

News Summary

NYTimes

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International

Early election results from Israel portended defeat for the Labor Party that has governed since the state was established, with the right-of-center Likud Party apparently to form the largest bloc in Parliament, but without an absolute majority. Its leader, Menahem Begin, was expected to be given the first chance in the complicated task of forming a coalition government. [Page 1, Column 6.]

Defense ministers of the North Atlantic Treaty Organization approved a proposal of Defense Secretary Harold Brown to increase military spending to meet growing Soviet strength in Central Europe. United States sources at the Brussels meeting said the ministers had agreed to a 3 percent increase in real spending above inflation. [A5:1-6.]

Leonid I. Brezhnev, speaking in Moscow on the eve of high-level Soviet-American negotiations in Geneva, reiterated his position that a treaty limiting offensive nuclear weapons should be based on his 1974 Vladivostok understanding with President Ford. The Soviet leader's position seemed to preclude early acceptance of comprehensive cuts that were proposed by President Carter. [A3:4-6.]

National

The House adopted the budget resolution setting tentative spending ceilings for next year by 221 to 177, with significant Republican support helping offset defections by liberal Democrats. The Senate had earlier passed the measure with its projected deficit of \$64.65 billion. [A1:2.]

President Carter toured California in what seemed like the style of a campaign front-runner, delivering a spirited defense of his programs to an enthusiastic labor audience in Los Angeles and visiting farmland in the drought-stricken San Joaquin Valley. The blitz

was designed not just to explain his policies but enhance his popularity and extend his personal contacts. [A1:5.]

Political contributions now being raised by groups representing corporations, business, professional associations and labor unions are the target of drives by the Republican and Democratic National Committees. They seek to tap this relatively new source of money to channel it where possible to close contests for governor, senator and representative. [70:1-2.]

Both the Supreme Court and Federal district courts, according to Chief Justice Warren E. Burger, have been devoting much of their time to cases involving questions of rights, including those of racial minorities, women, welfare recipients and the media. In addressing a legal group in Washington he appeared to rebut critics who say the Burger Court has reduced access to the Federal courts. [70:3-4.]

Metropolitan

Blame for the accident that took five lives when a helicopter keeled over on the Pan Am Building heliport was pinpointed by Federal investigators on metal fatigue that caused failure of a landing-gear brace. They called on the Federal Aviation Administration to order immediate inspection of that part on all other Sikorsky S-61 helicopters, pointing to at least one earlier instance of failure in that general area. It is doubted that the controversial service will resume. [A1:3-4.]

Governor Carey said President Carter had broken a campaign promise to have the Federal Government take over the entire local share of welfare costs. He said he hoped to lead his fellow Governors in a fight to convince Mr. Carey to keep his commitment. A similar demand came from Mayor Beame, who told the Senate Banking Committee that New York City could not afford to wait. [A1:6.]

Mayor Beame's proposed budget probably contains a deficit of \$53.6 million, city officials have been told by the accounting firm used by the Treasury Department to oversee New York City finances. This could mean a cutoff of Federal loans to the city if this budget, which the Mayor says is in balance, is adopted. City Comptroller Harrison J. Goldin's office disclosed this. [39:5-6.]

Business/Finance

Japan will cut back exports of color television sets to the United States over the next three years by more than 40 percent under an agreement to be signed Friday in Washington, according to American and Japanese sources there. Sets in which American workers account for at least 40 percent of the labor costs will be exempted under the arrangement. [A1:6.]

Slush funds for political contributions and other secret payments were formed by some American companies decades before the practice was exposed in the Watergate scandal, according to material made public from the files of the Securities and Exchange Commission. Data on nine companies released under the Freedom of Information Act showed, for example, that American Airlines ran an unrecorded fund in Mexico in the early 1940's, and that Ashland Oil made a corporate contribution to the Presidential campaign fund of John F. Kennedy in 1960. [A1:5-6.]

Most General Motors car owners who are entitled to exchange their car or receive an insurance policy because their engines were produced by a different division have not made up their minds what to do, a company spokesman said. But most of those who have decided have chosen the insurance. In New York, General Motors is reopening its company-owned dealership at the request of State Attorney General Louis J. Lefkowitz to facilitate car exchange for those who want it. [53:3.]

Stock prices turned down on a revised estimate of steel earnings, then recovered and closed with Dow Jones industrials up to 936.48, a gain of 3.98 for the day. Wall Street analysts were cheered to note that the blue-chip barometer had moved up nearly 11 points in the last three Stock Exchange trading sessions. [53:1-2.]

