News Summary

NYTimes

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MAR 3 0 1977

### International

A Dutch official conceded after a meetnig of Spanish, American and Dutch investigators in the Canary Islands that the KLM Royal Dutch Airlines jetliner had not been cleared for takeoff when it roared down the runway and collided with a Pan American Airways jet in aviation's worst disaster. Spanish officials said the Pan American piane had been folowing orders from the tower in taxing along the runway. [Page A1, Column 6.]

The Kremlin talks took up secondary matters with agreement to set up working groups on key issues that could not be immediately resolved, Secretary of State Cyrus R. Vance said after the second day's meeting. He said the American strategic arms proposals did not come up and guessed this meant the Soviet side was giving them serious consideration. [A1:6.]

Robert F. Goheen is in line for appointment as Ambassador to India, according to reliable Washington sources. The post is viewed as more significant since the election changes in India. Mr. Goheen, a former president of Princeton, was born in India of American missionary parents and has retained close links with the country. [A1:6.]

Britain announced modest cuts in personal income taxes and promised more if the trade unions agree to another round of voluntary pay restraints to curb inflation. The move by Denis Healey, Chancellor of the Exchequer in the Labor Government, put more pressure on the union leaders to prolong their pact with the government, but the first reaction from most of them was clearly negative. [A3:1.]

#### National

Fears for the \$50 tax rebate in the Senate were expressed by high Carter Administration officials as Vice President Mondale and Treasury Secretary W. Michael Blumenthal lobbied for it with Democratic senators, many of whom consider it inflationary and ineffective. Some powerful senators have thus far declined to press for it. [A1:3-4.]

Presidential authority to reorganize the Federal government was overwhelmingly approved by the House of Representatives, but the vote followed an unexpectedly spirited debate on constitutional aspects of the proposal. Quick agreement on the measure is expected with the Senate, where a similar bill swept through on March 3. [A1:5.]

Contraceptive pills are riskier for women over 30 who also smoke heavily than any other method of birth control, according to a new analysis of British and American studies. The report prepared for the Population Council, an international family planning research organization, suggested that the pill by itself does not present an unreasonable risk of death for nonsmokers of any age, but for heavy smokers is more hazardous than pregnancy and childbirth. [A1:4-5.]

Natural rubber could be derived from guayule, a desert shrub that grows wild in the American Southwest, the National Science Foundations said. It urged an immediate research and development program looking to commercial production from this domestic source. A bill to authorize \$60 million for this development was introduced in Congress. [Al1:1.]

### Metropolitan

New York City schools will get back some of the school day that was cut as part of 1975 teachers' strike settlement under an agreement rached among the State Legislature, the city and the union on spending a \$26 million windfall from a new state-aid formula. About 1,400 of the teachers laid off at that time will be rehired. [A1:1.]

Alleged Medicaid overbilling by voluntary nursing homes and health-related facilities running into millions of dollars has been turned up by New York State Health Department auditors. Officials said the continuing review of 1970-75 accounts had found practices that could be construed as criminal if carried out by the proprietary institutions previously in the spotlight. They conceded it would be hard to establish personal gain in the case of the voluntary homes, established on a non-profit basis by religious and other charitable bodies. [Al:2.]

Maurice H. Nadjari will stay in the race for District Attorney of Queens, and reportedly will have Republican organization support despite an unfavorable rating by a committee of the county bar association. The controversial former special New York State prosecutor said he had no problem with the organization. [36.6.]

### Business/Finance

A bid for the Babcock & Wilcox Company, a leading maker of steam-generating equipment and a producer of coal- and nuclear-fired boilers, came from the United Technologies Corporation, the diversified aerospace manufacturing company. The cash offer, which could exceed \$510 million for all shares, was conditional on a "cooperative" response without legal challenges from Babcock's directors. [51:6.]

New homes in Southern California have become a speculative commodity, with investment syndicates buying them when completed and selling them a year or so later in a sizzling market that often doubles their money. Some experts complain that this accelerates the already soaring rise of home prices, and that the syndicates could be caught in a price collapse. [51:1-2.]

Ogilvy & Mather International Inc. has acknowledged to the Securities and Exchange Commission \$789,000 in questionable or unrecorded overseas payments. The company admitted that it took a sizable loss when it invested slush-fund money in its own stock. The major American advertising agency said none of the questionable practices involved illegal political contributions in the United States. [51:5.]

