

# News Summary

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## Business/Finance

### International

The Israeli Cabinet considered cautiously a proposal by President Anwar el-Sadat of Egypt that any Palestinian state be linked with Jordan. The Israeli Foreign Minister, Yigal Allon, told other Government leaders that President Sadat's move was a "not insignificant step." Despite official caution, other Israeli officials were privately more receptive. [Page 1, Column 1.]

Christianity and Communism in the Soviet Union have reached a state of uneasy coexistence. Neither the tenets of Marxism-Leninism nor the periodic crackdowns on believers have eradicated the church as an important part of Soviet life. There are believed to be still 30 million members of the Orthodox Church—double the size of the Communist Party. [1:2-3.]

### National

A Senate staff report said that the Government program for assuring the safety of pesticides was in a "state of chaos" that raises doubts about the protection of the public from traces of dangerous chemicals. The Environmental Protection Agency was charged with poor planning and management, with long delays in correcting allegedly serious program deficiencies and with making misleading statements to Congress and the public. [1:4-5.]

Justice Department prosecutors are reported to have concluded that they are unable to bring any major criminal charges against members of the Federal Bureau of Investigation allegedly involved in corruption in the bureau. They decided, a source in the department said, that indictments were not likely because of the negligible amounts of money involved, questions of "fairness" to those under investigation and the fact that the five-year statute of limitations on Federal prosecutions had run out in many of the cases. The prosecutors nevertheless acknowledged instances of impropriety and maladministration over many years. [1:4-5.]

Carlos Romero Barceló, the new Governor of Puerto Rico, did not mention President Ford's proposal that Puerto Rico be made a state in his inaugural address in San Juan. The Governor, a former Mayor of San Juan, supports statehood for Puerto Rico. He dealt instead with the populist themes of his gubernatorial campaign that gave him an upset victory. [14:1-2.]

Arizona's state flower, the majestic saguaro cactus that grows as high as 30 feet, is being stolen from the desert, despite protective state laws, to supply a rapidly expanding market for desert plants at prices lower than nurseries charge. [14:3-5.]

### Metropolitan

Dominic J. Baranello, the Suffolk County Democratic leader, will be appointed Democratic state chairman by Governor Carey, persons close to both men said. Mr. Baranello, one of the few county leaders to give public support to Mr. Carey in his fight for the Democratic gubernatorial nomination in 1974, will succeed Patrick J. Cunningham, who is being forced out. [1:6.]

Local communities are promised a sharply increased role in city government under New York City's new Charter, which took effect over the weekend. The local communities will also gradually assume responsibility for the delivery of most services. The charter, the first new one in 14 years, also gives the City Council and the Board of Estimate important new oversight functions, and requires the redistricting of the Councilmanic districts in time for this year's election. [1:5.]

Bronx District Attorney Mario Merola announced that a 40-year-old "jealous suitor" and a 17-year-old accomplice had been arrested and charged with setting the fire last Oct. 24 that killed 25 persons in the Bronx Social Club at 1003 Morris Avenue. The suspects are Jose Angelo Cordero and Hector Lopez, 17, both of the Bronx. [1:1-3.]

Wall Street will eventually be abandoned as the traditional center of the securities industry, mainly because trading is being taken over by computers, according to one of the first comprehensive studies of the industry. The study, funded by the New York district of the Securities Industry Association and prepared by Prof. Michael Keegan of the School of Business at New York University, also found that commercial banks, which are cutting into the securities industry's original line of business—financing government operations—are taking away customers who generally dealt with Wall Street firms. [24:4-6.]

Computerization's effect on the securities industry may be seen at Paine, Webber, Jackson & Curtis, at 140 Broadway, where time is no longer measured in minutes but in microseconds. Print and paper are being replaced by electronic signals, and computers provide desired information on screens at the touch of a key, sending information simultaneously to the firm's 1,800 stockbrokers throughout the county. [24:4-5.]

Franklin M. Jarman's removal as chairman and chief executive officer of the Genesco Corporation, a major apparel manufacturing and retailing organization, will be demanded by six dissident directors at a special board meeting in Nashville today. The six, a majority of the 10-man board of directors, have been dissatisfied with Mr. Jarman's management. The company has had a number of operational problems in recent years. It has not declared dividends on its common stock since mid-1973, and is in arrears in payments on the preferred issue. [24:3.]

The National Association of Purchasing Management, whose economic reports generally reflect the ups and downs of the nation's business, says that prospects for 1977 are brighter than they were two months ago and that there are signs that a significant rate of improvement will be felt toward mid-year. "The key factor in the rate of upturn," according to the association's latest report, lies in new capital expenditures for increasing the nation's industrial base, which will determine how many really new jobs are created. [24:1-2.]

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