

News Summary

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International

Leonid I. Brezhnev has given what seems to be an indication of a desire in Moscow to cooperate with the Carter Administration. A spokesman for Mr. Carter said that the Communist Party leader had said that Moscow would "go out of its way" to avoid any crisis with the United States at the outset of the new Administration. The message was said to have been relayed through Treasury Secretary William E. Simon, who recently was in Moscow. [Page 1, Column 1.]

China's Foreign Minister was dismissed by the Government, and Huang Hua, representative at the United Nations, was appointed to replace him. No reason was given for the dismissal of Chiao Kuan-hua, but he was said to have been accused of having ties to Mao Tse-tung's widow, Chiang Ching and three other purged politburo members. [A1:2-3.]

Mao Tse-tung's Government in the 1960's built long tunnels in Dairen along Northern China's border as a precaution against an attack by the Soviet Union. The Dairen tunnels are more than 60,000 yards long and can shelter 50,000 people. They are similar to underground shelters constructed in Peking, Mukden and other major Chinese cities. Shelters also were built under farming communities. [A2:3.]

Mariano Rumor, Italy's former Prime Minister, and two former Defense Ministers were accused by a committee of Parliament of corruption and fraud in bribery scandals involving Lockheed Aircraft Corporation. The former Defense Ministers are Luigi Gui and Mario Tanassi. They and Mr. Rumor are members of Parliament. All have denied the charges. [A1:4.]

National

Cyrus R. Vance's appointment as Secretary of State in the developing Car-

ter Administration is a virtual certainty, according to sources who have spoken with Mr. Carter or Vice President-elect Walter F. Mondale. Mr. Vance was a former senior official and trouble-shooter in the Johnson Administration. The nominee for the Secretary of the Treasury is expected to be announced today. It is believed that he will be A. W. Clausen, president and chief executive officer of the Bank of America, or Irving S. Shapiro, chairman and chief executive officer of E. I. du Pont de Nemours & Co. [A1:6.]

Erwin D. Rabhan, a 50-year-old businessman who has been a close friend of President-elect Jimmy Carter, is the subject of a wide-ranging Federal investigation into alleged business fraud and accusations that money from organized crime was funneled into the Atlanta business community. Mr. Rabhan's interests, nearly all of which have failed, have included nursing homes in four states, day-care centers, a motion-picture studio and a magazine for well-to-do blacks. [A-5-6.]

The B-1 strategic bomber's initial production was approved by the Defense Department, but under a contractual arrangement that will give the Carter Administration five months to consider whether to continue one of the most expensive weapons programs ever undertaken by the Pentagon. Defense Secretary Donald H. Rumsfeld said that it was "in the national interest" to proceed with its production. [A18:1-2.]

Metropolitan

Two Harlem landlords were arrested on charges of willfully failing to provide heat and hot water for tenants in three buildings last winter. Nicholas Scoppetta, the city's Investigation Commissioner, said this was the first time that a landlord had been arrested on such criminal charges. The maximum punishment, on conviction, is a year in prison and a \$1,000 fine. [A1:5.]

Friends of Christopher Boomis, the real

estate developer, said that two \$5,000 contributions listed in Mayor Beame's campaign records as having been received from a relative and business associate of Mr. Boomis actually came from Mr. Boomis himself. The contributions were apparently a violation of the state election laws. [A1:5.]

Business/Finance

The latest steel price increases were attacked by the Ford Administration in criticism that implied that the increases were unjustified and encouraged the steel companies' customers to bargain for discounts. The Government's chief price monitor, William E. Lilley 3d, said at a news conference that at least one steel maker, was reported to be still selling at prices that prevailed before the new rise of 6 to 7 percent went into effect Wednesday. The price increases, he said, were apparently made in anticipation of price controls by the Carter Administration. [D1:6.]

The Federal Reserve Bank of New York reported that the nation's currency in circulation declined by \$2.9 billion, to \$307.9 billion, in the week ending Nov. 24 on a seasonally adjusted basis. This is another indication that the economic recovery may be faltering. Nevertheless, Arthur F. Burns, the Federal Reserve Board's chairman, still seems reluctant to adopt an expansionary monetary policy urged by Democratic economists and members of Congress. [D1:4-5.]

Retail sales gains abated in November from the highs of October despite cold, seasonal weather and preparations for the Christmas shopping season. Reports from major store chains showed mixed results for November, with most reporting smaller sales advances over November 1975, than they had in October. [D1:3.]

Stock prices declined slightly, erasing Wednesday's small advance and leading drug issues set yearly lows. The Dow Jones industrial average dipped 2.74 points to 946.64. [D1:1-2.] The Federal Reserve Bank's announcement of a \$2.9 billion decline in the nation's money supply brought a surge of trading activity and new highs for the year in bond prices. New bond issues sold more rapidly. [D3:1-2.] Soybean futures advanced for the fourth straight day in most months. [D12:1-3.]

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Quotation of the Day

"Adequate civil remedies exist for landlords who are unable to collect rent; we will not tolerate willful attempts by landlords to deprive their tenants of a safe and healthful place to live."—Nicholas Scopetta, New York City Investigation Commissioner, commenting on the arrest of two landlords for failing to provide heat. [B4:2.]

Business/Finance

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