

# News Summary

NYTimes

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## International

A new national Soviet constitution has been drafted with a provision that apparently would give the Communist Party chief, Leonid I. Brezhnev, an opportunity to take over the post of President as well. The provision tends to confirm speculation that the party chief might be preparing to assume the presidency after the recent ouster of President Nikolai V. Podgorny from the Politburo. [Page 1, Column 6.]

Cuba announced that it would free 10 of the 30 Americans in its prisons and would review the rest of the cases. Of the 30 known American prisoners in Cuba, a State Department official said, seven were in prison for alleged "crimes against the state," and the others had been charged with drug-related or hijacking offenses. The release was not part of the agreement between Cuba and the United States to exchange diplomats, the department said. [1:4.]

Vietnam provided the United States with new information concerning 20 Americans listed as missing in action in the Vietnam War. The information was given as the second round of talks on establishing normal relations between the two countries ended in Paris. The talks, however, ran into a snag on the issue of United States financial aid to Vietnam. Another round of talks was agreed on in the "near future." [1:3.]

South Moluccan extremists and the Dutch Government agreed on the selection of two mediators—both highly regarded members of the South Moluccan community in the Netherlands—who will negotiate with the extremists for the release of about 60 hostages they have held captive for almost two weeks. The mediators were identified as Mrs. Josina Soumokil and Dr. Hassan Tan. They were flown to Assen where the hostages are. [6:4.]

Nomzamo Winnie Mandela, wife of Nelson Mandela, the black nationalist leader imprisoned in South Africa, has been confined to an Afrikaner settlement in the heart of the Orange Free State. Three weeks ago, the police took her from her home in Soweto, outside Johannesburg, to a black slum that is even more pitiful than Soweto. Her husband has been in prison 15 years; in that time Mrs. Mandela has been at liberty only 11 months. [1:2-3.]

Robert Rossellini, the Italian film maker, died at his home in Rome, apparently of a heart attack. He was 71 years old. He started making movies in 1940. [22:3-4.]

## National

Employment increased in May for the seventh consecutive month. The Bureau of Labor Statistics reported that the number of people working rose by 385,000 to another new high of 90,408,000. That brought the rise in employment since October to nearly 2.7 million. The national unemployment rate dipped below 7 percent for the first time in two and a half years, the bureau said. [1:5.]

The sharp jump in the inflation rate may be ending. The Labor Department's Wholesale Price Index, a key inflation barometer, rose in May by well under half the rate in the preceding three months. Economists warned of reading too much significance into one month's data, but there was widespread optimism that perhaps inflation had had a setback. [1:4-5.]

A Department of Energy, with Cabinet status, was approved overwhelmingly by the House, but only for five years. The legislation establishing the department would expire Dec. 31, 1982 under a "sunset" amendment designed to force Congress to review the department's work carefully before authorizing its continuance. The Senate bill authorizing the department, passed

May 18, had no such amendment, but he Senate Government Affairs Committee, which will provide conferees to make adjustments between the two bills, supported general "sunset" legislation last year. [1:1.]

## Metropolitan

Mayor Beame told the watchdog critics of his 1977-78 budget that their past predictions had been wrong and that their present ones would be, too. "Despite all the gloomy predictions of the past, we made it, and we will continue to make it," the Mayor told a meeting of the Emergency Financial Control Board, which indicated that despite misgivings the budget would be approved. [1:1-2.]

Important gaming interests accelerated their activities to establish themselves in Atlantic City following the Governor Byrne's signing of legislation permitting casino gambling there. It was announced that the prime broadwalk site of the old Traymore Hotel had been leased to Caesars' World, owner of Caesar's Palace Hotel and Casino in Las Vegas. [23:4-6.]

## Business/Finance

Reacting to favorable economic news, stock prices generally advanced in heavier trading, bringing the Dow Jones industrial average up 9.08 points to 912.23 its high for the day. Rising issues outnumbered declining ones by more than 2 to 1. Prices began to move up when the Labor Department reported the smallest increase in nine months in wholesale prices. [25:6.]

Detroit's auto makers reported that they sold 15 percent more new cars in the last 10 days of May than the same period a year ago. The market for imports also showed continued exceptional strength. About 311,491 domestic cars were sold in the period from May 21 to 31. [25:4-5.]

Citibank did not move toward a higher prime rate on its corporate loans as it might have done. The bank declined to comment on whether Washington had affected its decision. The bank raised its base rate from 6¼ percent to 6½ percent on May 13 and to 6¾ percent on May 27. Under the formula used by the bank, the bank's rate would be 6.94 percent—closer to 7 percent. [25:1-2.]

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## Quotation of the Day

"We will proceed today under Robert's Rules of Order. And the Marquis of Queensberry rules will be in effect as well."—Governor Carey, at a meeting of the Emergency Financial Control Board on the city's budget. [1:2.]

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## CORRECTION

The map of today's Central Park food festival that appeared in yesterday's New York Times contained inaccuracies. A corrected map appears on page 10.