

News Summary

NYTimes

TUESDAY, OCTOBER 5, 1976

OCT 5 1976

International

With a shaky majority of only eight seats in Parliament, Chancellor Helmut Schmidt of West Germany moved to firm up his coalition with the small Free Democratic Party, whose leader pledged to continue the partnership. Mr. Schmidt must now attempt to solve his country's pressing economic problems. [Page 1, Columns 2-3.]

A ban on all underground explosions of nuclear weapons could result from a new Soviet proposal that may allow on-site inspection to insure that a treaty on weapons testing is being compiled with. This was the first time since the 1960's that the Russians have agreed in principle with the American insistence that on-site inspection is a prerequisite for a treaty banning all underground nuclear explosions. [1:4.]

Israel's military establishment has been revamped and refurbished since the 1973 war to such an extent that Defense Minister Simon Peres is talking about manufacturing arms rather than buying them. Mr. Peres also said in an interview that the army has remedied the mistakes and misapprehensions that arose during and before the war in much less time than expected. [18:1-4.]

Gunmen killed a member of Spain's Council of the Realm in the Basque city of San Sebastián. The victim, Juan María de Araluce y Villar, was regarded as a relatively liberal member of the Council, a group of 17 advisers to King Juan Carlos created during the Franco regime. [3:1.]

National

Resigning as Secretary of Agriculture, Earl L. Butz apologized for the "gross indiscretion" of his remarks about blacks and said that he wanted to remove "even the appearance of racism" from the campaign. President Ford, after a meeting with Mr. Butz, said he would accept the resignation of "this decent and good man," whom he described as a personal friend. [1:5-6.]

A stay on death penalties was lifted by the Supreme Court as it decided not to reconsider its decision of last July upholding the penalty for murder. The high court also agreed to hear arguments on whether capital punishment may be imposed on persons convicted of rape. [1:1.] The court, in other actions, refused to hear a wide range of civil rights cases. [36:1-2.]

An agreement in principle has been reached on all the major issues in the strike against the Ford Motor Company, according to authoritative sources. The United Automobile Workers summoned delegates from locals at Ford plants and installations to Detroit on Thursday. Union leaders said they hoped to be able to present the delegates with an agreement by then. [1:2-3.]

Despite the clamor over welds that failed inspection and despite a House committee report that predicted a year's delay, the Alaska pipeline appears likely to open on, or near, schedule in July 1977. This tentative conclusion was reached after interviews with officials responsible for the construction of the 800-mile project. [1:3.]

Charging the Ford Administration with being insensitive to human suffering, Jimmy Carter criticized its approach to inflation and unemployment. Mr. Carter, prompted by private surveys showing that economic issues were becoming decisive factors in the campaign, said that the Republicans were isolated from the human realities behind the economic figures. [29:1.]

Metropolitan

Preparations for a strike by interns and residents against 10 voluntary and four municipal hospitals went ahead as the physicians pressed their demands for union recognition. Hospital administrators generally said they did not expect much effect on patients from the strike. The interns and residents are striking over a ruling by the National Labor Re-

lations Board that classified them as students, not employees. [1:4.]

An \$83.6 million bond sale ended a year of fiscal crisis for the City of Yonkers. The City Manager, the fourth that the state's fourth largest city has had in the last two years, said the securities had been sold to a syndicate at a much lower interest rate than had been expected. The city has been able to avoid bankruptcy largely through the imposition of strict financial controls by the state. [1:5-6.]

The State Board of Elections is reviewing a staff report that questions enough of Eugene J. McCarthy's petitions to deny him a place on the New York State ballot as a Presidential candidate. The report was prepared after a challenge to the petitions by the Democratic Party that was seen as being prompted by fears that Mr. McCarthy might take votes away from Jimmy Carter in a crucial state. [38:3-4.]

Business/Finance

A balance of payments deficit of about \$50 billion will be faced by the world's oil-importing countries next year because of increased surpluses in the oil-exporting nations, according to Treasury Secretary William E. Simon. Speaking at the annual meeting of the International Monetary Fund, Mr. Simon said that countries with deficits would find it hard to borrow to cover the deficits because many countries could not afford to take on more debt. [65:6.]

Plans for a takeover by Saudi Arabia of the producing assets and concessions of the Arabian American Oil Company are expected to be completed at a meeting next Monday in Europe. Saudi Arabia now controls 60 percent of Aramco, the world's most highly valued oil operation, with the remaining 40 percent controlled by four American oil companies. [65:2-4.]