Index

International

- Tweed weavers in Scottish isles resist inroad of factories A2
 Carter asks end to white rule in South-West Africa A5
 Vietnamese defector tells of life in Hanoi A7
 Communists and Socialists in France debate future policy A8
 World News Briefs A10

Government/Politics

- House passes bill to stimulate jobs for youths A18
 Ronnie N. Eldridge enters Manhattan Borough President race 38
 Assembly passes bill to revamp mental health agency 38
 Easy registration bill defeat seen if it includes primaries 70

General

- Around the Nation A16
 Amtrak lengthens some train schedules A16
 "Gems of wisdom" from a peanut farmer A16
 N.A.A.C.P. leaders praise Bell's actions A16
 Small commune thrives on million-dollar businesses A16
 Metropolitan Briefs 39
 Doctor says laetrile relieved cancer patient's pain 39
 Abrams supports Cuomo's bid for mayoralty 39
 Ex-Carter aide working for Cuomo 39

Education/Welfare

- Teacher federation claims victory in voting 41

Health/Science

- Close watch is kept on Hawaii's rumbling volcano A18

Obituaries

- Annie Laurie Williams, author's agent 38
 Prof. Erwin W. Mueller, first man to see an atom 38

The Living Section

- Food: Is it Lindy's cheesecake? 21
 The controversial liquid protein diet 21
 60-Minute Gourmet 22
 Wine Talk 23
 Notes on People 22
 Private Lives 23
 Film: Marthe Keller's life changes dramatically 25
 Cannes festival reflects changing film industry 24
 Music: Christina Petrowska displays piano technique 25
 Steve Reich retrospective 29
 Going Out Guide 26
 Stage: Rip Torn directs "Creditors" at the Public 27
 Books: Feiffer's "Ackroyd" reviewed 31
 "The Fragmented Life of Don Jacobo Lerner" 31
 Rep. Udall startles publishers 20
 TV: CBS "Red Alert" raises specter of nuclear disaster 32
 WNET beefs up its schedule for summer 32
 Technicians strike at ABC 20

Business/Finance

- "Shuttle diplomacy" lifts hopes for OPEC accord 53
 Shareholders blur bright picture at ABC 53
 April housing starts off 11% from previous month 53
 About Real Estate: Forward Industries moves onward, outward 69
- | | Page | | Page |
|----------------|------|----------------|------|
| Advt. News | 65 | Market Place | 54 |
| Bond Sales | 58 | Market Profile | 53 |
| Commodities | 66 | Money | 64 |
| Corp. Affairs | 64 | N.Y. Stocks | 56 |
| Exchange Rates | 64 | Out-of-Town | 64 |

Sports

- Yanks win from A's, 5-2, in 15th 43
 Mets send Koosman against Giants 43
 Many believe Ali should retire 43
 Nastase and Vilas win at Rome net 43
 Jim Ulozas leads L.I. open by shot 44

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Quotation of the Day

"Mr. Carter's brother is currently employed by the United States Government. It is my hope that William Alton Carter's gems of wisdom about the minimum wage and other matters come to his brother's attention."—Representative Robert H. Michel of Illinois, commenting on an article by the President's brother that appeared in *Nation's Business*. [A16:6.]

- Meadowlands plans \$400,000 pace 44
 Cubs rout Padres, 23-6, with 7 homers for sixth in a row 46
 Miss Hamill deemed athlete of year 47

Features/Notes

- Issue and Debate: Human rights A14

News Analysis

- A. H. Raskin on wage negotiations for the Bell System 53

Editorials/Comment

- Editorials and Letters 34
 James Reston discusses the 276th Yale commencement 35
 C. L. Sulzberger: outlook for U.S. influence on South Africa 35
 Fereydoun Hoveyda: the timetable for human rights 35
 Stuart Beck on the C.I.A. in Micronesia 35

CORRECTIONS

An article in *The Times* on Monday incorrectly quoted a portion of the remarks by Willie Morris, the author, at a memorial service for James Jones. Mr. Morris said: "One of the ironies about this most unusual man is that he knew so much about human cruelty in all its manifestations—but as a person was so lacking in cruelty himself."

An article yesterday on Yale University's commencement exercises omitted from the list of persons receiving honorary degrees the names of B. B. King, the blues musician; Sir Peter Ramsbotham, the British Ambassador to the United States, and Mairead Corrigan and Betty Williams, the Northern Ireland peace workers.