

# News Summary

NYTimes

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JUL 1 1977

## International

The Security Council decided unanimously to ask member countries of the United Nations to give "material" assistance to Mozambique to help it defend itself against attacks by forces of Rhodesia's white-minority Government. Mozambique had appealed to the council for aid. The Rhodesian Government says that its forces have raided Mozambique to destroy the bases from which black nationalist guerrillas raid Rhodesia. [Page A1, Column 2.]

A moratorium on further comments about details of a projected Middle East settlement was imposed by President Carter until Prime Minister Menahem Begin of Israel arrives in Washington for talks on July 19. The President also pledges to give "pre-eminent" priority to Israel's survival. He was obviously concerned about the sharp reaction from Israel's supporters in the United States to recent Administration statements that seemed to put pressure on Mr. Begin. [A1:3.]

President Carter at his news conference said that he did not agree "that there are growing difficulties" between the United States and the Soviet Union. He said that Soviet-American relations were not in trouble and that he hoped to meet with Leonid I. Brezhnev this year. [A1:4-5.]

A terse announcement by Tass, the official Soviet press agency, left the impression that a meeting between President Carter and Leonid I. Brezhnev was far from certain, but still possible. Tass, in response to reports that a meeting would be held soon, said that the meeting had been proposed by the United States and that the discussion was preliminary. [A11:3-4.]

The oil pricing split within the Organization of Petroleum Exporting Countries has been settled with agreement that there will be no further price rises this year. This was disclosed in an

interview in New York by Venezuela's President Carlos Andrés Pérez. OPEC announced Wednesday that nine of its members in a show of unity with the rest of the members would cancel a 5 percent price increase that had been scheduled to take effect today. [A1:2-3.]

## National

President Carter announced his opposition to production of the B-1 bomber. He said that the B-1 was too costly and was unnecessary in view of the development of the cruise missile. The decision, he said, was one of the most difficult he has made since taking office. [A1:6.]

Air bags or automatic shoulder restraints are to be installed in all 1982 model standard and luxury cars, and in all smaller cars when the 1984 model is ready, under an order by Transportation Secretary Brock Adams. He estimated that air bags would add \$100 to \$300 to the price of a car, and that shoulder restraints would cost \$25 to \$100. His order will become effective in 60 days if it is not overturned by Congress. [A1:1.]

There were no cheers in Detroit over Transportation Secretary Adam's order. Comments from the auto makers indicated resignation, skepticism or scorn. General Motors issued a brief statement saying that if Congress upholds the order, the company "intends to do the best possible job to equip our cars with passive restraints in accordance with the regulations." [A24:1-3.]

## Metropolitan

The \$90 million that New York City thought it would save through cancellation in 1975 of 12 school construction projects has withered away. The projected saving has been cut by the \$7.5 million it has cost to close the building sites and to protect them from vandalism, and an additional \$21.3 million that, it is expected, will have been

paid to settle claims against unfulfilled construction contracts. [A1:1-2.]

Justice Irving H. Saypol of the New York State Supreme Court, died at his home in Manhattan of cancer. He was 71 years old and had been on the bench until a few days ago. He was the Federal prosecutor in the sabotage-and-conspiracy trial of Julius and Ethel Rosenberg. The Rosenberg case was one of numerous notable in which he was involved, as a prosecutor or justice. He had been a justice for 26 years. From 1949 to 1951 he was the United States Attorney for the Southern District of New York. [A21:1-3.]

## Business/Finance

A 1.2 percent increase in May business inventories—the biggest in more than two years—was an indication of a potential sales "explosion" that could foster economic growth, the Commerce Department said. Orders continued to run ahead of shipments, which further swelled backlogs of unfilled orders. Backlogs have increased by \$10 billion since August. Shipments will have to increase if the sales potential is to be fulfilled, the department said. [D1:6.]

"Everybody's in a state of shock," said a young engineer at the Rockwell International plant in Los Angeles, where the B-1 supersonic bomber canceled by President Carter was to have been produced. Rockwell was looking forward to an order for more than 200 B-1's at a price of more than \$90 million that meant not only jobs but long-term company earnings. Rockwell's president, Robert Anderson, said the cancellation would have "a minimal effect on earnings this year." However, he added, the company will lose the long-term potential of production. His remarks were regarded in some quarters as an understatement. [D1:1-5.]

Its first advance in a dull week was made by the stock market. President Carter's decision against production of the B-1 supersonic bomber had no apparent effect on the market's overall performance, but the shares of Rockwell International, the bomber's prime contractor, declined by more than 4 points. The Dow Jones industrial average rose 2.97 points to 916.30. Rising issues outnumbered declining ones by an 8-to-5 ratio. [D1:1-3.]

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## Quotation of the Day

"I think that in toto the B-1, a very expensive weapons system basically conceived in the absence of the cruise missile factor, is not necessary."—President Carter. [A1:6.]

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## CORRECTION

The headline on a story in The Times yesterday about fraud in a summer program to feed needy children said erroneously that the project involved "school lunches." The New York City Board of Education was not involved in the projects under investigation.