Stock prices fell slightly in the slowest trading in more than a month. The Dow Jones industrial average lost 1.91 points to close at 977.98. [65:5.] Credit markets reflected the economic slowdown with rising prices and falling rates for fixed-income securities. [66:6.] Commodity prices, led by soybean futures, rose. [77:1-2.]

Index

International

Opponent of India's Government appears in court	2
A tortuous road for Bangladesh's ricksha-wallahs	2
British and U.S. envoys meet Rhodesia's Prime Minister	3
Portuguese prepare for local elections	4
West Bank Arabs question evenhandedness of Israeli justice	8
P.L.O. opens talks on status in Lebanon	9
Western Canada opposes Trudeau programs	10
Unrest increases in Turkish labor movement	11
Barshai, Soviet conductor, asks to leave	12
Uruguay's military leaders angry at U.S. ban on arms aid	13
Israeli forces back in shape	18

Government/Politics

Assassination panel names counsel	17
Ford signs tax revision bill	24
Reported cover-up of F.B.I. burglaries under inquiry	24
Carter aides worried by money problems	30
2 candidates give views to scientists	31
Texts of Butz and Ford statements and of Butz letter	32
Asian-Americans aid Carter	34
Dole attacks Carter on foreign policy	34
Hempstead official found guilty of lying in kickback case	39
Indicted Lefkowitz aide said to have thrown party with bribe money	41
Daniel P. Moynihan: The making of a Senate candidate	43
Harlem news service sees survival in going commercial	48
Carey forming new economic-policy body	57
Buckley urges tax relief	80

General

Indian land suit worries Maine	14
Around the Nation	24

18 reporters to study Arizona crime	24
Cable cars prove costly in San Francisco	24
Economic gains linked to government jobs	26
Farmers not surprised by Butz's resignation	33
70,000 fail to get Social Security increase	42
New Jersey Briefs	47
Retired Jersey public employees held exempt from income tax	47
Boy Scouts headquarters are boon to state	47

Industry/Labor

New York policemen plan new protests today	39
Times and News meet with Paperhandlers	52

Health/Science

Mortality study panel blamed no one	20
Mass flu inoculations start this month in metropolitan area	47

Religion

Presbyterian Church reducing staff	19
Substitutes for God assailed in Yom Kippur sermon	80

Amusements/Arts

"Friends and Lovers," by Robert Brain, defines friendship and love	49
Philharmonic and struck City Opera seek musicians' pacts	53
Magdalany play, "Boo Hoo," opens	53
Ophuls's "Memory of Justice" rivets attention at film festival	54
Japanese-Soviet "Dersu Uzala" is shown at film festival	54
Harry Truman speaks out on TV	82

Family/Style

Personal shoppers aid in clothes buying	50
Couple recount how income is spent	51

Business/Finance

Tenneco signs Algeria gas contract	64
Stocks ease on fears of economic slowdown	65
G.E. profit at peaks in quarter and 9 months	65
Supreme Court bars review of electronic banking curb	65

Quotation of the Day

"The Little Apple has pulled out."—Vincent Castaldo, Yonkers City Manager, after a successful sale of a new issue of city bonds. [1:5.]

Revlon Inc. discloses questionable payments overseas	67
Taxes and Accounting: Peso-devaluation impact	70
Mark and Swiss franc decline against dollar	73
Soybean, wheat and corn futures prices rise	77

Page	Page
Advertising News .75	Market Indicators .67
Amer. Exchange .76	Market Place .66
Bond Sales .72	Money .77
Business Records .64	Mutual Funds .69
Commodities .77	N.Y. Stock Exch. .67
Corp. Affairs .64	Over the Counter .69
Foreign Exchange .77	People/Business .67
Highs and Lows .67	

Sports

Giants hurting in secondary	58
Sensational, \$22.80, wins Frizette	59
Frank Robinson re-signed by Indians	59
Royals' groundskeeper helps team	59
Marshall in all 225 Viking games	59
28 free agents left as Braun signs	59
Pitt defensive star wins matchup	61
Dibbs, Munoz gain in Teheran tennis	61
Havlicek and Celtics reach accord	62

Features/Notes

Man in the News: John A. Knebel	32
Notes on People	40
Going Out Guide	56
Issue and Debate: Series at night	61

News Analysis

Flora Lewis on German election	16
Thomas E. Mullaney discusses I.M.F. meeting	65

Editorials/Comment

Editorials and Letters	44
Tom Wicker: the election is still to be won	45
Russell Baker sizes up the candidates now	45
Kate Wenner tells of Nyerere of Tanzania	45
David Linebaugh on the 1964 Europe troop cuts	45