

News Summary

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International

An aid accord appeared near after almost 18 months of negotiations between rich and poor nations. The agreement in Paris would involve a limited package of international economic changes under which the industrialized countries would help the poor ones. In addition to an immediate increase of \$1 billion in assistance this year, the industrial countries offered a package of measures including steps to stabilize some raw material prices and general pledges of additional aid. [Page A1, Column 6.]

An earthquake that devastated the city of Tangshan last July was described as the most deadly in China in more than four centuries by Chinese authorities, in an unusual display of candor. They said that the quake sliced a path of total destruction of 20 square miles in the center of the former metropolis of one million people. The Chinese declined to reveal the total casualties, but the data they gave a Mexican research team suggested that more lives were lost than in any other quake since 830,000 people died in China's Huasien quake in 1556, the most deadly in history. [A1:4-5.]

Eritrean independence is in sight, according to rebels who have been seeking it from Ethiopia in 15 years of fighting. The rebels have pushed Government forces into a few besieged cities and towns in the country's northernmost province and assert they are preparing offensives to take them into the provincial capital of Asmara. [A1:6.]

A charge of treason was made by Soviet authorities against Anatoly Shcharansky, a prominent Jewish dissident and human-rights activist. The formal charge is the sharpest attack in many years against advocates of an open Soviet society and reflects a growing drive by the Soviet secret police to discredit dissidents by trying to link them to the Central Intelligence

Agency. Some diplomats believe the case could have severe repercussions on Soviet-American relations. [A14:3-6.]

National

Changes in the welfare system are being prepared by officials of the Carter Administration in hopes of saving \$3 billion a year by tightening eligibility requirements. Under the plan, benefits would be withheld from many children who live with grandparents. Among those expected to suffer most would also be unmarried teen-age mothers and their children and families dependent on seasonal work, such as construction and canning. Some private experts doubt that the proposed new rules would save much money. [A1:1.]

Landmark job discrimination cases in such industries as steel and communications may have to be reconsidered following the Supreme Court ruling Tuesday upholding seniority systems that are not intentionally discriminatory, legal sources said. The Court decided 7 to 2 that seniority system that perpetuate the effects of past racial, and apparently sex, discrimination were not necessarily illegal. [A1:3.]

If the Russians undertook "serious" talks on limitation of strategic nuclear arms, said Jody Powell, President Carter's spokesman, the United States could revise plans to deploy an improved intercontinental missile warhead capable of destroying Soviet missiles in their launching silos. In a policy statement, Mr. Carter urged Congress to approve a bill to create a consumer protection agency. [A1:3-5.]

Metropolitan

No new money for schools would be provided in a New York City budget for the coming year that the City Council moved to enact after breaking off negotiations with the Board of Education. In the hours before the midnight

deadline for adopting a budget for the fiscal year starting July 1, Mayor Beame's proposal to spend \$6.5 million to construct a new Convention Center survived a major challenge. [A1:2.]

Bella S. Abzug tossed a hat, a big-brimmed black straw one, into the race for the Democratic nomination for Mayor of New York City in a ceremony attended by show-business celebrities. She then pulled a white hat from under a lectern, put it on and said, "The good guys always wear white." [42:3.]

The Atlantic City Postmaster was arrested on a charge of aiding a \$1 million robbery at the main Post Office there last Feb. 27. The Postmaster, 37-year-old Gordon F. Lawson, was indicted by a Federal grand jury on charges of having given the building's master key and other security information to four thieves accused of looting three postal vaults. [A1:1-2.]

Business/Finance

Oil moved through the Alaska pipeline will cost \$6.04 a barrel, instead of the \$5.50 a barrel expected by Federal officials, according to the Atlantic Richfield Company. The tariff rate, filed with the Interstate Commerce Commission, also shows that the cost of constructing the pipeline has mounted to perhaps \$9 billion, 10 times the original estimate of \$900 million, Arco officials said. The commission will decide whether the cost to transport the oil is justified. [47:5.]

New factory orders and shipments of manufactured products fell slightly in April, the Commerce Department reported. The biggest drop came in the auto industry, where shipments declined 8 percent from March and new orders fell 7 percent. Department analysts were not disturbed by the April report, noting that orders, shipments and inventory accumulations were strong in March. [47:2-3.]

A sharp rally paced by movie-related issues was staged by the stock market. The Dow Jones industrial average shared in the gains as it rose 7.89 points to 906.55. In the two previous weeks the index had tumbled more than 43 points. [47:1.]

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Quotation of the Day

"The budget for 1978 is on target. The economy and the future of the city are still far from it."—Felix G. Rohatyn, chairman of the Municipal Assistance Corporation, reporting to Governor Carey that New York City had balanced its budget. [44:5.]

Auto industry schedules second output for June 58

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Weekend

FRIDAY IN

The New New York Times

It's a lot more than the news