

News Summary

NYTimes

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International

Ambassadors in Moscow were advised by Leonid I. Brezhnev to report Soviet policies to their governments "objectively" so that an atmosphere of good will might be established. He criticized no ambassador or country by name, but Soviet broadcasts sharply stepped up their attacks on the United States. Mr. Brezhnev appeared in robust health as he spoke at a Kremlin reception at which the Moscow diplomatic corps presented congratulations on his recent accession to the Presidency. His assumption of the Soviet Presidency has confirmed Mr. Brezhnev's stature as the most powerful man in the Soviet Union, but the question persists as to his successor. [Page 1, Columns 1-2.]

China was described as being filled with discontent and disillusionment over frequent purges and political shifts by the Chinese fighter pilot who defected to Taiwan on Thursday. "Whatever they say, no one trusts them any more," Fan Yuan-yen, an Air Force squadron chief, said of China's leaders at a news conference in Taipei. [1:3.]

March Chagall's 90th birthday was celebrated at a concert in Nice given under the sponsorship of the French Government. Some of the world's leading musicians accompanied the National Orchestra of the Monte Carlo Opera. The hall was hung with many of Chagall's paintings, which were borrowed for the occasion. [1:3-4.]

National

The number of Americans with jobs increased for the eighth straight month in June, but the unemployment rate edged upward to 7.1 percent of the labor force from 6.9 percent in May. The employment statistics were given in one of two Government reports. The other report said that inflationary pressures on the economy eased consider-

ably. A substantial drop in food prices contributed to a decline of six-tenths of 1 percent last month in the Labor Department's Wholesale Price Index. It was the sharpest fall in nearly four years. [1:6.]

Families that adopt hard-to-place children may get Government subsidy. The Administration plans to endorse next week legislation that would provide the subsidies, said Joseph A. Califano Jr., Secretary of Health, Education and Welfare. He said that the subsidies, which could amount to several thousand dollars a year to each family as long as their adopted child was dependent, would be part of the Carter Administration's effort to find alternatives to abortion. [1:4.]

The Washington and Los Angeles offices of the Church of Scientology were raided by agents of the Federal Bureau of Investigation who were searching for Government documents allegedly stolen by persons described as operatives of the church. Church operatives also allegedly forged Internal Revenue Service credentials and bugged a conference room in which I. R. S. officials were scheduled to discuss the church's tax-exempt status. [1:5.]

Metropolitan

New York legislative leaders and Governor Carey announced agreement on a wide-ranging measure that would give economic incentives to business, raise unemployment and disability benefits and mandate disability payments to pregnant employees. [1:5.]

Bonnie Jean Garland, a 20-year-old Yale senior and daughter of a Manhattan lawyer, was killed Thursday at her family's home in Scarsdale in a hammer attack by a young man described as her boyfriend. Richard J. Herrin, 23, of Los Angeles, surrendered to an upstate priest and confessed the authorities said. The police said he was ap-

parently distraught over an attempt by Mis Garland to break off their two-year relationships. [1:1-2.]

The Port Authority's "supervisor of social services" seems to be the central figure in the inquiry by auditors of the New York State Comptroller into out-of-town trips by authority officials and their families. Carl Kleeborg, the supervisor, accompanied Commissioners William J. Ronan and Milton A. Gilbert and their wives on the recent round-the-world air tour at the authority's expense. [2:1-2.]

A Federal judge agreed to reopen the trial challenging segregation at Andrews Jackson High School in Queens and widen its scope to include the submission of evidence alleging that communities in Nassau County were responsible. [2:4.]

Business/Finance

Consumer credit increased by \$2.53 billion in May. This was a moderate decline from the preceding two months, but was still the third biggest increase ever, the Federal Reserve Board said. The steep increase is causing concern among some economists, who believe loan defaults may rise. Other economists believe that the increase reflects confidence in the economy. [2:5-6.]

Except for natural gas stocks, which have established their own bull market, stock prices generally declined. The Dow Jones industrial average, after opening higher, closed at 907.99, with a loss of 1.52 points. The first decline in wholesale prices in 10 months failed to dispel concern among investors and traders about the durability of the economic recovery and their fears that the money supply will show big gains in the weeks ahead. [2:5-6.]

The official American estimate of the Soviet Union's 1977 grain crop was increased by 4.6 percent to a record of one million tons above the record of one million tons above the record of the Department's forecast was about one million tons above the record of 223.8 million tons harvested in the Soviet Union last year. A decline in grain prices was believed likely because the new harvest coincides with worldwide grain surpluses. [2:3-4.]

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Quotation of the Day

"If the old man can do it, so can I."
—Marc Chagall, when he was told that Paul Paray, 91 years old, preferred to conduct a gala concert in Nice for the artist's 90th birthday at night rather than in the afternoon. [9:5.]

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CORRECTIONS

Due to a typesetting error, a Washington dispatch in The Times Wednesday omitted the name of a participant at a meeting of American Jewish leaders with President Carter. The list should have included Matthew Schoenwald, chairman of the American Trade Union Council for Histadrut.

An arbitration panel of the New York Stock Exchange recently ordered Paine, Webber, Jackson & Curtis, Inc., a major national securities firm, to pay \$1.1 million to Bateman Eichler, Hill Richards, a Los Angeles-based firm that lost the staff of its Fresno, Calif., office to Paine, Webber. Paine, Webber plans to contest the arbitration award and contends that it did nothing improper in hiring the Bateman Eichler personnel. Because of typographical errors, a reference to this controversy was garbled in yesterday's issue.