

News Summary

NYTimes

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International

Abu Daoud, the Palestinian militant arrested in Paris on suspicion of responsibility for the 1972 killings in Munich of members of the Israeli Olympic team, was released after a swift judicial hearing and flew to Algeria. The court rejected requests from Israel and West Germany that he be detained pending formal extradition proceedings. It apparently accepted his lawyers' argument that Israel had no right to file such a request and that the West German request had not been properly formulated. Within hours Israel recalled its ambassador from Paris and the West German Government officially deplored the court's decision. [Page A1, Column 1.]

Cyrus R. Vance, testifying at the Senate Foreign Relations Committee hearing on his nomination by Jimmy Carter as Secretary of State in the new administration, said that in hindsight it was a mistake to intervene in Vietnam. He promised a policy of openness and proposed a policy that would let Congress influence the President's decisions on undertaking specific covert activities. Committee members were friendly during and after the three-hour session. [A1:2.]

National

The Supreme Court ruled, 5 to 3, that a suburb may refuse to change zoning restrictions whose practical effect is to block the construction of racially integrated housing for persons of low and moderate income, unless it can be shown that the zoning had an intent or purpose to discriminate. [A1:6.]

Griffin B. Bell defended his role on school desegregation in Georgia two decades ago at a Senate Judiciary Committee hearing on his nomination as Attorney General. As counsel to Gov. Ernest Vandiver then, he agreed, his actions might have contributed to de-

lay, but the law was not defied and violence was avoided. [A1:3.]

President Ford, in a White House interview shortly before leaving office, was at peace with his fate, acknowledging mixed feelings and disappointment at yielding the burden of office next week. He described the personal torment involved in the heritage of the Nixon Administration. [A1:2-4.]

The Carter Administration will start off at a moderate legislative pace, rather than flooding Congress with proposals, according to Stuart Eizenstat, the President-elect's aide on domestic affairs. The economic stimulus package will have priority, he said, along with creation of a new energy department and a request for authority to reorganize executive agencies, including the White House staff. [A:19:1.]

Metropolitan

Henry Ford 2d quit the Ford Foundation's board of trustees with a letter saying the giant philanthropic body was blurring its image, spreading itself too thin and developing a staff short on appreciation of the economic system that made it possible. He suggested that the trustees and staff examine how the foundation might act most wisely to strengthen and improve the workings of that system. [A1:4-5.]

Matthew J. Troy Jr., the former Democratic leader of Queens County who served a 55-day Federal sentence for tax evasion, faces a new sealed indictment reportedly accusing the City Councilman from Queens of grand larceny and perjury. He is scheduled to be arraigned in State Supreme Court today. He has been accused of juggling the funds of estates of his law clients, a matter which has been under investigation since last September. [A1:4-5.]

A bill to restore the death penalty in New Jersey was approved by the State Senate after an emotional two-hour de-

bate. A similar bill won overwhelming Assembly approval in November, but the approval of Governor Byrne, who earlier in the day had delivered his annual State of the State message to both houses, remained uncertain. [B2:6.]

Business/Finance

The first loan to Vietnam by the International Monetary Fund was announced in Washington, apparently with the consent of the United States, which has twice vetoed Vietnam's admission to the United Nations. The loan, amounting to the equivalent of \$35 million, is to meet Vietnam's shortfall in exports in the year ended June 30, 1976. [A1:1-2.]

Charles L. Schultze, chairman-designate of the Council of Economic Advisers of the Carter administration, told the Senate Banking Committee there was "no substance to the fear" that the Carter program for stimulating the economy might increase the country's inflation rate. [D1:6.]

International Paper Company's reporting of disappointing fourth-quarter profits touched off a selling wave on the New York Stock Exchange. The Dow Jones industrial average, of which the world's largest papermaking organization is a component, tumbled 10.22 points to 976.65 at the closing—a decline of 28 points so far in 1977. [D1:2-3.]

Capital spending will go up this year, the Department of Commerce said. It reported that the total of projected business expenditures for capital improvements and expansion would be \$135 billion, an increase of about 11.3 percent over 1976. [D1:4.]

Britain has a "healthy start on 1977," Prime Minister James Callaghan told the House of Commons, following Monday's agreement by central bankers in Basel to provide a "safety net" for sterling balances. Senior British officials are in a buoyant mood. [D1:5.]

Credit markets continued their recent pattern of gyrations ending in a moderately lower close. [D2:5-6.] Cocoa futures jumped up again, with March contracts closing up the daily limit, 4 cents a pound. [D9:5.]

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Quotation of the Day

"I'm not playing the role of the hard-headed tycoon who thinks all philanthropoids are socialists and all university professors are Communists. I'm just suggesting to the trustees and the staff that the system that makes the foundation possible very probably is worth preserving."—Henry Ford 2d, in a letter resigning as a trustee of the Ford Foundation. [B6:5.]

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