

News Summary

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International

With a commitment for a higher average rate of economic growth next year as a means of cutting back rising unemployment, the United States and other major industrial nations of the Organization for Economic Cooperation and Development ended their ministerial meeting in Paris. An average growth rate of 5 percent for next year is the goal of the organization's 24 member countries. This is one percentage point more than the 4 percent average rate the countries in aggregate are likely to achieve this year. [Page 1, Column 6.]

Following a report from President Valéry Giscard d'Estaing on Leonid I. Brezhnev's visit to Paris, Secretary of State Cyrus R. Vance said that Soviet-American relations were "very satisfactory." But later Mr. Vance said at a news conference that there were "trouble spots" and some "positive areas." In Paris, Soviet sources made it clear that they were uncertain about President Carter's intentions, and French sources said that almost all of what Mr. Brezhnev said and signed in Paris this week was addressed to President Carter. [1:5.]

A black activist bishop from Tanzania was elected head of the 58-million member Lutheran World Federation. Bishop Josiah M. Kibira, 52 years old, was elected president by delegates to the organization's sixth assembly meeting in Dar es Salaam. The Federation's headquarters are in Geneva. [1:2.]

A suspended French archbishop was warned by Pope Paul VI that he risks an "irreparable" break with the Roman Catholic Church if he proceeds with plans to ordain 14 priests in defiance of a papal ban. Archbishop Marcel Lefebvre, who has established a seminary in Switzerland without Vatican authorization, was suspended from all priestly duties last July 24. [1:2-3.]

National

The Senate refused to give the Administration money to carry out President Carter's pardon of Vietnam draft resisters. Voting 44 to 38, it defeated an amendment by Senator Mark O. Hatfield, Republican of Oregon, to strike a provision denying the funds, which had been approved by the House as part of a \$7.7 billion funding bill for several Government departments. [1:5.]

A voluntary payment of \$6,000 to the Internal Revenue Service was offered by President Carter when his 1976 income tax return showed that, because of investment credits and deductions, he owed no tax on a gross income of almost \$55,000. The President asked the district director of the I.R.S. in Atlanta to accept the payment "because of my strong feeling that a person should pay some tax on his income." [1:3-4.]

The authority of states to provide aid to parochial schools was somewhat strengthened by the Supreme Court. The aid that a state may give, the Court ruled, includes standardized tests and test-scoring services, such as achievement tests, if it provides them to public schools. [8:1-2.]

Metropolitan

New York City's financial plan and budget for the fiscal year beginning July 1 was unanimously approved by the Emergency Financial Control Board, which also formally requested a \$750 million seasonal loan from the Federal Government. Treasury Secretary W. Michael Blumenthal, however, said that additional information on the city's finances and its plans to sell municipal securities was needed before the loan could be considered. [1:1.]

The property tax base in New York City has declined this year by \$215 million to a total of \$38.61 billion, the

City Tax Commission said. It was the second decline in two years. [34:1-2.]

All the highway patrol cars operated by the New York City Police Department will be equipped with radar to help enforce speed limits. All cars will have lightweight hand-held radar "guns" that will provide an instant digital mileage reading. The equipment's purchase is being made possible by a Federal grant. [1:4-6.]

Terminal cancer patients would be given the controversial drug laetrile under a bill approved by the Senate in Albany. The bill is one of two concerning laetrile that are scheduled for enactment by the Legislature. The other is much broader in scope, authorizing the substance for anyone who has contracted cancer. [34:1-2.]

Business/Finance

Corporations chartered in tax-lentent Delaware but doing business outside the state may not have their shares seized when they are being sued and the suit originates in Delaware, the Supreme Court ruled. The decision affects stockholders only of corporations chartered in Delaware because it was the only state—until yesterday—that permitted its courts to "sequester" stock as a means of enforcing nonresident defendants to be present at civil actions. [25:6.]

Higher short-term interest rates on Federal funds have been set by the Federal Reserve Bank to slow the inflationary growth of the money supply. The central bank made the decision in mid-May. The records of the 12-member Open Market Committee's monthly meeting are released after a month's lag. The basic rate in the money market will fluctuate between 5¼ percent and 5¾ percent, up from a range of 4½ percent to 5¼ percent adopted at the committee's April meeting. [25:1.]

As worry over a rise in interest rates lessened, a general advance was made by the stock market in continued heavy trading. The Dow Jones industrial average started upward early and closed at 929.70, a gain of 4.33 points. The heavy turnover this week mostly represented activity by institutions, which attempted to enhance their June quarterly reports. [25:1-2.]

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Quotation of the Day

"When someone knocks on your door with a gun, you don't answer with a Bible."—Bishop Josiah M. Kibira, a black activist bishop from Tanzania chosen to head the Lutheran World Federation, referring to the use of force by movements to overthrow minority rule in Africa. [4:5.]

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CORRECTION

An article on Samuel Gompers Vocational High School in The Times on June 13 incorrectly reported that Hank Crystal, a teacher at the school, had said: "We were all looking forward to a black principal because we thought it could be a good experience. But we're still waiting for the real black principal." The remark was made by a former student.