## Index

Fig. 1 to the Prince of	
International	
Giscard formally asks Barre to form cabinet	
Podgorny ends Zambian visit	A2
Marcos seeks to ease fears over	
pact with rebels Cambodians spurn all ties with	A2
the United States	A3
Israeli election interest focuses on three parties	
World News Briefs	A3 A4
Japan extends territorial sea limit	A
to 12 miles	A5
Carter approves \$2 billion in arms	
sales abroad	A7
Plane crash victims going to Army burn unit in Texas	A12
Grim work at crash site becomes	AIZ
businesslike	A14
C	
Government/Politics	
Califano, after smooth start, in stew over cook	
Supreme Court ourbs states' weight	A10
rules	32
House votes to extend training act	
a year	34
Joan Claybrook, Carter nominee, impresses senators	41
	71
General	
Around the Nation	A10
Indians meet Maine officials in White House	
Canceling of reading test confus-	A10
ing to pupils	36
Metropolitan Briefs	37
Little-known bureau aids victims	1
of crimes Dispute on over Mitchell-Lama	37
proposals	46
Murphy named presiding justice	40
of Appellate Division	46
Education/Welfare	
Teaching gifted skill-	
Teaching gifted children poses a problem for teachers	35
	99
Religion	
Catholics urged to drop hymn	
	40

The Living Section	
Memories of France, Toast de	4
Crevettes	15
The rich eat low on the hog	15
Whatever happened to dinner at 8?	15
Paris Fashion: Balloons and bubbles	16
Personal Health: Fiber	16
Private Lives	18
Film: Simon preparing "Goodbye	
Girl" in Hollywood	24
"Off the Wall" at Whitney	19
Music: Bonnie Raitt at blues fete	20
Books: Doubleday contests Haley's	
charges about "Roots" "Fall of Eagles"	27
"Fall of Eagles"	26
Metha's book on Gandhi	27
TV: "3 Girls," new NBC series	28
F.C.C. head decries 2 rules	28
Arts Abroad: Paris	42
Going Out Guide	22
Objection	
Obituaries	1.0
Oscar A. Silverman, formerly of	1 1 1
Buffalo U.	34
Marc J. Musser Jr., former medical	7074
chief of the V.A.	34
Elizabeth Ames, director of Yaddo, haven for artists	
naven for artists	34
Business/Finance	
Woolco opens five stores in Suf-	
folk County	51
Former champion international	)1
	51
Tunisia is building an export in-	)I
	53
	63
Sond Sales 56 Market Place	52
Commodities 63 Money	63
Counter List 50 NV Stock	50
Advi. News. 59 Exchange Rates Amer. Stocks 60 Market Place Bond Sales. 56 Market Profile Commodities 63 Money Corp. Affairs. 55 Mutual Funds Counter List. 50 N.Y. Stocks Dividends 56 Out-of-Town	63
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### Quotation of the Day

"There was no takeoff clearance, but the KLM plane took off, which is not in accordance with normal procedure. We presume that there was a misunderstanding in the KLM cockpit regarding the position of the Pan American plane on the runway."—Cor Westerneng, a KLM official, speaking on behalf of his Government's investigation about the collision of KLM and Pan American jets. [A1:6.]

Sports	:
Nettles leaves Yanks' camp, draw	8
\$500-a-day fine	43
Plot thickens as Mets thin ranks	43
Islanders in quest of first place	43
Tampa Bay, Seattle likely to shif	t ·
divisions in N.F.L.	43
N.C.A.A. event full of surprises	43
Rider banned in '74 claims foul	. 44
Stockton's rise in tennis recalls a	ι .
skinny kid here	44
Gottfried is hottest tennis player	45
Ford joins celebrities in women's	
golf on Coast	45
Another Sharkey emerges in ring	
3 Rangers join Team Canada six	46
Editorials/Comment	
Editorials and Letters	30
James Reston: the U.S. is neglect-	30
ing its children	31
C. L. Sulzberger: the shifting tri-	or
angles of Asia	31
Stewart Udall: suggestions for the	91
energy planners	31
Marc Bloom: the problems of stu-	91
dents—and teachers	21

# Weekend

shows you a good time Friday in

The New york Times

### CORRECTIONS

In an article about young people in Seattle and an accompanying photograph that appeared in The Times on Monday, the family name of a couple was given incorrectly. The correct names are David and Christine Williams.

Benjamin Disraeli, the British Conservative, was incorrectly identified as a Liberal Party leader in a dispatch from London published March 23.