politics, and has established his own political group, called the Loyal Democratic Campaign Committee. His break with the local machine followed a bitter fight with Peter J. Camiel, chairman of the Democratic City Committee, in which Mr. Camiel seems to have been vanquished, at least locally. The Rizzo group plans to endorse a Presidential candidate in the Pennsylvania primary on April 27. The endorsement had previously come from the Camiel organization. [1:5-7.1]

Metropolitan

The United States Court of Appeals here overturned a court-ordered racial quota for New York City school principals on the ground that it was "constitutionally forbidden reverse discrimination." The quota had been imposed by a Federal district judge to protect the jobs of blacks and Puerto Ricans who were assigned relatively recently as principals or supervisors. In the reversal, the 2-to-1 decision supported a school board policy based on the seniority concept of "last-hired, first fired." [1:3-4.1]

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Quotation of the Day

"Just a year ago I reported that the state of the Union was not good. Tonight I report that the state of our Union is better—in many ways a lot better—but still not good enough."—President Ford. [18:1.]

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CORRECTIONS

An article in The New York Times last Dec. 31 said incorrectly that corruption cases involving American business in 1975 also involved the National Maritime Union.

In some editions last Thursday, an item in the Notes on People column reported erroneously that Senator John Glenn, Democrat of Ohio, appeared on French television to voice opposition to the supersonic plane. Senator Glenn was in Ohio at the time.